

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493071011080

Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047
2018
Open to Public Inspection

A For the 2019 calendar year, or tax year beginning 07-01-2018 , and ending 06-30-2019

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
Christina Freese Decker
100 Michigan St NE
Grand Rapids, MI 49503

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

☐ Yes ☒ No

H(b) Are all subordinates included?

☐ Yes ☐ No

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

H(c) Group exemption number ▶ 5981

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 health, inspire hope and save lives in 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 2018 (Part V, line 2a)

6 Total number of volunteers (estimate if necessary)

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

7b Net unrelated business taxable income from Form 990-T, line 34

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)

Expenses

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)

16b Total fundraising expenses (Part IX, column (D), line 25) ▶0

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

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

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

Matthew E Cox SVP, Chief Financial Officer

Type or print name and title

2020-03-11

Date

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN P01240455

Firm's name ▶ BDO USA LLP

Firm's EIN ▶ 13-5381590

Firm's address ▶ 200 OTTAWA AVE NW SUITE 300

Phone no (616) 774-7000

GRAND RAPID, MI 49503

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 (2018)

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐

1 Briefly describe the organization's mission
to improve health, inspire hope and save lives

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 \$ 754,281,914 including grants of \$) (Revenue \$ 758,989,898)
See Additional Data

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 ► 754,281,914

Part IV Checklist of Required Schedules

		Yes	No	
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16		No
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20a	Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		
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		No
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

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck 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	415
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	5,010	2b	Yes	
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)				2b	Yes	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?				3a	Yes	
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O				3b	Yes	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?				4a		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	Yes	
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?						
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year				12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.						
a Is the organization licensed to issue qualified health plans in more than one state? Note. 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		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N				15	Yes	
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O				16		No

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		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O		
1b	Enter the number of voting members included in line 1a, above, who are independent		
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?	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?		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	Yes	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Did the organization have members or stockholders?		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?		No
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	Yes	
b	Each committee with authority to act on behalf of the governing body?	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.		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?		No
10b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	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.	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	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.	Yes	
13	Did the organization have a written whistleblower policy?	Yes	
14	Did the organization have a written document retention and destruction policy?	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.	Yes	
b	Other officers or key employees of the organization.	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?	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?	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-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records:
 Celeste M McIntyre 100 Michigan St NE MC498 Grand Rapids, MI 49503 (616) 774-5083

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

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

1

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								31,696,204	1,421,198	3,931,378

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 ► 733

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.		
(A) Name and business address	(B) Description of services	(C) Compensation
CHANGE HEALTHCARE SOLUTIONS 3055 LEBANON PIKE NASHVILLE, TN 37214	IT CONSULTING	17,247,062
COGNIZANT TECHNOLOGY SOLUTIONS 500 FRANK W BURR BOULEVARD TEANECK, NJ 07666	IT CONSULTING	7,730,705
LEIDOS HEALTH LLC 705 E MAIN ST WESTFIELD, IN 46074	IT CONSULTING	7,305,384
SUN LIFE FINANCIAL PO BOX 7247-7184 PHILADELPHIA, PA 191707184	FINANCIAL SERVICES	6,987,206
DELOITTE CONSULTING LLP 38 COMMERCE AVE SW SUITE 600 GRAND RAPIDS, MI 49503	CONSULTING	5,134,753
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 ► 186		

Part VIII Statement of Revenue

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

Contributions, Gifts, Grants
and Other Similar Amounts

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
1a Federated campaigns . . .	1a				
b Membership dues . . .	1b				
c Fundraising events . . .	1c				
d Related organizations	1d	426,028			
e Government grants (contributions)	1e	24,000			
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		450,028			

Program Service Revenue

	Business Code				
2a Management Fee Revenue	561000	753,659,153	753,659,153		
b Shared Services Revenue	561000	3,323,525	3,323,525		
c Contractual Incentives	900099	1,384,073	1,384,073		
d Affiliate Physician Program	900099	355,987	355,987		
e Medical Record Fees	900099	91,937	91,937		
f All other program service revenue		175,223	166,941	0	8,282
g Total. Add lines 2a-2f		758,989,898			

Other Revenue

3 Investment income (including dividends, interest, and other similar amounts)		32,615,697			32,615,697
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					
c Gain or (loss)	43,963,408 0				
d Net gain or (loss)		43,963,408			43,963,408
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		836,019,031	758,981,616	0	76,587,387

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 ☒

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.				
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.				
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, line 15 and 16.				
4 Benefits paid to or for members.				
5 Compensation of current officers, directors, trustees, and key employees.	16,203,339	16,203,339		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	333,774	333,774		
7 Other salaries and wages.	338,615,190	338,251,985	363,205	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).	16,604,162	16,604,162		
9 Other employee benefits.	45,962,016	45,866,300	95,716	
10 Payroll taxes.	26,004,900	26,002,379	2,521	
11 Fees for services (non-employees):				
a Management.				
b Legal.	2,871,301		2,871,301	
c Accounting.	2,113,394		2,113,394	
d Lobbying.	439,359	439,359		
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).	78,866,108	78,682,615	183,493	0
12 Advertising and promotion.	28,049,713	28,016,108	33,605	
13 Office expenses.	32,721,893	32,563,314	158,579	
14 Information technology.	87,782,320	87,782,320		
15 Royalties.				
16 Occupancy.	24,632,215	24,630,715	1,500	
17 Travel.	3,635,558	3,629,083	6,475	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19 Conferences, conventions, and meetings.	3,333,645	3,328,027	5,618	
20 Interest.	-627,720	-627,720		
21 Payments to affiliates.				
22 Depreciation, depletion, and amortization.	34,429,488	34,419,515	9,973	
23 Insurance.	1,228,556	1,227,732	824	
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 Credit Card Processing Fees.	3,161,152	3,161,152		
b Dues and Subscriptions.	3,090,517	3,090,517		
c Sponsorship/Community Benefit.	1,682,047	1,682,047		
d Staff Recognition.	1,151,760	1,151,760		
e All other expenses.	7,845,023	7,843,431	1,592	0
25 Total functional expenses. Add lines 1 through 24e.	760,129,710	754,281,914	5,847,796	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part IX ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	1,500	1	1,500
	2 Savings and temporary cash investments	32,673,480	2	25,271,968
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	27,212	5	18,121
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	24,597,758	7	16,007,674
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	32,870,059	9	39,087,921
	10a Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D	10a 257,962,854		
	b Less: accumulated depreciation	10b 165,381,526	100,355,268	10c 92,581,328
	11 Investments—publicly traded securities	1,371,685,474	11	1,485,173,139
	12 Investments—other securities. See Part IV, line 11	3,418,915	12	2,804,928
	13 Investments—program-related. See Part IV, line 11	54,372,612	13	53,105,271
	14 Intangible assets	8,143,725	14	8,143,725
	15 Other assets. See Part IV, line 11	219,855,240	15	250,427,955
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,848,001,243	16	1,972,623,530	
Liabilities	17 Accounts payable and accrued expenses	135,731,034	17	135,935,181
	18 Grants payable		18	
	19 Deferred revenue	4,473	19	0
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties	51,994,734	24	59,344,271
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D	341,700,968	25	403,254,612
	26 Total liabilities. Add lines 17 through 25	529,431,209	26	598,534,064
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	1,318,570,034	27	1,374,089,466
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	1,318,570,034	33	1,374,089,466	
34 Total liabilities and net assets/fund balances	1,848,001,243	34	1,972,623,530	

Part XI Reconciliation of Net AssetsCheck 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	836,019,031
2	Total expenses (must equal Part IX, column (A), line 25)	2	760,129,710
3	Revenue less expenses Subtract line 2 from line 1	3	75,889,321
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,318,570,034
5	Net unrealized gains (losses) on investments	5	-33,958,599
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	13,588,710
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	1,374,089,466

Part XII Financial Statements and ReportingCheck 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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
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: 18007697
Software Version: 2018v3.1
EIN: 38-3382353
Name: Spectrum Health System

Form 990 (2018)

Form 990, Part III, Line 4a:

SPECTRUM HEALTH SYSTEM PROVIDES COMMON MANAGEMENT OF THE NOT-FOR-PROFIT HEALTH CARE SYSTEM ACTIVITIES CARRIED ON BY SUPPORTED ORGANIZATIONS THE SUPPORTED ORGANIZATIONS INCLUDE 14 SEPARATELY LICENSED HOSPITAL FACILITIES, MORE THAN 230 AMBULATORY AND SERVICE SITES, AND OVER 2,400 LICENSED BEDS SYSTEM-WIDE 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 OVER 825,000 MEMBERS

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	Insttutcnal Trustee	Officer	Key employee	Highest compensated employee	Former			
Richard DeVos Jr Chair	20 0	X		X				0	0	0
ROBERT ROTH Vice Chair	10 0	X		X				44,750	0	0
Sean Welsh Treasurer	10 0	X		X				37,720	0	0
Christina Freese Decker President / CEO	450 50	X		X				2,291,815	0	701,421
Richard Breon PRESIDENT / CEO - PART YEAR	480 20	X		X				4,764,822	0	46,091
Stephen Boshoven Director	10 0	X						35,207	0	0
Steve Ender Director	10 0	X						33,064	0	0
Daniel Hopp Director	10 0	X						0	0	0
Melonie Ice MD Director	10 0	X						38,750	0	0
Michael Jandernoa Director	10 0	X						28,000	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			
Mehmood Khan	10									
Director	.....0	X						30,000	0	0
Gloria Lara	10									
Director	.....0	X						29,500	0	0
M Ashraf Mansour MD	10									
Director	.....490	X						0	836,764	46,719
Mark Murray	10									
Director	.....0	X						34,000	0	0
William Payne	10									
Director	.....0	X						32,000	0	0
Michael Todman	10									
Director	.....0	X						0	0	0
Michelle Van Dyke	10									
Director	.....0	X						33,000	0	0
Matthew Cox	490									
SVP, Chief Financial Officer	.....10			X				1,169,013	0	518,400
David Leonard	500									
Secretary, SVP, Chief Legal Officer	.....0			X				1,199,082	0	324,972
Loren Hamel MD	490									
SVP, CHIEF STRATEGY OFFICER, President, Lakeland Regional Health System	.....10				X			288,032	0	52,849

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

[illegible]

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			
MICHAEL P FREED Former EVP, CFO	..... 0 0						X	3,348,651	584,434	0
Ronald Knaus Former SVP, Chief Financial Officer	..... 0 0						X	6,482,565	0	75,013
J Michael Kramer Former Highest Compensated	..... 0						X	651,259	0	0

SCHEDULE A (Form 990 or 990-EZ)	Public Charity Status and Public Support Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust. ▶ Attach to Form 990 or Form 990-EZ. ▶ Go to www.irs.gov/Form990 for the latest information.	OMB No 1545-0047
		2018
		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 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 12, 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 agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university
- 10

☐

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)
- 11

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 12

☒

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 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g
- 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

18
- 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- 10 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						
Total	18				428,686,107	0

Part II

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv), 170(b)(1)(A)(vi), and 170(b)(1)(A)(ix)
(Complete only if you checked the box on line 5, 7, 8, or 9 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) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1	Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant ")						
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)2014	(b)2015	(c)2016	(d)2017	(e)2018	(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 2018 (line 6, column (f) divided by line 11, column (f))	14
15	Public support percentage for 2017 Schedule A, Part II, line 14	15
16a	33 1/3% support test—2018. 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—2017. 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—2018. 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—2017. 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 10 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) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ► ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2018 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2017 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2018 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2017 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2018. 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—2017. 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 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d 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? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		No
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		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)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		No
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>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.</i>		
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)? <i>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.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>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).</i>	Yes	
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>	Yes	
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		No
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		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))? <i>If "Yes," provide detail in Part VI.</i>		No
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		No
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		No
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		No
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV

Supporting Organizations (continued)

	Yes	No
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?		
b A family member of a person described in (a) above?		
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		
11a		No
11b		No
11c		No

Section B. Type I Supporting Organizations

	Yes	No
1 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? If "No," describe in Part VI 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		
1		
2 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? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 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)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s)		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
1	Yes	
2 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? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s)		
2	Yes	
3 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? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard		
3	Yes	

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below		
b <input checked="" type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions)		
2 Activities Test. Answer (a) and (b) below.		
a 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? If "Yes," then in Part VI 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		
2a		
b 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? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement		
2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a 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.	Yes	
3a	Yes	
b 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	Yes	
3b	Yes	

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations			
<div>1</div> <div><input type="checkbox"/></div> <div>Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.</div>			
Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	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)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1	
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI)		
2	Acquisition indebtedness applicable to non-exempt use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	
Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<div><input type="checkbox"/></div> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

Part V

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2018 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
1 Distributable amount for 2018 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2018 (reasonable cause required-- explain in Part VI) See instructions			
3 Excess distributions carryover, if any, to 2018			
a From 2013.			
b From 2014.			
c From 2015.			
d From 2016.			
e From 2017.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2018 distributable amount			
i Carryover from 2013 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2018 from Section D, line 7 \$			
a Applied to underdistributions of prior years			
b Applied to 2018 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2018, if any Subtract lines 3g and 4a from line 2 If the amount is greater than zero, explain in Part VI See instructions			
6 Remaining underdistributions for 2018 Subtract lines 3h and 4b from line 1 If the amount is greater than zero, explain in Part VI See instructions			
7 Excess distributions carryover to 2019. Add lines 3j and 4c			
8 Breakdown of line 7			
a Excess from 2014.			
b Excess from 2015.			
c Excess from 2016.			
d Excess from 2017.			
e Excess from 2018.			

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

990 Schedule A, Supplemental Information

Return Reference	Explanation
<p>Schedule A, Part IV, Section A, Line 1 SUPPLEMENTAL INFORMATION</p>	<p>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, LAKELAND HOSPITALS AT NILES & ST. JOSEPH, INC., LAKELAND HOSPITAL, WATERVLIET, LAKELAND SPECIALTY HOSPITAL AT BERRIEN CENTER, LAKELAND HEALTH FOUNDATION, BENTON HARBOR/ST. JOSEPH, LAKELAND HEALTH FOUNDATION, NILES, CARING CIRCLE, MERCY MEMORIAL HEALTH SERVICES, INCORPORATED, 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 RELATED 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 PROMOTING 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 ILLNESSES 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 SI</p>

990 Schedule A, Supplemental Information

Return Reference	Explanation
Schedule A, Part IV, Section A, Line 1 SUPPLEMENTAL INFORMATION	<p>CK, 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 DEVISES 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)</p>

990 Schedule A, Supplemental Information

Return Reference	Explanation
Schedule A, Part V, 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 the directors/trustees of each of the supported organizations.

990 Schedule A, Supplemental Information

Return Reference	Explanation
Schedule A, Part IV, Section A, Line 5a Added, Substituted, or Removed Sup Org	AS OF 10/1/2018, SPECTRUM HEALTH SYSTEM INTEGRATED WITH LAKE LAND REGIONAL HEALTH SYSTEM, INC (#38-2609624) AND ADDED THE FOLLOWING ENTITIES AS SUPPORTED ORGANIZATIONS - LAKE LAND HOSPITALS AT NILES AND ST JOSEPH, INC (# 38-2156872) - LAKE LAND SPECIALTY HOSPITAL AT BERRIEN CENTER (# 38-3452303) - LAKE LAND HEALTH FOUNDATION, BENTON HARBOR/ST JOSEPH (# 38-2539929) - LAKE LAND HEALTH FOUNDATION, NILES (# 38-3130558) - MERCY MEMORIAL HEALTH SERVICES INC (# 38-2748035) - LAKE LAND COMMUNITY HOSPITAL - WATERVLIET (# 381368745) - CARING CIRCLE (# 38-2416086)

990 Schedule A, Supplemental Information

Return Reference	Explanation
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.

990 Schedule A, Supplemental Information

Return Reference	Explanation
Schedule A, Part IV, Section D, Line 3 Supp Org Have Significant Voice In Investment Policies	As noted below, investments of cash and/or reserves, 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.

990 Schedule A, Supplemental Information

Return Reference	Explanation
Schedule A, Part IV, Section E, Line 3a Power To Appoint/Elect Majority of Officer/Director/Trustee	The actions listed below may be unilaterally caused and/or taken by the supporting organization, within its sole and exclusive power and discretion, and shall not be deemed authorized unless and until approved by the supporting organization -Election and/or removal of the members of the supported organization's Board of Directors pursuant to the nomination, election and removal processes , -Election and/or removal of the supported organization's Chairperson of the Board of Directors, and -Hiring, discharge, and evaluation of the supported organization's President as delegated by the supporting organization's Board of Directors to the supporting organization's Chief Executive Officer (or designee)

990 Schedule A, Supplemental Information

Return Reference	Explanation
Schedule A, Part IV, Section E, Line 3b Substantial Direction Over Policies/Programs/Activities	<p>The actions listed below may be unilaterally caused and/or taken by the supporting organization, within its sole and exclusive power and discretion, and shall not be deemed authorized unless and until approved by the supporting organization</p> <ul style="list-style-type: none">-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 supporting organization (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 supporting organization 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 supporting organization,-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 supporting organization approval is required by law <p>In addition to these reserved powers of the supporting organization listed above, the supporting organization has the authority to adopt system-wide policies and procedures</p>

Additional Data

Software ID: 18007697
Software Version: 2018v3.1
EIN: 38-3382353
Name: Spectrum Health System

Form 990, Sch A, Part I, Line 12g - 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		
(A) SPECTRUM HEALTH HOSPITALS	381360529	3	Yes		282,806,967	0
(A) SPECTRUM HEALTH PRIMARY CARE PARTNERS	381358164	3	Yes		78,726,398	0
(B) SPECTRUM HEALTH UNITED	381358412	3	Yes		11,975,376	0
(C) NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION	381359517	3	Yes		9,375,737	0
(D) SPECTRUM HEALTH CONTINUING CARE	383242232	9	Yes		8,649,657	0
(E) MECOSTA COUNTY MEDICAL CENTER	381368744	3	Yes		7,787,586	0
(F) ZEELAND COMMUNITY HOSPITAL	381411184	3	Yes		7,330,935	0
(G) REED CITY HOSPITAL CORPORATION	382770076	3	Yes		6,831,373	0
(H) MEMORIAL MEDICAL CENTER OF WEST MICHIGAN	381359266	3	Yes		6,675,064	0
(I) PENNOCK HOSPITAL	381360562	3	Yes		6,294,009	0
(J) LAKELAND HOSPITALS AT NILES AND ST JOSEPH INC	382156872	3	Yes		2,221,005	0
(K) SPECTRUM HEALTH FOUNDATION	382752328	7	Yes		12,000	0
(L) LAKELAND SPECIALTY HOSPITAL AT BERRIEN CENTER	383452303	3	Yes		0	0
(M) LAKELAND HEALTH FOUNDATION BENTON HARBORST JOSEPH	382539929	7	Yes		0	0
(N) LAKELAND HEALTH FOUNDATION NILES	383130558	7	Yes		0	0

Form 990, Sch A, Part I, Line 12g - 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		
(P) MERCY MEMORIAL HEALTH SERVICES INC	382748035	9	Yes		0	0
(A) LAKELAND COMMUNITY HOSPITAL - WATERVLIET	381368745	3	Yes		0	0
(B) CARING CIRCLE	382416086	7	Yes		0	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.
▶Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2018

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 (see instructions for definition of "political campaign activities")	
2	Political campaign activity expenditures (see instructions)	▶ \$ _____
3	Volunteer hours for political campaign activities (see instructions)	_____

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-
1				
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

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) 2015	(b) 2016	(c) 2017	(d) 2018	(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		48
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		283,006
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		156,305
j	Total. Add lines 1c through 1i			439,359
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, Government Relations/Public Policy 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, 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.
► Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2018

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?

☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" 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)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

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

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

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" on Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	(c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance				
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

b

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

	Yes	No
3a(i)		
3a(ii)		
3b		

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" on 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)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings		12,356,036	2,585,937	9,770,099
c Leasehold improvements		8,767,686	5,670,820	3,096,866
d Equipment		14,593,082	6,278,795	8,314,287
e Other		222,246,050	150,845,974	71,400,076
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶				92,581,328

Part VII

Investments—Other Securities. Complete if the organization answered "Yes" on Form 990, Part IV, line 11b.
See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other _____		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12) ▶		

Part VIII

Investments—Program Related.
Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13) ▶		

Part IX

Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1) Post Retirement Benefits	130,603,956
(2) Due From Affiliates	74,860,582
(3) Other Assets	44,963,417
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ▶	250,427,955

Part X

Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f.
See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
Due to Affiliates	45,454,984
Post Retirement Benefits	146,083,929
SWAP Market Value	105,034,888
Insurance	96,023,308
Other Liabilities	10,657,503
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	403,254,612

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

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.

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

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.

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

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 <i>(continued)</i>
------------------	--

Return Reference	Explanation
------------------	-------------

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.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization
Spectrum Health System

Employer identification number
38-3382353

Part I Questions Regarding Compensation		Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
<input checked="" type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use		
<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Tax indemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)		
b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study		
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 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			
a Receive a severance payment or change-of-control payment?	4a	Yes	
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes	
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c		No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5 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			
a The organization?	5a		No
b Any related organization?	5b		No
If "Yes," on line 5a or 5b, describe in Part III			
6 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			
a The organization?	6a		No
b Any related organization?	6b		No
If "Yes," on line 6a or 6b, describe in Part III			
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		No
8 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
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

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.

See Additional Data Table**Schedule J (Form 990) 2018**

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.

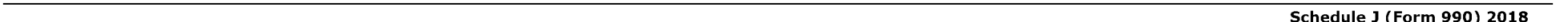
Return Reference	Explanation
Schedule J, Part I, Line 1a First-class or charter travel	The organization has provided first class travel and/or charter travel for certain executive employees and/or board members in limited situations. First class and/or charter travel is utilized when commercial air travel was not available for a destination, or not efficient due to schedules and/or connections, and also for bi-annual board retreat travel. In limited situations where first class 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.

Return Reference	Explanation
Schedule J, Part I, Line 1a Travel for companions	The organization provided companion travel for six executive employees. The related amounts were treated as taxable compensation and included in Form W-2.

Return Reference	Explanation
Schedule J, Part I, Line 1a Health or social club dues or initiation fees	The organization provided health club dues for nine executive employees. These amounts were treated as taxable compensation and included in Form W-2.

Return Reference	Explanation
Schedule J, Part I, Line 4a Severance or change-of-control payment	\$621,812 RONALD KNAUS \$98,025 STEVEN HEACOCK \$223,136 LEONARD LEVY \$428,730 J MICHAEL KRAMER

Return Reference	Explanation
Schedule J, Part I, Line 4b Supplemental nonqualified retirement plan	<p>\$2,294,061 RICHARD BREON \$173,088 MATTHEW COX \$446,515 JILL FERRIS \$3,933,085 MICHAEL FREED \$807,444 CHRISTINA FREESE DECKER \$1,211,883 STEVEN HEACOCK \$525,201 ROGER JANSEN \$49,120 JASON JOSEPH \$2,928,406 RONALD KNAUS \$222,529 J MICHAEL KRAMER \$442,484 DAVID LEONARD \$286,097 LEONARD LEVY \$12,219 CELESTE MCINTYRE \$463,482 PATRICK O'HARE \$323,331 PAMELA RIES \$29,222 LORI SMITH \$602,765 SETH WOLK</p> <p>SCHEDULE J, PART I, LINE 4B IS ANSWERED "YES" BECAUSE CERTAIN INDIVIDUALS, DO "PARTICIPATE IN" SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN(S) SOME INDIVIDUALS RECEIVED DISTRIBUTIONS DURING THE YEAR (AS REPORTED ON THIS LINE) WHEREAS OTHERS PARTICIPATED IN THE PLAN(S) BUT DID NOT RECEIVE DISTRIBUTIONS DISTRIBUTIONS REPORTED ON THIS LINE ARE ALSO INCLUDED IN SCHEDULE J, PART II, COLUMN F AS COMPENSATION REPORTED IN A PRIOR YEAR WHILE ALSO BEING REPORTED IN THE CURRENT 990 AS TOTAL COMPENSATION THIS INCLUDES CERTAIN PAYMENTS IN 2018 OF A LONG-TERM INCENTIVE BONUS PLAN FOR CERTAIN KEY EXECUTIVES THAT HAS A THREE YEAR MEASUREMENT PERIOD ENDING JUNE 30, 2018 The nonqualified retirement plans are an industry standard and are subject to the funding requirements of nonqualified deferred compensation plans under ERISA and federal tax regulations</p>



Additional Data

Software ID: 18007697
Software Version: 2018v3.1
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				
Christina Freese Decker	(i)	1,003,664	1,274,243	13,908	557,571	143,850	2,993,236	807,444
President / CEO	(ii)	0	0	0	0	0	0	0
Richard Breon	(i)	1,354,065	3,261,657	149,100	24,750	21,341	4,810,913	2,294,061
PRESIDENT / CEO - PART YEAR	(ii)	0	0	0	0	0	0	0
M Ashraf Mansour MD	(i)	0	0	0	0	0	0	0
Director	(ii)	644,283	178,365	14,116	27,500	19,219	883,483	0
MICHAEL P FREED	(i)	0	3,348,651	0	0	0	3,348,651	3,348,651
Former EVP, CFO	(ii)	0	584,434	0	0	0	584,434	584,434
Ronald Knaus	(i)	14,118	3,343,407	3,125,040	0	75,013	6,557,578	2,928,406
Former SVP, Chief Financial Officer	(ii)	0	0	0	0	0	0	0
Matthew Cox	(i)	715,185	419,217	34,611	394,879	123,521	1,687,413	173,088
SVP, Chief Financial Officer	(ii)	0	0	0	0	0	0	0
David Leonard	(i)	498,126	679,304	21,652	230,532	94,440	1,524,054	442,484
Secretary, SVP, Chief Legal Officer	(ii)	0	0	0	0	0	0	0
Loren Hamel MD	(i)	153,088	132,000	2,944	13,390	39,459	340,881	0
SVP, CHIEF STRATEGY OFFICER, President, Lakeland Regional Health System	(ii)	0	0	0	0	0	0	0
Jason Joseph	(i)	383,723	156,939	2,182	93,886	66,443	703,173	49,120
SVP, Chief Information Officer	(ii)	0	0	0	0	0	0	0
Celeste McIntyre	(i)	257,570	90,202	4,292	76,673	62,914	491,651	12,219
SVP, Corporate Controller	(ii)	0	0	0	0	0	0	0
Patrick O'Hare	(i)	422,323	719,141	21,578	166,081	80,928	1,410,051	463,482
SVP, Facilities & Chief Information Officer - Part Year	(ii)	0	0	0	0	0	0	0
Pamela Ries	(i)	443,890	534,210	18,514	226,783	72,846	1,296,243	323,331
SVP, Chief Human Resources Officer	(ii)	0	0	0	0	0	0	0
Lori Smith	(i)	299,819	120,828	8,377	75,847	64,862	569,733	29,222
SVP, Treasury	(ii)	0	0	0	0	0	0	0
J Michael Kramer	(i)	0	222,529	428,730	0	0	651,259	222,529
Former Highest Compensated	(ii)	0	0	0	0	0	0	0
Steven Heacock	(i)	321,375	1,412,702	834,841	101,421	76,136	2,746,475	1,211,883
SVP, Public Affairs / Research - Part Year	(ii)	0	0	0	0	0	0	0
Seth Wolk MD	(i)	471,934	993,976	132,944	185,048	123,560	1,907,462	602,765
SVP, Chief Medical Officer - Part Year	(ii)	0	0	0	0	0	0	0
Roger Jansen	(i)	630,083	821,595	21,086	331,402	100,748	1,904,914	525,201
SVP, Business Development / Chief Strategy Officer - Part Year	(ii)	0	0	0	0	0	0	0
Jill Ferris	(i)	239,048	566,632	431,315	73,880	56,096	1,366,971	446,515
SVP, Finance, Payer Relations and Revenue Cycle - Part Year	(ii)	0	0	0	0	0	0	0
Leonard Levy	(i)	80,424	286,097	397,334	87,476	42,883	894,214	286,097
VP, Chief Information Security Officer - Part year	(ii)	0	0	0	0	0	0	0

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

Name of the organization
Spectrum Health System

Employer identification number
38-3382353

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

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

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

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

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1) Celeste McIntyre	Key Employee	Tuition Assistance		X	27,000	18,121		No		No	Yes	
Total						▶ \$ 18,121						

Part III Grants or Assistance Benefiting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

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

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 DEVOS, JR, A BOARD MEMBER, HAS INDIRECT OWNERSHIP IN FOUR TAXABLE ENTITIES THAT HAVE A BUSINESS RELATIONSHIP WITH THE ORGANIZATION (PART IV, LINES 1, 4, 5, & 6) MR RICHARD BREON, AN OFFICER AND BOARD MEMBER, HAS A SON AND DAUGHTER-IN-LAW WHO ARE EMPLOYED BY THE ORGANIZATION (PART IV, LINES 2 & 3) MR PATRICK O'HARE, A KEY EMPLOYEE, HAS A DAUGHTER WHO IS EMPLOYED BY THE ORGANIZATION (PART IV, LINE 7)

Additional Data

Software ID: 18007697
Software Version: 2018v3.1
EIN: 38-3382353
Name: Spectrum Health System

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
JW MARRIOT GRAND RAPIDS	BUSINESS	174,391	SEE SCHEDULE L, PART V		No
MS ALLYSON BREON	FAMILY	142,078	SEE SCHEDULE L, PART V		No

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
MR MARK BREON	FAMILY	141,582	SEE SCHEDULE L, PART V		No
AMWAY HOTEL CORPORATION	BUSINESS	131,615	SEE SCHEDULE L, PART V		No

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons					
(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
SMG DEVOS PLACE	BUSINESS	104,383	SEE SCHEDULE L, PART V		No
DP FOX SPORTS AND ENTERTAINMENT	BUSINESS	100,000	SEE SCHEDULE L, PART V		No

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
MS KRISTEN O'HARE	FAMILY	50,114	SEE SCHEDULE L, PART V		No

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury

Name of the organization
Spectrum Health System**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.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2018**Open to Public
Inspection****Employer identification number**

38-3382353

990 Schedule O, Supplemental Information

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

990 Schedule O, Supplemental Information

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

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 2 Family/business relationships amongst interested persons	MS MICHELLE VAN DYKE AND MS CHRISTINA FREESE DECKER - Business relationship, Mr Richard Breon and MS CHRISTINA FREESE DECKER - Business relationship, MR RICHARD DEVOS, JR AND MR WILLIAM PAYNE - Business relationship

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 4 Significant changes to organizational documents	THE ORGANIZATION UPDATED ITS GOVERNING DOCUMENTS TO REFLECT THE INTEGRATION OF LAKE LAND REGIONAL HEALTH SYSTEM, INC (EIN 38-2609624) AND ADDED THE FOLLOWING ENTITIES AS SUPPORTED ORGANIZATIONS LAKE LAND HOSPITALS AT NILES AND ST JOSEPH, INC (EIN 38-2156872) LAKE LAND SPECIALTY HOSPITAL AT BERRIEN CENTER (EIN 38-3452303) LAKE LAND HEALTH FOUNDATION, BENTON HARBOR/ST JOSEPH (EIN 38-2539929) LAKE LAND HEALTH FOUNDATION, NILES (EIN 38-3130558) MERCY MEMORIAL HEALTH SERVICES INC (EIN 38-2748035) LAKE LAND COMMUNITY HOSPITAL - WATERVLIET (EIN 38-1368745) CARING CIRCLE (EIN 38-2416086) ADDITIONALLY, THE BYLAWS WERE AMENDED TO (A) INCREASE THE MAXIMUM NUMBER OF DIRECTORS TO 16, AND (B) PROVIDE THAT THE BOARD OF DIRECTORS MAY MAKE EXCEPTIONS TO THE 9 CONSECUTIVE YEARS TERM LIMIT FOR DIRECTORS, FOR THE LIMITED PURPOSE OF APPOINTING A CHAIRPERSON OF THE BOARD WHO WOULD OTHERWISE NO LONGER BE ELIGIBLE FOR MEMBERSHIP ON THE BOARD DUE TO TERM LIMITS

990 Schedule O, Supplemental Information

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">1. Preparation of the return is supervised and reviewed by the Organization's Corporate Tax Manager.2. A second review is performed by an external CPA firm with expertise in tax-exempt return preparation.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 and Audit Committee and Board of Directors.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.

990 Schedule O, Supplemental Information

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 the organization's best interest 4 The Board of Directors or committee shall exercise due diligence to determine whether the organization 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 the organization's best interest and for its own benefit and whether the transaction is fair and reasonable to the organization, 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 the organization's committees shall set forth a)The names of the persons who disclosed a financial interest in a proposed transaction or arrangement involving the organization 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 conflicts of interest committee, which is comprised of individual</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 12c Conflict of interest policy	<p>duals from legal, organizational integrity, internal audit, human resources, and members of leadership for review MANAGEMENT</p> <p>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 the organization's organizational integrity department A copy of the member of management's disclosure is reviewed by the organization's COI coordinator and escalated to the Conflicts of Interest Committee if necessary 2 Annually, each member of management completes an annual conflict of interest disclosure questionnaire electronically The disclosure questionnaire is reviewed by the conflicts of interest committee, which is comprised of individuals from legal, organizational integrity, internal audit, human resources, and members of leadership 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 conflicts of interest committee 4 The conflicts of interest committee, in consultation with executive management, determines 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 the organization'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 the organization and to ensure that the organization's employees are always acting in the best interest of the organization</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 15a Process to establish compensation of top management official	<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. For FY 2019 (7/1/18-6/30/19), four health care executive compensation surveys, two medical group surveys, two pediatric hospital surveys and one health plan survey prepared by independent firms were the primary sources referenced to obtain market data for the review. * Sullivan, Cotter and Associates 2017 Survey of Manager and Executive Compensation in Hospitals and Health Systems * Integrated Healthcare Strategies 2017 HealthCare Executive Compensation Survey * Mercer 2017 Integrated Health Networks Compensation Survey, also provides data for health plans * Towers Watson 2017 Hospital and Health Care Management Compensation Report * Medical Group Management Association 2017 Management Compensation Survey * Sullivan, Cotter and Associates 2017 Physician Compensation and Productivity Survey Report * Sullivan, Cotter and Associates 2017 Custom Survey of Manager and Executive Compensation in Children's Hospitals * Warren Fall 2017 HMO Salary Survey. In addition, four general industry surveys were referenced: * Mercer 2017 Executive Compensation Survey * Mercer 2017 Information Technology Survey * Mercer 2017 Human Resources Survey * Towers Watson 2017 Top Management Compensation Report. 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 health care and / or health insurance organizations. Spectrum Health recruits nationally for its executives. Benefits data reflect national health care / 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 qualify</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Line 15a Process to establish compensation of top management official	ing 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).

990 Schedule O, Supplemental Information

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

990 Schedule O, Supplemental Information

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 www.spectrumhealth.org in the section titled "About Us" within subsection "Value and Transparency"

990 Schedule O, Supplemental Information

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, 2018 EMPLOYEES WITH COMPENSATION REPORTED IN PART VII WORK A COMBINED AVERAGE OF 50 HOURS PER WEEK FOR THE Health System

990 Schedule O, Supplemental Information

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 reviewed to confirm compensation falls within reasonable limits Any compensation amount is treated as taxable to the board member and is reported and provided to them on Form 1099

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VIII, Line 2f Other Program Service Revenue	Other operating income - Total Revenue 175223, Related or Exempt Function Revenue 166941, Unrelated Business Revenue , Revenue Excluded from Tax Under Sections 512, 513, or 514 8282,

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part IX, Line 11g Other Fees	PURCHASED SERVICES - Total Expense 45754126, Program Service Expense 45606611, Management and General Expenses 147515, Fundraising Expenses , CONSULTING FEES - Total Expense 31306947, Program Service Expense 31270969, Management and General Expenses 35978, Fundraising Expenses , OTHER PROFESSIONAL FEES - Total Expense 1805035, Program Service Expense 1805035, Management and General Expenses , Fundraising Expenses ,

990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part XI, Line 9 Other changes in net assets or fund balances	VALUATION ALLOWANCE - -1416454, MINIMUM PENSION LIABILITY - -17080638, FUNDS TRANSFER FROM SUPPORTED ORGANIZATIONS - 32085802,

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

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.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2018

Open to Public Inspection

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) SPECTRUM HEALTH INNOVATIONS LLC 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 27-2868213	IP DEVELOP	MI	10,146	339,646	SPECTRUM HEALTH SYSTEM
(2) SPECTRUM HEALTH VENTURES LLC 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 81-5424150	INVESTMENT IN HEALTHCARE INNOVATION	MI	5,051	10,401,812	SPECTRUM HEALTH SYSTEM

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.

See Additional Data Table

(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

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.

See Additional Data Table

(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

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?		Yes	No
a	Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a	Yes	
b	Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c	Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d	Loans or loan guarantees to or for related organization(s)	1d	Yes	
e	Loans or loan guarantees by related organization(s)	1e		No
f	Dividends from related organization(s)	1f		No
g	Sale of assets to related organization(s)	1g		No
h	Purchase of assets from related organization(s)	1h		No
i	Exchange of assets with related organization(s)	1i		No
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l	Yes	
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m	Yes	
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		No
o	Sharing of paid employees with related organization(s)	1o	Yes	
p	Reimbursement paid to related organization(s) for expenses	1p		No
q	Reimbursement paid by related organization(s) for expenses	1q	Yes	
r	Other transfer of cash or property to related organization(s)	1r	Yes	
s	Other transfer of cash or property from related organization(s)	1s	Yes	

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

See Additional Data Table

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

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

Return Reference	Explanation
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: 18007697
Software Version: 2018v3.1
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
100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 38-1360529	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
1840 WEALTHY ST SE GRAND RAPIDS, MI 49506 38-1358164	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 38-2752328	PHILANTHROPY	MI	501(c)(3)	7	SPECTRUM HEALTH SYSTEM	Yes	
750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-3242232	REHAB/CARE	MI	501(c)(3)	10	SPECTRUM HEALTH SYSTEM	Yes	
750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-2415333	REHAB/NRS	MI	501(c)(3)	10	SPECTRUM HEALTH CONTINUING CARE		No
750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-2786617	HEALTHCARE	MI	501(c)(3)	10	SPECTRUM HEALTH CONTINUING CARE		No
750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-1359195	HEALTHCARE	MI	501(c)(3)	10	SPECTRUM HEALTH CONTINUING CARE		No
1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-2715520	HMO	MI	501(c)(4)		SPECTRUM HEALTH SYSTEM	Yes	
1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-2663747	HMO MGMT	MI	501(c)(4)		PRIORITY HEALTH		No
1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 32-0016523	HMO (MEDICAID)	MI	501(c)(3)	10	PRIORITY HEALTH		No
615 S BOWER GREENVILLE, MI 48838 38-1297435	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH UNITED		No
300 N PATTERSON RD REED CITY, MI 49677 38-2770076	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
212 S SULLIVAN AVENUE FREMONT, MI 49412 38-1359517	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-3607110	PHILANTHROPY	MI	501(c)(3)	Type III-O	SPECTRUM HEALTH HOSPITALS		No
8333 FELCH STREET ZEELAND, MI 49464 38-1411184	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
615 S BOWER GREENVILLE, MI 48838 38-1358412	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
ONE ATKINSON DRIVE LUDINGTON, MI 49431 38-1359266	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
605 OAK STREET BIG RAPIDS, MI 49307 38-1368744	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
1009 WEST GREEN STREET HASTINGS, MI 49058 38-1360562	HEALTHCARE	MI	501(c)(3)	3	SPECTRUM HEALTH SYSTEM	Yes	
12642 Riley Street Holland, MI 494249202 38-3067954	Radiation services	MI	501(c)(3)	3	Spectrum Health Hospitals		No

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
1234 NAPIER AVENUE ST JOSEPH, MI 49085 38-2609624	PROVIDE A COMPREHENSIVE SYSTEM OF HEALTH CARE TO CITIZENS FOR THE THE COMMUNITY	MI	501(c)(3)	Type III-FI	SPECTRUM HEALTH SYSTEM	Yes	
1234 NAPIER AVENUE STJOSEPH, MI 49085 38-3452303	LONGTERM HEALTHCARE/HEALING SERVICES	MI	501(c)(3)	3	LAKELAND REGIONAL HEALTH SYSTEM INC		No
1234 NAPIER AVENUE ST JOSEPH, MI 49085 38-2539929	PROMOTE AND ASSIST IN PROVIDING HEALTH CARE	MI	501(c)(3)	7	LAKELAND REGIONAL HEALTH SYSTEM INC		No
1234 NAPIER AVENUE ST JOSEPH, MI 49085 38-3130558	PROMOTE/ASSIST IN PROVIDING HEALTH CARE SERVICES IN SOUTHWESTERN MICHIGAN	MI	501(c)(3)	7	LAKELAND REGIONAL HEALTH SERVICES INC		No
4368 CLEVELAND AVENUE STEVENSVILLE, MI 49127 38-2748035	PROVIDE HOMECARE AND LONG-TERM HEALTHCARE TO PATIENTS SOUTHWEST MICHIGAN	MI	501(c)(3)	10	LAKELAND REGIONAL HEALTH SYSTEM INC		No
400 MEDICAL PARK DRIVE WATERVLIET, MI 49098 38-1368745	TO PROVIDE GENERAL HEALTH OF THE COMMUNITY THROUGH EDUCATION AND HEALTHCARE	MI	501(c)(3)	3	LAKELAND REGIONAL HEALTH SYSTEM INC		No
4025 HEALTH PARK LANE ST JOSEPH, MI 49085 38-2416086	TO PROVIDE HOSPICE AND PALLIATIVE CARE TO THE TERMINALLY ILL	MI	501(c)(3)	7	LAKELAND REGIONAL HEALTH SYSTEM INC		No
1234 NAPIER AVENUE GRAND RAPIDS, MI 49085 38-2156872	PROVIDE A COMPREHENSIVE SYSTEM OF HEALTH CARE TO CITIZENS OF THE COMMUNITY	MI	501(c)(3)	3	LAKELAND REGIONAL HEALTH SYSTEM INC		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) PRIORITY HEALTH MANAGED BENEFITS 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-3085182	THIRD PARTY ADMINISTRATOR	MI	SPECTRUM HEALTH SYSTEM	C Corporation	302,401,797	35,005,138	100 %	Yes	
(1) SPECTRUM HEALTH PHYSICIAN ALLIANCE 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 37-1655728	PHYSICIANS	MI	SPECTRUM HEALTH SYSTEM	C Corporation	0	145,744	100 %	Yes	
(2) WEST MICHIGAN HEART 2900 BRADFORD STREET NE GRAND RAPIDS, MI 49525 38-2125186	PHYSICIANS	MI	SPECTRUM HEALTH SYSTEM	C Corporation	481,634	5,097,599	100 %	Yes	
(3) CAMPUS TOWN CENTRE CONDO ASSOCIATION 4868 LAKE MICHIGAN DRIVE ALLENDALE, MI 49401 38-2910067	MGMT	MI	NA	C Corporation					No
(4) HELEN DEVOS WOMEN'S AND CHILDREN'S HEALTH PAVILION ASSOCIATION 330 BARCLAY NE GRAND RAPIDS, MI 49503 38-3264184	MGMT	MI	NA	C Corporation					No
(5) LEMMEN-HOLTON CANCER PAVILION CONDOMINIUM ASSOCIATION 145 MICHIGAN ST NE GRAND RAPIDS, MI 49503 16-1734150	MGMT	MI	NA	C Corporation					No
(6) MUSCULOSKELETAL CENTER CONDOMINIUM ASSOCIATION 230 MICHIGAN NE GRAND RAPIDS, MI 49503 38-3180086	MGMT	MI	NA	C Corporation					No
(7) PRIORITY HEALTH INSURANCE COMPANY 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 20-1529553	INSURANCE	MI	NA	C Corporation					No
(8) THE FRED AND LENA MEIJER HEART CENTER CONDOMINIUM ASSOCIATION 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 83-0464302	MGMT	MI	NA	C Corporation					No
(9) THE MICHIGAN STREET PARKING CONDOMINIUM ASSOCATION 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 16-1734145	MGMT	MI	NA	C Corporation					No
(10) 25 MICHIGAN STREET CONDOMINIUM ASSOCIATION 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 16-1734157	MGMT	MI	NA	C Corporation					No
(11) 35 MICHIGAN STREET CONDOMINIUM ASSOCIATION 35 MICHIGAN ST NE GRAND RAPIDS, MI 49503 27-2193084	MGMT	MI	NA	C Corporation					No
(12) PENNOCK VENTURES INC 1009 WEST GREEN STREET HASTINGS, MI 49058 38-2712819	Healthcare	MI	NA	C Corporation					No
(13) PENNOCK PHARMACY 1009 WEST GREEN STREET HASTINGS, MI 49058 38-2750680	HEALTHCARE	MI	NA	C Corporation					No
(14) MEMORIAL MEDICAL CENTER MEDICAL OFFICE BUILDING CONDOMINIUM ASSOCIATION 5 N ATKINSON DRIVE LUDINGTON, MI 49431 81-3322057	MGMT	MI	Na	C Corporation					No

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust									
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(16) LAKELAND HEALTH ENTERPRISES INC 31 NORTH ST JOSEPH AVENUE NILES, MI 49120 38-2669798	ACCOUNTING AND BILLING	MI	LAKELAND REGIONAL HEALTH SYSTEM INC	C Corporation					No
(1) PHARMACY SHOPPE INC DBA LAKELAND PHARMACY SHOPPE INC 1234 NAPIER AVENUE ST JOSEPH, MI 49085 38-2929090	PHARMACEUTICALS	MI	LAKELAND HEALTH ENTERPRISES INC	C Corporation					No
(2) LAKELAND MEDICAL PRACTICES 1234 NAPIER AVENUE STJOSEPH, MI 49085 27-0381199	MEDICAL ADMINISTRATIVE SERVICES	MI	LAKELAND HEALTH ENTERPRISES INC	C Corporation					No
(3) SOUTHWESTERN MEDICAL CLINIC PHYSICIANS INC 1234 NAPIER AVENUE ST JOSEPH, MI 49085 27-2589359	PHYSICIAN OFFICE	MI	LAKELAND HEALTH ENTERPRISES INC	C Corporation					No
(4) FOUR FLAGS PROPERTIES INC 122 GRANT STREET NILES, MI 49120 36-4501639	PROPERTY MANAGEMENT/RENTAL	MI	LAKELAND HEALTH ENTERPRISES INC	C Corporation					No
(5) LAKELAND HEALTH VENTURES INC 1234 NAPIER AVENUE ST JOSEPH, MI 49085 27-2313790	HOLDING COMPANY	MI	LAKELAND HEALTH ENTERPRISES INC	C Corporation					No
(6) LAKELAND PHYSICIAN CARE NETWORK 1234 NAPIER AVENUE ST JOSEPH, MI 49085 20-8513031	MEDICAL SERVICES	MI	LAKELAND HEALTH ENTERPRISES INC	C Corporation					No
(7) LAKELAND PERSONAL CARE SERVICES INC 1234 NAPIER AVENUE ST JOSEPH, MI 49085 27-2990797	HEALTHCARE SERVICES	MI	LAKELAND HEALTH ENTERPRISES INC	C Corporation					No

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	540,000	GAAP, CASH, OR FMV
(1)	Spectrum Health Foundation	C	426,028	GAAP, CASH, OR FMV
(2)	Priority Health	L	324,702,481	GAAP, CASH, OR FMV
(3)	Spectrum Health Hospitals	L	282,806,967	GAAP, CASH, OR FMV
(4)	Spectrum Health Primary Care Partners	L	78,726,398	GAAP, CASH, OR FMV
(5)	Spectrum Health United	L	11,975,376	GAAP, CASH, OR FMV
(6)	Newaygo County General Hospital Association	L	9,375,737	GAAP, CASH, OR FMV
(7)	Spectrum Health Continuing Care	L	8,649,657	GAAP, CASH, OR FMV
(8)	Mecosta County Medical Center	L	7,787,586	GAAP, CASH, OR FMV
(9)	Zeeland Community Hospital	L	7,330,935	GAAP, CASH, OR FMV
(10)	Reed City Hospital Corporation	L	6,831,373	GAAP, CASH, OR FMV
(11)	Memorial Medical Center of West Michigan	L	6,675,064	GAAP, CASH, OR FMV
(12)	Pennock Hospital	L	6,294,009	GAAP, CASH, OR FMV
(13)	LAKELAND HOSPITALS AT NILES & ST JOSEPH INC	L	2,221,005	GAAP, CASH, OR FMV
(14)	SPECTRUM HEALTH PHYSICIAN ALLIANCE	L	109,404	GAAP, CASH, OR FMV
(15)	PRIORITY HEALTH	M	44,274,040	GAAP, CASH, OR FMV