

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2010, or tax year beginning _____, 2010, and ending _____, 2010
For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

2010

Department of the Treasury Internal Revenue Service

See instructions on back.

Name of exempt organization GROUP HEALTH COOPERATIVE

Employer identification number 91-0511770

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line of the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

Table with 2 columns: Line number and Description/Amount. Line 1a: Form 990 check here [X] b Total revenue, if any (Form 990, Part VIII, column (A), line 12) 1b 2807456625

Part II Declaration of Officer

6 I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return...

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2010 electronic return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here [Signature] 11/03/2011 Date TREASURER Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return.

Form fields for ERO's signature, Date, Check if also paid preparer, Check if self-employed, ERO's SSN or PTIN, Firm's name, address, and ZIP code, EIN, Phone no.

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Form fields for Paid Preparer's name (Sue Robison), signature, date (11/1/11), PTIN (P00560072), Firm's name (KPMG LLP), address (801 SECOND AVENUE, SUITE 900 SEATTLE WA 98104), Firm's EIN (13-5565207), Phone no. (206-913-6517)

For Privacy Act and Paperwork Reduction Act Notice, see back of form.

Form 8453-EO (2010)

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

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2010 calendar year, or tax year beginning , **2010**, and ending , **20**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization GROUP HEALTH COOPERATIVE			D Employer identification number 91-0511770	
	Doing Business As			E Telephone number (206) 448-4683	
	Number and street (or P.O. box if mail is not delivered to street address)		Room/suite		
	320 WESTLAKE AVE N		100		
City or town, state or country, and ZIP + 4 SEATTLE, WA 98109-5233			G Gross receipts \$ 2,807,464,980.		
F Name and address of principal officer: SCOTT ARMSTRONG 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109-5233			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
			H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No		
			If "No," attach a list. (see instructions)		
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(c) Group exemption number ▶		
J Website: ▶ WWW.GHC.ORG					
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation: 1945		M State of legal domicile: WA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TO PROVIDE COMPREHENSIVE, PREVENTION-ORIENTED HEALTH CARE SERVICES TO ITS ENROLLEES AND OTHER PATIENTS IN A MANNER THAT REDUCES COST AS A BARRIER TO CARE.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	11.
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10.
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	8,878.
	6 Total number of volunteers (estimate if necessary)	6	456.
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	2,476,632.
b Net unrelated business taxable income from Form 990-T, line 34	7b	-730,693.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	37,393,746.	41,172,623.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,560,375,028.	2,643,644,055.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	71,272,159.	45,787,560.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	60,611,848.	76,852,387.
		2,729,652,781.	2,807,456,625.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	550,730,906.	588,445,825.
	16 a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶	0.	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	2,148,786,669.	2,242,331,298.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	2,699,517,575.	2,830,777,123.	
19 Revenue less expenses. Subtract line 18 from line 12	30,135,206.	-23,320,498.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	1,531,992,631.	1,559,175,867.
	22 Net assets or fund balances. Subtract line 21 from line 20	717,586,387.	740,164,449.
	814,406,244.	819,011,418.	

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	Date			
	▶ Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN P00560072
	Firm's name ▶ KPMG LLP			EIN ▶ 13-5565207	
	Firm's address ▶ 801 SECOND AVENUE, SUITE 900 SEATTLE, WA 98104			Phone no. ▶ 206-913-6517	
May the IRS discuss this return with the preparer shown above? (see instructions)					<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:
ATTACHMENT 1

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 exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 \$ 2,155,419,741. including grants of \$ 0.) (Revenue \$ 2,556,638,129.)
GROUP HEALTH COOPERATIVE ("GROUP HEALTH") PROVIDED HEALTH CARE COVERAGE AND/OR SERVICES TO COMMERCIAL GROUP, MEDICARE, MEDICAID, BASIC HEALTH PLAN, AND INDIVIDUAL ENROLLEES IN WASHINGTON AND NORTH IDAHO. MANY MEDICARE AND MEDICAID PATIENTS RECEIVE SUCH SERVICES UNDER CAPITATION CONTRACTS BETWEEN GROUP HEALTH AND GOVERNMENT AGENCIES.

4b (Code:) (Expenses \$ 129,186,692. including grants of \$ 0.) (Revenue \$ 87,005,926.)
CARE AND COVERAGE TO PEOPLE IN NEED:
HEALTH CARE COVERAGE AND SERVICES TO PATIENTS ENROLLED IN GOVERNMENT PROGRAMS.
UNREIMBURSED CARE FOR INDIVIDUAL PATIENTS IN NEED.
URGENT AND EMERGENCY CARE.
PARTNERING WITH SAFETY-NET ORGANIZATIONS.

4c (Code:) (Expenses \$ 54,690,217. including grants of \$ 0.) (Revenue \$ 1,836,880.)
HEALTH RESEARCH AND EDUCATION:
RESEARCH AND EVIDENCE-BASED CARE.
PROFESSIONAL EDUCATION ACTIVITIES.
CONSUMER HEALTH EDUCATION.

4d Other program services. (Describe in Schedule O.) ATTACHMENT 2
(Expenses \$ 1,106,609. including grants of \$ 0.) (Revenue \$ 0.)

4e Total program service expenses ▶ 2,340,403,259.

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows 1-20b detailing various organizational requirements and reporting obligations.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Yes, No. Rows 21-38 detailing various organizational requirements and reporting obligations.

Part V Statements Regarding Other IRS Filings and Tax Compliance
 Check if Schedule O contains a response to any question in this Part V.

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

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 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?; 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?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Does the organization have members or stockholders?; 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?; 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? b Each committee with authority to act on behalf of the governing body?; 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.

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates?; 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?; 11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Does the organization have a written conflict of interest policy? If "No," go to line 13; 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done; 13 Does the organization have a written whistleblower policy?; 14 Does the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers or key employees of the organization; 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?; 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

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 Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [X] Own website [] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: JAMIE LEE 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109-5233 206-448-4683

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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			
ATTACHMENT 4										
(1) JERRY CAMPBELL TRUSTEE	8.00	X					8,500.	1,500.	0.	
(2) CHANGMOOK SOHN TRUSTEE	8.00	X					8,500.	1,000.	0.	
(3) IRA FIELDING TRUSTEE	8.00	X					8,500.	1,500.	0.	
(4) ROSEMARY DASZKIEWICZ TRUSTEE - VICE CHAIR/CHAIR	8.00	X		X			9,500.	1,500.	0.	
(5) BOBBIE BERKOWITZ TRUSTEE - CHAIR	8.00	X		X			9,375.	1,000.	0.	
(6) ROBERT MARGULIS TRUSTEE	8.00	X					8,500.	1,500.	0.	
(7) PORSCHE EVERSON TRUSTEE - VICE CHAIR	8.00	X		X			8,500.	1,500.	0.	
(8) PHYLLIS BEST TRUSTEE	8.00	X					8,500.	1,500.	0.	
(9) JENNIFER JOLY TRUSTEE	8.00	X					8,500.	1,500.	0.	
(10) TRACY GARLAND TRUSTEE	8.00	X					8,500.	1,500.	0.	
(11) HARRY HARRISON JR. TRUSTEE	8.00	X					6,375.	750.	0.	
(12) DOROTHY RUZICKI TRUSTEE	8.00	X					2,125.	500.	0.	
(13) SCOTT ARMSTRONG PRESIDENT/CEO	40.00			X			873,517.	0.	131,293.	
(14) RICK WOODS SECRETARY & EVP, GEN COUNSEL	40.00			X			418,360.	0.	124,205.	
(15) PAMELA MACEWAN ASST SECRETARY & EVP-PUB AFFRS	40.00			X			280,098.	0.	47,235.	
(16) RICHARD MAGNUSON TREASURER, EVP, CFO	40.00			X			490,183.	0.	39,432.	

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(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			
(17) BRETON MYERS ASSISTANT TREASURER	40.00			X			248,226.	0.	29,349.	
(18) PETER MORGAN EVP, GROUP PRACTICE DIVISION	40.00				X		392,097.	0.	13,472.	
(19) JAMES HEREFORD EVP, STRATEGIC SERVICES & QLT	40.00				X		403,677.	0.	40,515.	
(20) ROBERT O'BRIEN EVP, HEALTH PLAN DIVISION	40.00				X		612,246.	0.	41,947.	
(21) CYNTHIA JOHNSON EVP, HR	40.00				X		313,331.	0.	46,847.	
(22) BRIAN HARRIS VP, NETWORK SVC & CARE MGMT	40.00				X		245,078.	0.	120,003.	
(23) RANDY BARKER EXEC DIRECTOR, CLIN SUPP & BUS	40.00				X		230,464.	0.	41,412.	
(24) JOEL SUELZLE VP, HEALTH PLAN ADMINISTRATION	40.00					X	290,059.	0.	118,403.	
(25) JILL OSTREM VP, CONSULT SPEC & AC SVCS	40.00					X	309,766.	0.	40,014.	
(26) ERIC LARSON VP, GROUP HEALTH RESEARCH INST	40.00					X	289,821.	0.	46,997.	
(27) ERNEST HOOD VP, CIO	40.00					X	292,254.	0.	36,633.	
(28) LINDA MACMASTER VP, MARKETING	40.00					X	305,657.	0.	36,810.	
1b Sub-total							6,090,209.	15,250.	954,567.	
c Total from continuation sheets to Part VII, Section A ATTACHMENT 3							194,735.	0.	133,905.	
d Total (add lines 1b and 1c)							6,284,944.	15,250.	1,088,472.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **737**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	X	
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? If "Yes," complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		X

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.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 5		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **541**

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	672,508.				
	e Government grants (contributions) . .	1e	36,704,415.				
	f All other contributions, gifts, grants, and similar amounts not included above .	1f	3,795,700.				
	g Noncash contributions included in lines 1a-1f: \$		16,475.				
	h Total. Add lines 1a-1f			41,172,623.			
Program Service Revenue				Business Code			
	2a <u>MEDICARE/MEDICAID PAYMENTS</u>		900099	711,751,859.	711,751,859.		
	b <u>FEES AND CONTRACTS FROM GOVERNMENT AGENC</u>		900099	649,360,380.	649,360,380.		
	c <u>MEMBER DUES</u>		900099	517,631,520.	517,631,520.		
	d <u>CAPITATION REVENUE</u>		900099	498,839,953.	498,839,953.		
	e <u>NON-COVERED ENROLLEE SERVICES</u>		900099	124,980,176.	124,980,176.		
	f All other program service revenue		900099	141,080,167.	141,080,167.		
	g Total. Add lines 2a-2f			2,643,644,055.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	ATTACHMENT 6		45,715,508.			45,715,508.
	4 Income from investment of tax-exempt bond proceeds . . .			0.			
	5 Royalties			0.			
	6a Gross Rents	(i) Real	(ii) Personal				
		b Less: rental expenses					
		c Rental income or (loss)					
	d Net rental income or (loss)			0.			
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other	80,407.			
		b Less: cost or other basis and sales expenses		8,355.			
		c Gain or (loss)		72,052.			
		d Net gain or (loss)			72,052.		72,052.
	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			0.		
	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				0.			
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			0.			
Miscellaneous Revenue			Business Code				
11a <u>ADMIN CONTRACT</u>		561000	70,411,567.	70,411,567.			
b <u>SALES TO MEMBERS</u>		446199	3,720,014.		3,720,014.		
c <u>CHS INDUSTRY CONTRACTS</u>		541700	1,836,880.		1,836,880.		
d All other revenue		900099	883,926.	244,174.	639,752.		
e Total. Add lines 11a-11d			76,852,387.				
12 Total revenue. See instructions			2,807,456,625.	2,714,299,796.	2,476,632.	49,507,574.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	0.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	5,278,362.	0.	5,278,362.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	482,247,022.	284,222,453.	198,024,569.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	48,593,834.	28,639,801.	19,954,033.	
9 Other employee benefits	12,200,098.	7,190,385.	5,009,713.	
10 Payroll taxes	40,126,509.	24,433,396.	15,693,113.	
11 Fees for services (non-employees):				
a Management	0.			
b Legal	1,746,172.		1,746,172.	
c Accounting	759,115.		759,115.	
d Lobbying	655,174.		655,174.	
e Professional fundraising services. See Part IV, line 17	0.			
f Investment management fees	1,096,431.		1,096,431.	
g Other	1,721,252,111.	1,659,333,957.	61,918,154.	
12 Advertising and promotion	7,519,856.	192,412.	7,327,444.	
13 Office expenses	285,089,958.	261,243,663.	23,846,295.	
14 Information technology	19,707,649.	198,498.	19,509,151.	
15 Royalties	0.			
16 Occupancy	46,692,624.	17,424,210.	29,268,414.	
17 Travel	2,297,050.	1,504,407.	792,643.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	5,093,998.	1,193,591.	3,900,407.	
20 Interest	8,111,454.	4,468.	8,106,986.	
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	56,300,730.	33,422,288.	22,878,442.	
23 Insurance	15,825,278.	15,286,061.	539,217.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a PREMIUM AND BUSINESS TAXES -----	40,523,052.	1,069,709.	39,453,343.	
b MISCELLANEOUS -----	29,660,646.	5,043,960.	24,616,686.	
c -----				
d -----				
e -----				
f All other expenses -----				
25 Total functional expenses. Add lines 1 through 24f	2,830,777,123.	2,340,403,259.	490,373,864.	0.
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	-10,184,766.	1	-325,589.
	2 Savings and temporary cash investments	167,123,198.	2	133,415,882.
	3 Pledges and grants receivable, net	11,146,181.	3	9,518,808.
	4 Accounts receivable, net	77,607,899.	4	89,905,186.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 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)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	22,718,017.	8	23,313,362.
	9 Prepaid expenses and deferred charges <i>ATCH 7</i>	24,246,252.	9	24,995,036.
	10 a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1018569976.		
	b Less: accumulated depreciation	10b 598,273,261.	437,565,957.	10c 420,296,715.
	11 Investments - publicly traded securities <i>ATCH 8</i>	664,372,408.	11	684,912,561.
	12 Investments - other securities. See Part IV, line 11	73,136,939.	12	113,673,525.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	64,260,546.	15	59,470,381.
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,531,992,631.	16	1,559,175,867.	
Liabilities	17 Accounts payable and accrued expenses	278,056,907.	17	314,843,416.
	18 Grants payable	75,000.	18	50,000.
	19 Deferred revenue <i>ATCH 9</i>	37,626,477.	19	37,154,963.
	20 Tax-exempt bond liabilities	193,862,897.	20	149,399,217.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	40,976,382.
	25 Other liabilities. Complete Part X of Schedule D	207,965,106.	25	197,740,471.
	26 Total liabilities. Add lines 17 through 25	717,586,387.	26	740,164,449.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input checked="" 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	15,288,250.	31	15,105,375.
	32 Retained earnings, endowment, accumulated income, or other funds	799,117,994.	32	803,906,043.
33 Total net assets or fund balances	814,406,244.	33	819,011,418.	
34 Total liabilities and net assets/fund balances	1,531,992,631.	34	1,559,175,867.	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,807,456,625.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,830,777,123.
3	Revenue less expenses. Subtract line 2 from line 1	3	-23,320,498.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	814,406,244.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	27,925,672.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	819,011,418.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
2d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued 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		
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?	X	
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	X	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

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

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)

- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a Type I b Type II c Type III - Functionally integrated d Type III - Other

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

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

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

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

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

h Provide the following information about the supported organization(s).

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

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

Schedule A (Form 990 or 990-EZ) 2010

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

Section A. Public Support

Table with 7 columns: (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 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; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 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.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2010; 15 Public support percentage from 2009 Schedule A, Part II, line 14; 16a 33 1/3 % support test - 2010; b 33 1/3 % support test - 2009; 17a 10%-facts-and-circumstances test - 2010; b 10%-facts-and-circumstances test - 2009; 18 Private foundation.

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

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

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2006, (b) 2007, (c) 2008, (d) 2009, (e) 2010, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets; 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

Table with 3 columns: Description, Line number, Percentage. Row 15: Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f)) - 15 - %; Row 16: Public support percentage from 2009 Schedule A, Part III, line 15 - 16 - %

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Line number, Percentage. Row 17: Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f)) - 17 - %; Row 18: Investment income percentage from 2009 Schedule A, Part III, line 17 - 18 - %

19a 33 1/3 % support tests - 2010. 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 - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

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

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF.

2010

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ 32,760,260.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		\$ 1,471,291.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		\$ 31,791.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4		\$ 65,715.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5		\$ 864,703.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6		\$ 29,688.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	----- ----- -----	\$ 1,026,356.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	----- ----- -----	\$ 626,705.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	----- ----- -----	\$ 45,803.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	----- ----- -----	\$ 384,953.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	----- ----- -----	\$ 53,550.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12	----- ----- -----	\$ 101,600.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13	----- ----- -----	\$ 116,410.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
14	----- ----- -----	\$ 226,079.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
15	----- ----- -----	\$ 209,613.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
16	----- ----- -----	\$ 166,643.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
17	----- ----- -----	\$ 378,591.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
18	----- ----- -----	\$ 425,393.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
19	----- ----- -----	\$ 630,444.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
20	----- ----- -----	\$ 350,809.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
21	----- ----- -----	\$ 24,199.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
22	----- ----- -----	\$ 33,203.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
23	----- ----- -----	\$ 50,748.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
24	----- ----- -----	\$ 195,304.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
25	----- ----- -----	\$ 102,287.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
26	----- ----- -----	\$ 39,492.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
27	----- ----- -----	\$ 72,679.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
28	----- ----- -----	\$ 17,910.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
29	----- ----- -----	\$ 15,880.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
30	----- ----- -----	\$ 152,699.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization **GROUP HEALTH COOPERATIVE**

Employer identification number

91-0511770

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
31	----- ----- -----	\$ 194,958.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
32	----- ----- -----	\$ 76,862.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
33	----- ----- -----	\$ 5,909.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
34	----- ----- -----	\$ 13,188.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
35	----- ----- -----	\$ 32,951.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
36	----- ----- -----	\$ 32,717.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
37	----- ----- -----	\$ 19,059.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
38	----- ----- -----	\$ 45,050.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
39	----- ----- -----	\$ 18,790.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
40	----- ----- -----	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
41	----- ----- -----	\$ 5,869.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
42	----- ----- -----	\$ 23,177.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

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

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

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

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

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

Name of organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

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 on behalf of or in opposition to candidates for public office in Part IV.
- 2 Political expenditures ▶ \$ _____
- 3 Volunteer hours _____

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

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

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____
- 4 Did the filing organization file **Form 1120-POL** for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which 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.
- 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												
1 a Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)	887,298.													
c Total lobbying expenditures (add lines 1a and 1b)	887,298.													
d Other exempt purpose expenditures	2,829,889,825.													
e Total exempt purpose expenditures (add lines 1c and 1d)	2,830,777,123.													
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000.													
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%; text-align: left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 70%; text-align: left;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
g Grassroots nontaxable amount (enter 25% of line 1f)	250,000.													
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?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No												

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2 a Lobbying nontaxable amount	1,000,000.	1,000,000.	1,000,000.	1,000,000.	4,000,000.
b Lobbying ceiling amount (150% of line 2a, column (e))					6,000,000.
c Total lobbying expenditures	727,816.	643,742.	823,518.	887,298.	3,082,374.
d Grassroots nontaxable amount	250,000.	250,000.	250,000.	250,000.	1,000,000.
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000.
f Grassroots lobbying expenditures	0.	0.	0.	0.	0.

Schedule C (Form 990 or 990-EZ) 2010

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)).

Table with 3 main columns: (a) Yes/No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?; 2b If "Yes," enter the amount of any tax incurred under section 4912; 2c If "Yes," enter the amount of any tax incurred by organization managers under section 4912; 2d 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).

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

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

Table with 2 columns: Question, Amount. Rows include: 1 Dues, assessments and similar amounts from members; 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); 2a Current year; 2b Carryover from last year; 2c Total; 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues; 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?; 5 Taxable amount of lobbying and political expenditures (see instructions).

Part IV Supplemental Information

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

Series of horizontal dashed lines for providing supplemental information.

Part IV Supplemental Information *(continued)*

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Attach to Form 990. See separate instructions.

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 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?

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

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 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, 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?, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B) (i) and 170(h)(4)(B)(ii)?, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

Table with 2 columns: Amount. Rows include: 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 XIV, the text of the footnote to its financial statements that describes these items. 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenues included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenues included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X

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

Schedule D (Form 990) 2010

JSA 0E1268 1.000

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 XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XI V and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XI V.

Part V Endowment Funds. Complete if organization answered "Yes" to 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 year end balance held as:

- a Board designated or quasi-endowment _____ %
- b Permanent endowment _____ %
- c Term endowment _____ %

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

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

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

4 Describe in Part XIV the intended uses of the organization's endowment funds.

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		26,597,925.		26,597,925.
b Buildings		572,482,362.	291,055,190.	281,427,172.
c Leasehold improvements				
d Equipment		415,593,333.	307,218,071.	108,375,262.
e Other		3,896,357.	0.	3,896,357.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				420,296,716.

Part VII Investments - Other Securities. 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	113,673,525.	ATTACHMENT 1
(3) Other -----		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	113,673,525.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount	
(1) Federal income taxes	0.	
(2) SELF INSUR RESERVE/CUR PORTION	17,335,028.	
(3) SELF INSUR RESERVE/NONCUR PORT	41,504,671.	
(4) RETIREMENT BENEFIT	71,643,492.	
(5) RETIREE MEDICAL BENEFIT	46,266,000.	
(6) OTHER LIABILITIES	19,860,779.	
(7) ACCRUED INDUSTRIAL INSURANCE	0.	
(8) CURRENT PORTION-LEASE TENANT I	1,130,501.	
(9)		
(10)		
(11)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	197,740,471.	

2. FIN 48 (ASC 740) Footnote. In Part XIV, 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).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	2,807,456,625.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	2,830,777,123.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-23,320,498.
4	Net unrealized gains (losses) on investments	4	12,983,672.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	-1,791,592.
9	Total adjustments (net). Add lines 4 through 8	9	11,192,080.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	-12,128,418.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	2817341376.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	12,983,672.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	-1,096,431.
e	Add lines 2a through 2d	2e	11,887,241.
3	Subtract line 2e from line 1	3	2805454135.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	2,002,490.
c	Add lines 4a and 4b	4c	2,002,490.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	2807456625.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	2829469793.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV.)	2d	86,953.
e	Add lines 2a through 2d	2e	86,953.
3	Subtract line 2e from line 1	3	2829382840.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV.)	4b	1,394,283.
c	Add lines 4a and 4b	4c	1,394,283.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	2830777123.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5

Part XIV Supplemental Information (continued)

OTHER-RECONCILIATION OF CHANGE IN NET ASSETS FROM FORM 990 TO FIN STMTS

SCHEDULE D, PART XI, LINE 8

- LOSS ON SALE OF ASSETS (\$86,953)
- PREMIER PURCHASING PARTNERS (\$723,837)
- WESTLAKE TERRY LLC: (\$980,802)

OTHER REVENUE INCLUDED ON FIN STMT BUT NOT ON FORM 990

SCHEDULE D, PART XII, LINE 2D

- INVESTMENT MANAGEMENT FEES (\$1,096,431)

OTHER REVENUE INCLUDED ON FORM 990 BUT NOT ON FIN STMTS

SCHEDULE D, PART XII, LINE 4B

- PREMIER PURCHASING PARTNERSHIP K-1 \$723,837
- WESTLAKE TERRY LLC K-1 \$1,278,653

OTHER EXPENSES INCLUDED ON FIN STMTS BUT NOT ON FORM 990

SCHEDULE D, PART XIII, LINE 2D

LOSS ON SALE OF ASSETS \$86,953

OTHER EXPENSES INCLUDED ON FORM 990 BUT NOT ON FIN STMTS

SCHEDULE D, PART XIII, LINE 4B

- INVESTMENT MANAGEMENT FEES \$1,096,431
- WESTLAKE TERRY LLC K-1 \$297,851

Part XIV Supplemental Information (continued)

ATTACHMENT 1

SCHEDULE D, PART VII - INVESTMENTS - CLOSELY HELD EQUITY INTERESTS

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>COST OR FMV</u>
INVEST IN GROUP HEALTH OPTIONS	113,673,525.	
TOTALS	<u>113,673,525.</u>	

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2010

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization: **GROUP HEALTH COOPERATIVE** Employer identification number: **91-0511770**

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	X	
b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	X	
b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		X
c If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?		X
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?		X
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?	X	
b If "Yes," did the organization make it available to the public?	X	

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheets 1 and 2)		590	608,477.		608,477.	.02
b Unreimbursed Medicaid (from Worksheet 3, column a)		22165	76,573,000.	47,494,000.	29,079,000.	1.03
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)		13622	44,975,374.	34,616,000.	10,359,374.	.37
d Total Financial Assistance and Means-Tested Government Programs		36377	122,156,851.	82,110,000.	40,046,851.	1.42
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	4	1850	547,694.		547,694.	.02
f Health professions education (from Worksheet 5)	12	684	8,246,496.		8,246,496.	.29
g Subsidized health services (from Worksheet 6)	6	3202	7,029,841.	4,895,927.	2,133,914.	.08
h Research (from Worksheet 7)	1		46,443,721.	1,836,880.	44,606,841.	1.58
i Cash and in-kind contributions to community groups (from Worksheet 8)	1		10,900.		10,900.	
j Total Other Benefits	24	5736	62,278,652.	6,732,807.	55,545,845.	1.97
k Total . Add lines 7d and 7j	24	42113	184,435,503.	88,842,807.	95,592,696.	3.39

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

Schedule H (Form 990) 2010

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support	1		506,700.		506,700.	.02
4 Environmental improvements	1		41,315.		41,315.	
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total	2		548,015.		548,015.	.02

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

- 1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?
- 2 Enter the amount of the organization's bad debt expense (at cost)
- 3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy
- 4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts in community benefit.

	Yes	No
1		X
2		
3		
5		
6		
7		
9a	X	
9b	X	

Section B. Medicare

- 5 Enter total revenue received from Medicare (including DSH and IME)
- 6 Enter Medicare allowable costs of care relating to payments on line 5
- 7 Subtract line 6 from line 5. This is the surplus (or shortfall)
- 8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:

Cost accounting system Cost to charge ratio Other

Section C. Collection Practices

- 9a Does the organization have a written debt collection policy during the tax year?
- b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI

Part IV Management Companies and Joint Ventures

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of Hospital Facility: CAPITOL HILL MAIN BUILDING

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)			
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8 If "Yes," indicate what the Needs Assessment describes (check all that apply):	1	
a	<input type="checkbox"/> A definition of the community served by the hospital facility		
b	<input type="checkbox"/> Demographics of the community		
c	<input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input type="checkbox"/> How data was obtained		
e	<input type="checkbox"/> The health needs of the community		
f	<input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess all of the community's health needs		
j	<input type="checkbox"/> Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 <u> </u> <u> </u>		
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	
5	Did the hospital facility make its Needs Assessment widely available to the public? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):	5	
a	<input type="checkbox"/> Hospital facility's website		
b	<input type="checkbox"/> Available upon request from the hospital facility		
c	<input type="checkbox"/> Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a	<input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b	<input type="checkbox"/> Execution of the implementation strategy		
c	<input type="checkbox"/> Participation in the development of a community-wide community benefit plan		
d	<input type="checkbox"/> Participation in the execution of a community-wide community benefit plan		
e	<input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f	<input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g	<input type="checkbox"/> Prioritization of health needs in its community		
h	<input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	<input type="checkbox"/> Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate the FPG family income limit for eligibility for free care: <u> </u> <u> </u> <u> </u> %	9	

Part V Facility Information (continued) CAPITOL HILL MAIN BUILDING

		Yes	No
10	Used FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate the FPG family income limit for eligibility for discounted care: _ _ _ %	10	
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply):	11	
a	<input type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Other (describe in Part VI)		
12	Explained the method for applying for financial assistance?	12	
13	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply):	13	
a	<input type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input type="checkbox"/> The policy was attached to billing invoices		
c	<input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input type="checkbox"/> The policy was available on request		
g	<input type="checkbox"/> Other (describe in Part VI)		

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14	
15	Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other actions (describe in Part VI)		
16	Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year? If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):	16	
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other actions (describe in Part VI)		
17	Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):		
a	<input type="checkbox"/> Notified patients of the financial assistance policy on admission		
b	<input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge		
c	<input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d	<input type="checkbox"/> Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance		
e	<input type="checkbox"/> Other (describe in Part VI)		

Part V Facility Information (continued) CAPITOL HILL MAIN BUILDING

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?		
	If "No," indicate the reasons why (check all that apply):		
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility did not have a policy relating to emergency medical care		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> Other (describe in Part VI)		

Charges for Medical Care

19	Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):		
a	<input type="checkbox"/> The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility		
b	<input type="checkbox"/> The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility		
c	<input type="checkbox"/> The hospital facility used the Medicare rate for those services		
d	<input type="checkbox"/> Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		
	If "Yes," explain in Part VI.		
21	Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?		
	If "Yes," explain in Part VI.		

Part V Facility Information (continued)**Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? 38

Name and address	Type of Facility (describe)
1 CAPITOL HILL EAST BUILDING 1600 E JOHN ST SEATTLE WA 98112-5260	MEDICAL CLINIC
2 CAPITOL HILL NORTH BUILDING 310 15TH AVE E SEATTLE WA 98112-5260	MEDICAL CLINIC
3 CAPITOL HILL SOUTH BUILDING 125 16TH AVE E SEATTLE WA 98112-5260	MEDICAL CLINIC
4 CAPITOL HILL WEST BUILDING 201 16TH AVE E SEATTLE WA 98112-5260	MEDICAL CLINIC
5 CAPITOL HILL ANNEX BUILDING 122 16TH AVE E SEATTLE WA 98112-5260	MEDICAL CLINIC
6 BELLEVUE MEDICAL CENTER 11511 NE 10TH STREET BELLEVUE WA 98004	MEDICAL CENTER
7 BREMERTON BEHAVIORAL HEALTH SERVICES 555 PACIFIC AVE, STE 202 BREMERTON WA 98337	BEHAVIORAL HEALTH CLINIC
8 BREMERTON MEDICAL CENTER 2741 WHEATON WAY, SUITE A BREMERTON WA 98310	MEDICAL CENTER
9 EVERETT MEDICAL CENTER 2930 MAPLE STREET EVERETT WA 98201-4261	MEDICAL CENTER
10 COEUR D'ALENE MEDICAL CENTER 1090 W PARK PLACE COEUR D'ALENE ID 83814-2664	MEDICAL CENTER

Schedule H (Form 990) 2010

Part V Facility Information (continued)**Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 DOWNTOWN SEATTLE MEDICAL CENTER 1420 5TH AVE, SUITE 375 SEATTLE WA 98101	MEDICAL CENTER
2 FACTORIA MEDICAL CENTER 13451 SE 36TH STREET SEATTLE WA 98006-1454	MEDICAL CENTER
3 FEDERAL WAY MEDICAL CENTER 301 SOUTH 320TH STREET FEDERAL WAY WA 98003-5296	MEDICAL CENTER
4 KENT MEDICAL CENTER 26004 104TH AVE SE KENT WA 98031	MEDICAL CENTER
5 LIDGERWOOD MEDICAL CENTER 6002 N LIDGERWOOD SPOKANE WA 99208	MEDICAL CENTER
6 LYNNWOOD MEDICAL CENTER 20200 54TH AVENUE W LYNNWOOD WA 98036-6389	MEDICAL CENTER
7 NORTHGATE MEDICAL CENTER 9800 4TH AVENUE NE SEATTLE WA 98115-2158	MEDICAL CENTER
8 NORTHGATE SOUTH BUILDING 9720 4TH AVENUE NE SEATTLE WA 98115	MEDICAL CLINIC
9 NORTHSHORE MEDICAL CENTER 11913 NE 195TH STREET BOTHELL WA 98011-3147	MEDICAL CENTER
10 OLYMPIA MEDICAL CENTER 700 LILLY ROAD NE OLYMPIA WA 98506-5196	MEDICAL CENTER

Schedule H (Form 990) 2010

Part V Facility Information (continued)**Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 PORT ORCHARD MEDICAL CENTER 1400 POTTERY AVENUE PORT ORCHARD WA 98366-3768	MEDICAL CENTER
2 POULSBO MEDICAL CENTER 19379 7TH AVENUE NE POULSBO WA 98370	MEDICAL CENTER
3 PUYALLUP MEDICAL CENTER 611 31ST AVE SW PUYALLUP WA 98374	MEDICAL CENTER
4 RAINIER MEDICAL CENTER 5316 RAINIER AVE S SEATTLE WA 98118-2398	MEDICAL CENTER
5 REDMOND MEDICAL CENTER 15809 BEAR CREEK PARKWAY, SUITE #100 REDMOND WA 98052-4370	MEDICAL CENTER
6 RENTON MEDICAL CENTER 275 BRONSON WAY NE RENTON WA 98056-4099	MEDICAL CENTER
7 BURIEN MEDICAL CENTER 140 SW 146TH STREET BURIEN WA 98166-1997	MEDICAL CENTER
8 RIVERFRONT MEDICAL CENTER 322 W NORTH RIVER DRIVE SPOKANE WA 99201	MEDICAL CENTER
9 SILVERDALE MEDICAL CENTER 10452 SILVERDALE WAY NW SILVERDALE WA 98383	MEDICAL CENTER
10 SOUTH HILL MEDICAL CENTER 4102 S REGAL STREET, SUITE 101 SPOKANE WA 99223-4733	MEDICAL CENTER

Schedule H (Form 990) 2010

Part V Facility Information *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (describe)
1 SILVERDALE EYE CARE SERVICES 10516 SILVERDALE WAY NW, SUITE 104 SILVERDALE WA 98383-8745	MEDICAL CLINIC
2 TACOMA HEAR CENTER/AUDIOLOGY & EYE CARE 5821 S SPRAGUE COURT TACOMA WA 98409	MEDICAL CLINIC
3 ST JOSEPH MEDICAL CLINIC 1708 S YAKIMA AVENUE TACOMA WA 98405	MEDICAL CLINIC
4 TACOMA MEDICAL CENTER 209 MARTIN LUTHER KING JR WAY TACOMA WA 98405-4267	MEDICAL CENTER
5 TACOMA SOUTH MEDICAL CENTER 9505 S STEELE ST TACOMA WA 98444-6858	MEDICAL CENTER
6 VERADALE MEDICAL CENTER 14402 E SPRAGUE AVENUE SPOKANE VALLEY WA 99216-2167	MEDICAL CENTER
7 METROPOLITAN PARK EAST 1730 MINOR AVENUE SEATTLE WA 98101	RESEARCH FACILITY
8 TACOMA BEHAVIORAL HEALTH SERVICES 4301 S PINE STREET TACOMA WA 98409-7206	MEDICAL CLINIC
9 	
10 	

Part VI Supplemental Information

Complete this part to provide the following information.

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

PART I, LINE 3(C) CHARITY CARE ELIGIBILITY CRITERIA

SCHEDULE H, PART I, LINE 3(C) CHARITY CARE ELIGIBILITY CRITERIA

GROUP HEALTH PROVIDES FREE CARE TO LOW INCOME INDIVIDUALS AT 200% OF FEDERAL POVERTY GUIDELINES BUT DOES NOT OFFER DISCOUNTED CARE.

PART I, LINE 7(F) PERCENT OF TOTAL EXPENSE

SCHEDULE H, PART I, LINE 7(F) PERCENT OF TOTAL EXPENSE

BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE FOR PART I, LINE 7, COLUMN (F) IS \$14,214,489.

PART I, LINE 7

SCHEDULE H, PART I, LINE 7

COST-TO-CHARGE RATIO DERIVED FROM WORKSHEET 2, RATIO OF PATIENT CARE

COST-TO-CHARGES, WAS USED TO REPORT THE FOLLOWING COMMUNITY BENEFIT

EXPENSES:

CHARITY CARE AT COST

UNREIMBURSED COSTS-OTHER-MEANS TESTED GOVERNMENT PROGRAMS (HEALTHCARE

Part VI Supplemental Information

Complete this part to provide the following information.

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

ASSISTANCE)

GROUP HEALTH UTILIZED THE MARKET SEGMENT REPORT (MSR), AN INTERNAL
 MANAGEMENT REPORT THAT PROVIDES DETAILED REVENUE AND EXPENSE BY LINE OF
 BUSINESS USING GAAP INCOME STATEMENT AND COST MANAGEMENT DATA (CMD)
 EXPENSE AND UTILIZATION INFORMATION. ON A MONTHLY BASIS, ALL GAAP
 GENERAL LEDGER EXPENSES ARE LOADED INTO THE CMD COSTING SYSTEM AT THE
 ACCOUNTING UNIT (AU) AND ACCOUNT LEVEL ALONG WITH PATIENT UTILIZATION
 INFORMATION FROM VARIOUS UTILIZATION SYSTEMS. EACH AU IS CATEGORIZED
 WITHIN CMD AS ONE OF THREE TYPES OF EXPENSES: 1) DELIVERY SYSTEM
 REPRESENTING MEDICAL SERVICES PROVIDED TO CONSUMERS; 2) HEALTH PLAN
 REPRESENTING INSURANCE SERVICES; OR 3) OVERHEAD REPRESENTING
 ADMINISTRATIVE SUPPORT SERVICES TO BOTH DELIVERY SYSTEM AND HEALTH PLAN.
 OVERHEAD IS ALLOCATED TO EITHER DELIVERY SYSTEM OR HEALTH PLAN USING A
 STEP DOWN PROCESS BASED ON RELEVANT STATISTICS SUCH AS NUMBER OF FTES,
 LABOR COST, SQUARE FEET, ETC. THE OVERHEAD ALLOCATION PERCENTAGE BETWEEN
 DELIVERY SYSTEM AND HEALTH PLAN ARE DETERMINED AND MAINTAINED BY THE CMD
 COSTING AND COSTING METHODOLOGY REVIEW TEAM.

Part VI Supplemental Information

Complete this part to provide the following information.

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

THE FOLLOWING COMMUNITY BENEFIT EXPENSES ARE REPORTED BASED ON THE MSR:

UNREIMBURSED MEDICAID

UNREIMBURSED COSTS-OTHER MEANS-TESTED GOVERNMENT PROGRAMS (BASIC HEALTH PLAN)

COMMUNITY HEALTH IMPROVEMENT SERVICES AND COMMUNIT BENEFIT OPERATIONS

HEALTH PROFESSIONS EDUCATION

SUBSIDIZED HEALTH SERVICES

RESEARCH

CASH AND IN-KIND CONTRIBUTIONS TO COMMUNITY GROUPS

PART III, LINE 4, BAD DEBT EXPENSE

SCHEDULE H, PART III, LINE 4, BAD DEBT EXPENSE

BAD DEBT IS RECORDED WHEN A PATIENT WHO IS DETERMINED TO HAVE THE FINANCIAL CAPACITY TO PAY FOR SERVICES IS UNWILLING TO SETTLE THE BILL.

BAD DEBT INCLUDES PATIENTS/GUARANTORS:

-WHO DO NOT PAY FOR LEGITIMATE SERVICES AFTER 3 CYCLE BILLS

-WHOSE MAIL IS RETURNED TO GROUP HEALTH AND WHO CANNOT BE CONTACTED

-WHO DECLARE BANKRUPTCY

Part VI Supplemental Information

Complete this part to provide the following information.

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

-WHO FAIL TO MEET IN-HOUSE PAYMENT ARRANGEMENTS

-WHO AGREE TO LONG-TERM BILLING SERVICES PROVIDED BY A CONTRACTED

COLLECTION AGENCY.

ACCOUNTS ARE REVIEWED FOR REFERRAL TO COLLECTION AGENCIES IF, AFTER 3

CYCLE BILLS, NO PAYMENT IS RECEIVED. THE ACCOUNT REMAINS IN PRE-COLLECT

STATUS FOR THE FIRST 30 DAYS AFTER ASSIGNMENT, DURING WHICH TIME NO

COLLECTION ACTIVITIES ARE INITIATED BY THE AGENCIES. OTHER BAD DEBT

ACCOUNTS, INCLUDING RETURNED MAIL AND LAPSED PAYMENT ARRANGEMENTS, ARE

ALSO ASSIGNED TO COLLECTION AGENCIES. THE COLLECTION AGENCY ASSIGNMENT

PROCESS GENERATES THE APPROPRIATE WRITE-OFF TO BAD DEBT EXPENSE.

ACCOUNTS FOR BANKRUPTCIES ARE WRITTEN OFF TO BAD DEBT EXPENSE WHEN A

NOTICE OF BANKRUPTCY FILING IS RECEIVED. JUSTIFICATION FOR ALL BAD DEBT

WRITE-OFFS IS RECORDED IN THE PATIENT'S ELECTRONIC BILLING RECORD.

FOLLOWING IS THE FOOTNOTE FROM THE CONSOLIDATED AUDITED FINANCIAL

STATEMENT RELATED TO PROVISION FOR UNCOLLECTIBLE ACCOUNT:

THE GROUP PROVIDES AN ALLOWANCE FOR POTENTIAL UNCOLLECTIBLE ACCOUNTS

Part VI Supplemental Information

Complete this part to provide the following information.

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

RECEIVABLE WHEREBY SUCH RECEIVABLES ARE REDUCED TO THEIR ESTIMATED NET
 REALIZABLE VALUE. THE GROUP ESTIMATES THIS ALLOWANCE BASED ON THE AGING
 OF ACCOUNTS RECEIVABLE, HISTORICAL COLLECTION EXPERIENCE, ENROLLMENT
 RETROACTIVITY AND OTHER RELEVANT FACTORS. THERE ARE VARIOUS FACTORS THAT
 CAN IMPACT THE COLLECTION TRENDS AND THE ESTIMATION PROCESS, SUCH AS
 CHANGES IN THE ECONOMY, THE INCREASED BURDEN OF COPAYS AND DEDUCTIBLES TO
 BE MADE BY ENROLLEES AND BUSINESS PRACTICES RELATED TO COLLECTION
 EFFORTS. THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS WAS \$12,622,000 AND
 \$6,353,000 AS OF DECEMBER 31, 2010 AND 2009, RESPECTIVELY.

PART III, LINE 8, MEDICARE SHORTFALL
 SCHEDULE H, PART III, LINE 8, MEDICARE SHORTFALL
 GROUP HEALTH FILES A LOW VOLUME MEDICARE COST REPORT WHICH INCLUDES ONLY
 STATISTICAL USAGE INFORMATION. THE LOW VOLUME REPORT DOES NOT INCLUDE
 CHARGE OR COST INFORMATION FOUND IN FULL COST REPORTS. GROUP HEALTH USES
 INTERNAL COST AND CHARGE INFORMATION TO COMPUTE A COST TO CHARGE RATIO TO
 COMPUTE CENTRAL HOSPITAL MEDICARE COSTS.

Part VI Supplemental Information

Complete this part to provide the following information.

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

GROUP HEALTH DOES NOT INCLUDE ANY MEDICARE SHORTFALL AS COMMUNITY
BENEFIT.

PART III, LINE 9, COLLECTION POLICY

SCHEDULE H, PART III, LINE 9, COLLECTION POLICY

BAD DEBT EXPENSE IS RECOGNIZED WHEN A PATIENT WHO IS DETERMINED TO HAVE

THE FINANCIAL CAPACITY TO PAY FOR SERVICES IS UNWILLING TO SETTLE THE

BILL. STATEMENTS SENT TO PATIENTS INCLUDE INFORMATION ABOUT HOW TO

CONTACT GROUP HEALTH'S SPONSORED CARE DEPARTMENT TO INQUIRE ABOUT PAYMENT

ASSISTANCE. IF A PATIENT IS ELIGIBLE FOR CHARITY CARE, THE CHARGES ARE

WRITTEN OFF AS ADJUSTMENTS TO REVENUE AND NOT RECOGNIZED AS BAD DEBT.

PART VI, LINE 2, NEEDS ASSESSMENT

SCHEDULE H, PART VI, LINE 2, NEEDS ASSESSMENT:

GROUP HEALTH COOPERATIVE (GROUP HEALTH) USES A NUMBER OF METHODS TO

ASSESS AND MEET THE NEEDS OF THE COMMUNITIES SERVED.

TO DEVELOP THE FOUNDATION FOR ITS COMMUNITY HEALTH INITIATIVE, GROUP

Part VI Supplemental Information

Complete this part to provide the following information.

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

HEALTH PERFORMED A SECONDARY DATA ASSESSMENT IN 2009. USING DATA FROM

WASHINGTON STATE LOCAL HEALTH DEPARTMENTS AND DISTRICTS

([HTTP://WWW.DOHW.A.GOV/LHJMAP/LHJMAP.HTM](http://www.doh.wa.gov/LHJMAP/LHJMAP.HTM)), UNITED WAY OF KING COUNTY'S

COMMUNITY ASSESSMENT ([HTTP://WWW.UWKC.ORG/KCCA/](http://www.uwkc.org/kcca/)), AND SEATTLE/KING

COUNTY'S COMMUNITY HEALTH INDICATORS REPORT

([HTTP://WWW.KINGCOUNTY.GOV/HEALTHSERVICES/HEALTH/DATA/CHI2009.ASPX](http://www.kingcounty.gov/healthservices/health/data/chi2009.aspx)) A

LOCALIZED ASSESSMENT OF THE NEEDS WITHIN OUR SERVICE AREA WAS COMPILED.

PERFORMING AN ANALYSIS FOR EACH COUNTY GROUP HEALTH SERVES, A CLEAR

UNDERSTANDING OF KEY COMMUNITY INDICATORS WAS OBTAINED.

IN 2010, GROUP HEALTH EMPLOYED THE CENTER FOR COMMUNITY HEALTH AND

EVALUATION TO INTERVIEW 29 KEY COMMUNITY INFORMANTS. QUESTIONS ADDRESSED

UNMET AND/OR UNADDRESSED HEALTH NEEDS OF CHILDREN AND FAMILIES, AS WELL

AS PERSPECTIVES ON EFFECTIVE STRATEGIES THAT MIGHT INVOLVE GROUP HEALTH

AND THAT HAVE THE POTENTIAL FOR CHARTING PROGRESS AND SUCCESS TOWARD

COMMUNITY HEALTH OUTCOMES. THESE PERSPECTIVES PROVIDED THE GUIDANCE AND

DIRECTION NECESSARY FOR GROUP HEALTH'S COMMUNITY HEALTH INITIATIVE. THE

INITIATIVE PUTS PARTICULAR FOCUS ON PROVIDING COMMUNITY SUPPORT TOOLS TO

Part VI Supplemental Information

Complete this part to provide the following information.

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

MANAGE CHRONIC DISEASE AND OVERWEIGHT/OBESITY IN YOUNG ADULTS AND

FAMILIES THROUGH INCREASED PHYSICAL ACTIVITY AND IMPROVED NUTRITION.

GROUP HEALTH ALSO PARTICIPATES IN POLICY AND ADVOCACY EFFORTS TO ENSURE

GREATER ACCESS TO APPROPRIATE, TIMELY AND COMPREHENSIVE COVERAGE AND CARE

FOR LOW-INCOME POPULATIONS. THIS INCLUDES ASSURING THAT THE GROUP HEALTH

CARE DELIVERY SYSTEM IS INCLUDED WITH OTHER SAFETY NET AND COMMUNITY

PROVIDERS IN BOTH MEDICAID AND BASIC HEALTH PROGRAMS, A STATE DEVELOPED

COVERAGE PROGRAM OFFERING SUBSIDIZED PREMIUMS FOR LOW-INCOME ADULTS AND

FAMILIES.

IN ADDITION TO SPREADING A PROVEN DELIVERY SYSTEM PHILOSOPHY, GROUP

HEALTH HAS PARTICIPATED IN THE IDENTIFICATION AND FULFILLMENT OF

NECESSARY PUBLIC-DOMAIN RESEARCH RELATED TO PREVENTION, DIAGNOSIS AND

TREATMENT OF MAJOR HEALTH PROBLEMS. LASTLY, GROUP HEALTH CONTINUES TO

TRAIN NECESSARY AND CRITICALLY-IMPORTANT HEALTH PROFESSIONALS FOR MORE

THAN 40 DIFFERENT MEDICAL AND ANCILLARY HEALTH PROFESSIONS, ESPECIALLY IN

HIGH-DEMAND SHORTAGE PROFESSIONS SUCH AS PRIMARY CARE AND AMBULATORY

Part VI Supplemental Information

Complete this part to provide the following information.

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

NURSING.

PART VI, LINE 3, PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

SCHED H, PART VI, LINE 3, PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

GROUP HEALTH HAS TWO FINANCIAL ASSISTANCE PROGRAMS WHICH ARE ADMINISTERED

AS OUR SPONSORED CARE PROGRAM. THE CHARITY CARE PROGRAM IS FOR PATIENTS

SEEKING HOSPITAL SERVICES WHO HAVE INCOMES AT OR BELOW 200% FPL. THE

HEALTH CARE ASSISTANCE PROGRAM IS FOR ENROLLEES OR FORMER ENROLLEES

SEEKING ANY MEDICAL CARE OR SERVICE AT A GROUP HEALTH FACILITY AND WHO

ARE AT OR BELOW 250% FPL.

GROUP HEALTH INFORMS PATIENTS ABOUT SPONSORED CARE AS FOLLOWS:

1. GROUP HEALTH DISPLAYS LARGE POSTERS AT THE MAIN ENTRANCES OF GROUP

HEALTH HOSPITAL, AS WELL AS AT THE HOSPITAL'S URGENT CARE CENTER AND AT

ITS LABOR/DELIVERY UNIT. EACH POSTER REPEATS THE FOLLOWING MESSAGE IN

SEVEN DIFFERENT LANGUAGES:

"YOU MAY BE ELIGIBLE FOR FREE HOSPITAL CARE

Part VI Supplemental Information

Complete this part to provide the following information.

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

GROUP HEALTH COOPERATIVE PROVIDES FREE HOSPITAL CARE TO LOW-INCOME

PATIENTS AS "CHARITY CARE."

YOU MUST MEET CERTAIN INCOME STANDARDS TO QUALIFY. IF YOU THINK YOU MAY

QUALIFY, PLEASE ASK ABOUT CHARITY CARE AT THE REGISTRATION DESK."

DESK CARDS AT THE RECEPTION AND REGISTRATION AREAS IN THE HOSPITAL REPEAT

THE MESSAGE (IN ENGLISH), AND INCLUDE THE FINANCIAL GUIDELINES.

2. GROUP HEALTH HOSPITAL URGENT CARE STAFF PROVIDES FINANCIAL INFORMATION

AND ATTESTATION FORMS TO PATIENTS SEEKING CHARITY CARE AT THE TIME OF

REGISTRATION FOR SERVICES.

3. AS PART OF THEIR STANDARD OPERATING PROCEDURES, CLINICAL, CUSTOMER

SERVICE AND PATIENT BILLING STAFF THROUGHOUT GROUP HEALTH ARE ABLE TO

PROVIDE INFORMATION ABOUT AND ASSISTANCE WITH PATIENT QUALIFICATION FOR

SPONSORED CARE PROGRAMS AT THE TIME OF SERVICE OR VIA TELEPHONE.

4. ADMINISTRATIVE AND BILLING OFFICE STAFF AT ALL 26 GROUP HEALTH MEDICAL

Part VI Supplemental Information

Complete this part to provide the following information.

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

CENTERS PROVIDE PATIENTS WITH SPONSORED CARE APPLICATIONS UPON REQUEST AT THE TIME OF SERVICE.

5. THERE IS A STANDARD NOTICE ON ALL GROUP HEALTH BILLS FOR PATIENT CARE, WHICH STATES THAT THE PATIENT MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE, AND PROVIDES CONTACT INFORMATION FOR ASSISTANCE.

PART VI, LINE 4, COMMUNITY INFORMATION
SCHEDULE H, PART VI, LINE 4, COMMUNITY INFORMATION
COMMUNITIES WE SERVE, INCLUDING DEMOGRAPHICS:

GROUP HEALTH'S PRIMARY EXEMPT PURPOSE IS TO PROVIDE COMPREHENSIVE, PREVENTION-ORIENTED HEALTH CARE SERVICES. BENEFICIARIES OF THIS PURPOSE ARE GROUP HEALTH ENROLLEES AND NON-ENROLLED PATIENTS. GROUP HEALTH ALSO PROVIDES HEALTH-RELATED EDUCATION AND RESEARCH ACTIVITIES THAT BENEFIT THE BROADER COMMUNITY.

TO FULFILL ITS PURPOSE, GROUP HEALTH PROVIDES OUTPATIENT PRIMARY AND

Part VI Supplemental Information

Complete this part to provide the following information.

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

SPECIALTY CARE AS WELL AS SOME INPATIENT ACUTE AND SUB-ACUTE CARE THROUGH
 THE SERVICES OF SALARIED PHYSICIANS, NURSES, AND OTHER HEALTH CARE
 PROVIDERS. THE SALARIED PHYSICIANS ARE EMPLOYED BY GROUP HEALTH
 PERMANENTE, P.C., AN ORGANIZATION WITH WHOM GROUP HEALTH HAS AN EXCLUSIVE
 CONTRACT. AS OF YEAR-END 2010, GROUP HEALTH OPERATED ONE HOSPITAL, 26
 PRIMARY CARE MEDICAL CENTERS, SIX SPECIALTY CARE UNITS AND SEVEN
 BEHAVIORAL HEALTH CLINICS. GROUP HEALTH ALSO CONTRACTS WITH COMMUNITY
 HEALTH CARE PROVIDERS FOR SERVICES WHERE GROUP HEALTH DOES NOT OPERATE
 ITS OWN FACILITIES AND FOR MEDICAL SERVICES NOT PROVIDED AT GROUP HEALTH
 FACILITIES.

GROUP HEALTH'S SERVICE AREAS INCLUDE ALL, OR PARTS OF, 19 COUNTIES IN
 WASHINGTON AND 2 COUNTIES IN IDAHO. IN THE LAST DECADE, THE MINORITY
 POPULATION IN WASHINGTON AS A WHOLE GREW FROM 20.6% OF THE STATE
 POPULATION TO 25.2 %. ELEVEN COUNTIES HAVE MINORITY POPULATIONS ABOVE THE
 STATE AVERAGE. FOR THE COUNTIES IN GROUP HEALTH'S SERVICE AREA, FRANKLIN
 (51.2%), YAKIMA (45.0%), KING (8.9%), PIERCE (9.2%) AND WALLA-WALLA
 (19.7%) COUNTIES CONSISTENTLY HAVE THE HIGHEST PERCENT OF HISPANIC

Part VI Supplemental Information

Complete this part to provide the following information.

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

POPULATIONS. FRANKLIN COUNTY AND YAKIMA COUNTY HAVE THE LARGEST SHARES
 OF NON-WHITE RACIAL GROUPS. CURRENT DATA INDICATES 49.5% OF WASHINGTON'S
 BLACK POPULATION RESIDES IN KING COUNTY AND 22.5% IN PIERCE COUNTY. WITH
 RESPECT TO THE ASIAN AND PACIFIC ISLANDER POPULATION, 58.6% RESIDE IN
 KING COUNTY, WITH 9.8% IN PIERCE COUNTY, AND 13.1% IN SNOHOMISH COUNTY.
 YAKIMA COUNTY'S RANKING AS HOME TO THE SECOND LARGEST CONCENTRATION OF
 THE AMERICAN INDIAN AND ALASKA NATIVE POPULATION IN 2000 WAS OVERTAKEN BY
 PIERCE COUNTY IN 2008. GROUP HEALTH SERVES ALL OF THESE COMMUNITIES.
 THE ETHNIC AND RACIAL MAKEUP OF OUR MEMBERS ARE AS FOLLOWS: CAUCASIAN,
 80%; AFRICAN AMERICAN/BLACK, 3%; ASIAN/PACIFIC ISLANDER, 8%; HISPANIC,
 5%; ALASKA NATIVE/AMERICAN INDIAN, 1%; OTHER 3%.

IN 2010, GROUP HEALTH AND ITS WHOLLY-OWNED SUBSIDIARIES, GROUP HEALTH
 OPTIONS, INC. AND KPS HEALTH PLANS, PROVIDED HEALTH CARE COVERAGE AND
 SERVICES TO APPROXIMATELY 660,000 INDIVIDUALS. GROUP HEALTH WAS ABLE TO
 REACH THESE INDIVIDUALS VIA INDIVIDUAL AND FAMILY, COMMERCIAL GROUP,
 MEDICARE, MEDICAID, AND STATE-SUBSIDIZED LOW-INCOME ("BASIC HEALTH")

Part VI Supplemental Information

Complete this part to provide the following information.

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

ENROLLEES IN WASHINGTON AND NORTH IDAHO. MOST MEDICARE AND MEDICAID

PATIENTS RECEIVE SUCH SERVICES UNDER CAPITATION CONTRACTS BETWEEN GROUP

HEALTH AND STATE AND FEDERAL GOVERNMENT AGENCIES, AND OTHERS RECEIVE CARE

ON A FEE-FOR-SERVICE BASIS.

GROUP HEALTH EXTENDS ITS HEALTH CARE SERVICES TO THE COMMUNITY, PROVIDING

CARE TO PEOPLE IN NEED REGARDLESS OF THEIR ENROLLMENT STATUS OR ABILITY

TO PAY. SPECIAL ATTENTION IS DEVOTED TO UNDERSERVED, AT-RISK

POPULATIONS. SPECIFICALLY RELATED TO LOW-INCOME ENROLLEES, GROUP HEALTH

CURRENTLY PROVIDES COVERAGE TO HEALTHY OPTIONS (WASHINGTON STATE MANAGED

MEDICAID) ENROLLEES IN 6 COUNTIES AROUND THE STATE AS WELL AS PROVIDING

CARE TO MEDICAID FEE-FOR-SERVICE PATIENTS WHO ARE UNABLE TO ACCESS GROUP

HEALTH THROUGH THE MANAGED MEDICAID PROGRAM. GROUP HEALTH'S 2010

MEDICAID ENROLLMENT AVERAGED 20,000 OF WHICH 80% ARE CHILDREN UNDER THE

AGE OF 19 YEARS, WITH ANOTHER 2,200 ENROLLEES UNDER BASIC HEALTH PLUS.

THESE ENROLLEES ARE PREDOMINATELY THE CHILDREN OF INDIVIDUALS COVERED

UNDER BASIC HEALTH. IN ADDITION, IN 2010, GROUP HEALTH SERVED

Part VI Supplemental Information

Complete this part to provide the following information.

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

APPROXIMATELY 10,000 BASIC HEALTH MEMBERS, LARGELY LOW-INCOME ADULTS, IN
5 COUNTIES ACROSS THE STATE.

WHILE GROUP HEALTH COVERS BETWEEN 3-4% OF THE TOTAL MANAGED MEDICAID
POPULATION IN WASHINGTON STATE, WE HAVE A MUCH HIGHER PROPORTION OF THE
POPULATION IN TWO SPECIFIC COUNTIES. IN KITSAP COUNTY WE HAVE
APPROXIMATELY 3,000 ENROLLEES OR 19% OF THE TOTAL MEDICAID MANAGED CARE
POPULATION. IN SPOKANE COUNTY WE HAVE 11,000 ENROLLEES OR 21% OF THE
MEDICAID MANAGED CARE POPULATION.

IN ADDITION, GROUP HEALTH'S FAMILY BEGINNINGS UNIT (FBU) IN SEATTLE
PROVIDES LABOR AND DELIVERY AND NEONATAL INTENSIVE CARE UNIT SERVICES TO
MEDICAID PATIENTS THROUGH TWO DIFFERENT CONTRACTING MODELS. THE FIRST
CONTRACT MODEL IS THROUGH THE GROUP HEALTH HEALTHY OPTIONS MEDICAID
PROGRAM ENROLLEES, WITH GROUP HEALTH PHYSICIANS AND NURSE MIDWIVES
DELIVERING NEWBORNS. THE SECOND MODEL CONSISTS OF CONTRACTS WITH SEVERAL
COMMUNITY HEALTH CLINICS AND FEDERALLY QUALIFIED HEALTH CENTERS TO ALLOW
COMMUNITY PROVIDERS TO DELIVER THE PATIENTS OF THESE COMMUNITY CLINICS AT

Part VI Supplemental Information

Complete this part to provide the following information.

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

THE FBU, WITH BACK-UP AND SUPPORT PROVIDED BY GROUP HEALTH OB-GYN

PHYSICIANS. IN ADDITION TO MEDICAID PATIENTS, THE GROUP HEALTH FBU IS

ONE OF A FEW BIRTHING FACILITIES IN SEATTLE THAT ALLOWS CERTIFIED NURSE

MIDWIFE BIRTHING FOR ALL PATIENTS.

FINALLY, THE GROUP HEALTH TEEN PREGNANCY AND PARENTING CLINIC (TPPC)

PROVIDES COMPREHENSIVE WOMEN INFANTS AND CHILDREN (WIC) AND OTHER HEALTH

CARE SERVICES TO BOTH GROUP HEALTH AND NON-GROUP HEALTH LOW-INCOME

TEENAGERS AND YOUNG ADULTS.

PART VI, LINE 5, PROMOTION OF COMMUNITY HEALTH

SCHEDULE H, PART VI, LINE 5, PROMOTION OF COMMUNITY HEALTH

GHC CONDUCTS PUBLIC-DOMAIN RESEARCH THROUGH ONE OF ITS DIVISIONS, THE

GROUP HEALTH RESEARCH INSTITUTE (GHRI). SINCE ITS INCEPTION IN 1983,

GHRI INVESTIGATORS HAVE PUBLISHED MORE THAN 2,000 SCIENTIFIC PAPERS AND

HAVE MADE MAJOR CONTRIBUTIONS IN INJURY PREVENTION, LARGE SCALE

INTERVENTIONS IN SMOKING CESSATION, BREAST CANCER SCREENING, TREATMENT OF

DEPRESSION, THE SAFETY AND EFFICACY OF IMMUNIZATIONS, OSTEOARTHRITIS AND

Part VI Supplemental Information

Complete this part to provide the following information.

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

JOINT DISEASE, CANCER, DIABETES, MENTAL HEALTH, AND EFFECTIVE TREATMENT

OF CARDIOVASCULAR DISEASE. MOST RECENT RESEARCH HAS FOCUSED ON THE

IMPROVEMENTS AND COST-REDUCTIONS OF AN ADVANCED PRIMARY CARE MEDICAL HOME

MODEL.

THIS RESEARCH, PARTICULARLY THE LATEST RESEARCH ON ADVANCED PRIMARY CARE,

DIRECTLY ADDRESSES THE NEED FOR INFORMATION AND EVIDENCE ON HIGH

PERFORMING HEALTH SYSTEMS ABLE TO CONTAIN THE ESCALATING AND

UNSUSTAINABLE COSTS OF CARE. THESE COSTS ARE CERTAIN TO INCREASE WITH

THE OVERALL AGING OF THE POPULATION AS WELL AS THE INCREASED DEMAND OF

NEWLY INSURED POPULATIONS BROUGHT ABOUT BY HEALTH REFORM. GHRI'S

COMPARATIVE EFFECTIVENESS RESEARCH, IN CONTRAST TO CONTROLLED

EXPERIMENTAL STUDIES, DIRECTLY ADDRESSES THE CARE NEEDS AND EFFICACY OF

TREATMENT MODELS IN POPULATIONS SERVED IN WIDESPREAD COMMUNITY

PRACTICES.

GROUP HEALTH ENGAGES IN A VARIETY OF HEALTH PROMOTION ACTIVITIES. IN

ADDITION TO PROVIDING STAFF VOLUNTEERS TO SUPPORT A WIDE RANGE OF

Part VI Supplemental Information

Complete this part to provide the following information.

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

ACTIVITIES AND EVENTS, GROUP HEALTH DONATED OVER \$648,000 IN 2010 FOR
 COMMUNITY BUILDING ACTIVITIES. THESE INCLUDED SUPPORTING SAFETY NET
 ORGANIZATIONS, SUCH AS CRISIS CLINIC, KING COUNTY PROJECT ACCESS AND
 ELDERCARE NW; PROMOTING HEALTHY ACTIVE LIFESTYLES, SUCH AS SUPPORTING THE
 CASCADE BICYCLE CLUB, MAJOR TAYLOR PROGRAM, AND THE YMCA; AND EDUCATING
 THE PUBLIC ABOUT HEALTHY CHOICES, SUCH AS SUPPORTING PROGRAMS AT THE
 PACIFIC SCIENCE CENTER, THE PRIDE FOUNDATION, AND WASHINGTON HEALTH
 FOUNDATION.

GROUP HEALTH, IN PARTNERSHIP WITH SEVERAL STATE AND FEDERAL AGENCIES,
 PILOTED AND CONTINUES TO EXPAND AN INNOVATIVE PATIENT MEDICATION DISPOSAL
 PROGRAM WHICH ALLOWS PATIENTS WITH DISCONTINUED OR EXPIRED MEDICATIONS TO
 DISPOSE OF THEM IN A SAFE AND ENVIRONMENTALLY SOUND MANNER. THIS SYSTEM
 INVOLVES SECURE, CONVENIENT DROP-BOXES LOCATED IN 25 GROUP HEALTH
 PHARMACIES ACROSS THE STATE TO ALLOW MEMBERS AND PATIENTS TO RECYCLE IN A
 WAY THAT KEEPS THEM OUT OF LANDFILLS AND WATER SYSTEMS. IN ADDITION TO
 ENVIRONMENTAL BENEFITS, THIS PROGRAM ALSO HELPS PREVENT RISKS TO THE
 SAFETY OF PARTICIPANTS THROUGH ABUSE AND ACCIDENTAL POISONING.

Part VI Supplemental Information

Complete this part to provide the following information.

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

LAST, GROUP HEALTH'S BOARD OF TRUSTEES SERVES AS THE GOVERNING BOARD OF
 GROUP HEALTH'S HOSPITAL. THE BOARD IS COMPRISED OF 11 TRUSTEES (10 OF
 WHOM WERE INDEPENDENT IN 2010), WHO ARE ELECTED BY GROUP HEALTH'S VOTING
 MEMBERSHIP. THE MEMBERS OF THE BOARD REPRESENT A CROSS-SECTION OF THE
 COMMUNITY.

PART VI, LINE 6, AFFILIATED HEALTH CARE SYSTEM

SCHEDULE H, PART VI, LINE 6, AFFILIATED HEALTH CARE SYSTEM

GROUP HEALTH COOPERATIVE IS ONE OF THE NATION'S LARGEST CONSUMER GOVERNED
 HEALTH CARE ORGANIZATIONS. GROUP HEALTH IS GOVERNED BY AN INDEPENDENT
 BOARD OF TRUSTEES COMPRISED OF 11 ENROLLED MEMBERS ALL OF WHOM RESIDE IN
 THE GROUP HEALTH SERVICE AREA AND ARE ELECTED BY GROUP HEALTH'S VOTING
 MEMBERSHIP. VOTING MEMBERSHIP IS OPEN TO ALL GROUP HEALTH ENROLLEES OVER
 THE AGE OF EIGHTEEN.

GROUP HEALTH COOPERATIVE HAS A WHOLLY OWNED SUBSIDIARY, THE GROUP HEALTH
 FOUNDATION, WHICH IS ALSO A 501(C) (3) ORGANIZATION. THE PURPOSE OF THE

Part VI Supplemental Information

Complete this part to provide the following information.

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

GROUP HEALTH FOUNDATION IS TO IMPROVE THE HEALTH OF COMMUNITIES IN
 PARTNERSHIP WITH GROUP HEALTH COOPERATIVE AND GROUP HEALTH RESEARCH
 INSTITUTE. GROUP HEALTH FOUNDATION INVESTS IN RESEARCH RELATED TO HEALTH
 CARE INNOVATION, QUALITY OUTCOMES AND COMMUNITY PARTNERSHIPS AND PROVIDES
 TECHNICAL ASSISTANCE AND GRANTS, AS WELL AS SPONSORING SPECIFIC PROGRAMS,
 TO PROMOTE CHILDREN'S HEALTH AND FITNESS, PREVENTIVE CARE AND HEALTH
 EDUCATION AND DIVERSITY. GROUP HEALTH FOUNDATION IS CURRENTLY ENGAGED IN
 A MULTI-YEAR PROGRAM WITH ORGANIZATIONAL AND SCHOOL-BASED PARTNERS IN
 COMMUNITIES ACROSS THE STATE, TO ADDRESS THE EFFECTS OF PARENTAL
 HESITANCY ON LOW VACCINATION RATES OF WASHINGTON'S CHILDREN. THIS
 INCLUDES PROCURING AND PROVIDING VACCINES TO CHILDREN, AS WELL AS
 SPONSORING SOCIAL MARKETING AND OTHER ACTIVITIES TO REDUCE PARENTAL
 HESITANCY RELATED TO CHILDHOOD VACCINATION.

GROUP HEALTH COOPERATIVE HAS AN EXCLUSIVE CONTRACT WITH GROUP HEALTH
 PERMANENTE, P.C., A GROUP PRACTICE WITH 1,400 SALARIED CLINICIANS. GROUP
 HEALTH PERMANENTE IS NOT UNDER COMMON GOVERNANCE OR CONTROL WITH GROUP
 HEALTH COOPERATIVE, BUT THE TWO ORGANIZATIONS COLLABORATE TO SERVE THE

Part VI Supplemental Information

Complete this part to provide the following information.

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

COMMUNITY. BOTH GROUP HEALTH COOPERATIVE AND GROUP HEALTH PERMANENTE

PARTICIPATE AS FACULTY AND PRECEPTORS FOR RESIDENCY AND HEALTH

PROFESSIONALS TRAINING PROGRAMS. IN ADDITION TO THE OPERATION OF A

FAMILY PRACTICE RESIDENCY PROGRAM (FOR WHICH GROUP HEALTH PERMANENTE

PHYSICIANS SERVE AS FACULTY), GROUP HEALTH COOPERATIVE AND GROUP HEALTH

PERMANENTE PARTICIPATE IN THE TRAINING OF OVER A DOZEN MEDICAL

SPECIALTIES AND AN ADDITIONAL 20+ MID-LEVEL AND NON-PHYSICIAN TRAINING

PROGRAMS, INCLUDING THOSE FOR CRITICAL SHORTAGE PROFESSIONS SUCH AS

NURSING, PHYSICAL THERAPY AND PHARMACY.

AS AN INTEGRATED CARE ORGANIZATION AND ONE OF THE LARGEST PROVIDERS IN

WASHINGTON STATE, GROUP HEALTH HAS INNOVATIVE NEW APPROACHES TO CARE THAT

CONTRIBUTE TO WASHINGTON STATE HAVING HIGHER HEALTH CARE QUALITY AND

LOWER COSTS THAN THE NATIONAL AVERAGE. THIS HAS INCLUDED BEING A NATIONAL

LEADER IN THE WIDESPREAD ADOPTION OF ELECTRONIC MEDICAL RECORDS, FOCUS ON

PREVENTION AND A PATIENT-CENTERED MEDICAL HOME MODEL OF CARE.

A PEER-REVIEWED STUDY OF THE MEDICAL HOME PILOT SHOWED IMPROVEMENTS IN

Part VI Supplemental Information

Complete this part to provide the following information.

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

HEALTH OUTCOMES, PATIENT EXPERIENCE AND A DECREASE IN MEDICAL COSTS OF
 \$10 PER MEMBER PER MONTH. IN 2010, GROUP HEALTH EXPANDED THIS MODEL OF
 ENHANCED PRIMARY CARE TO 26 MEDICAL CENTERS SERVING MORE THAN 400,000
 PEOPLE.

IN 2010, GROUP HEALTH CONTINUED IMPLEMENTATION OF INNOVATIVE APPROACHES
 TO REDUCING HOSPITAL READMISSION RATES WORKING IN COLLABORATION WITH
 SEVEN HOSPITALS ACROSS THE STATE. IN 2010, THE PROGRAM RESULTED IN A 6.3
 PERCENT DECREASE MEDICARE ADMITS AND 3.3 PERCENT DECREASE MEDICARE DAYS;
 6 PERCENT DECREASE NON-MEDICARE ADMITS AND 10 PERCENT DECREASE
 NON-MEDICARE DAYS.

PHYSICIAN AND NON-PHYSICIAN LEADERS AT GROUP HEALTH ALSO CONTRIBUTE TO
 THE EXPANSION OF EVIDENCE-BASED MEDICINE AND OUTCOMES IMPROVEMENT BY
 SHARING CLINICAL GUIDELINES, QUALITY IMPROVEMENT EFFORTS AND PROTOCOLS
 RELATED TO SHARED DECISION-MAKING AND OTHER PATIENT ENGAGEMENT TOOLS,
 LEAN PROCESS IMPROVEMENTS IN CLINICAL CARE AND OTHER CARE INNOVATIONS.

GROUP HEALTH IS A LEADER IN THE PUGET SOUND HEALTH ALLIANCE, WHICH

Part VI Supplemental Information

Complete this part to provide the following information.

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

PUBLICLY AND TRANSPARENTLY REPORTS PROVIDER QUALITY MEASURES THROUGH ITS
COMMUNITY CHECKUP.

IN ADDITION TO THE ABOVE MENTIONED PROGRAMS IN WASHINGTON STATE, IN 2010
GROUP HEALTH PHYSICIANS AND STAFF VOLUNTEERED MEDICAL SERVICES TO
HOMELESS SHELTERS, COMMUNITY CLINICS AND OTHER RELIEF EFFORTS IN THE U.S.
AND AROUND THE WORLD.

PART VI, LINE 7, STATE FILING OF COMMUNITY BENEFIT REPORT
SCHEDULE H, PART VI, LINE 7, STATE FILING OF COMMUNITY BENEFIT REPORT
THIS QUESTION IS NOT APPLICABLE.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| <input checked="" type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input 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 on 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

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input 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 in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment from the organization or a related organization? **4a** X
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b** X
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c** X
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? **5a** X
- b** Any related organization? **5b** X
- If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? **6a** X
- b** Any related organization? **6b** X
- If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III **7** X

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8** X

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9**

	Yes	No
1a	X	
2	X	
4a	X	
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X
9		

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

Schedule J (Form 990) 2010

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

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ	
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation					
1 SCOTT ARMSTRONG	(i)	862,319.	0.	11,198.	103,400.	28,565.	1,005,482.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 RICK WOODS	(i)	413,556.	0.	4,804.	112,700.	12,240.	543,300.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 PAMELA MACEWAN	(i)	276,659.	0.	3,439.	27,272.	20,731.	328,101.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 RICHARD MAGNUSON	(i)	480,363.	0.	9,820.	28,212.	11,916.	530,311.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 PETER MORGAN	(i)	374,436.	0.	17,661.	3,274.	10,271.	405,642.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 JAMES HEREFORD	(i)	396,019.	0.	7,658.	23,312.	17,918.	444,907.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 BRETON MYERS	(i)	210,315.	0.	37,911.	23,456.	6,727.	278,409.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 ROBERT O'BRIEN	(i)	607,350.	0.	4,896.	23,312.	19,595.	655,153.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 JOEL SUELZLE	(i)	286,176.	0.	3,883.	101,200.	17,971.	409,230.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10 CYNTHIA JOHNSON	(i)	308,119.	0.	5,212.	28,212.	19,508.	361,051.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
11 JILL OSTREM	(i)	293,377.	0.	16,389.	22,380.	18,053.	350,199.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
12 ERIC LARSON	(i)	288,308.	0.	1,513.	28,212.	19,748.	337,781.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
13 ERNEST HOOD	(i)	277,624.	0.	14,630.	18,815.	18,266.	329,335.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
14 BARBARA BELT LLOYD	(i)	193,509.	0.	1,226.	111,413.	23,284.	329,432.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
15 BRIAN HARRIS	(i)	239,576.	2,500.	3,002.	102,800.	18,058.	365,936.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
16 RANDY BARKER	(i)	229,641.	0.	823.	24,177.	17,569.	272,210.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

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

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 LINDA MACMASTER	(i)	277,714.	0.	27,943.	27,338.	10,346.	343,341.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2	(i)							
	(ii)							
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

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

FIRST-CLASS TRAVEL

SCHEDULE J, PART I, LINE 1A

PER GROUP HEALTH EXPENSE REIMBURSEMENT POLICY, AIR TRAVEL IS TO BE BOOKED AT COACH CLASS UNLESS PRE-AUTHORIZED BY THE APPROVING MANAGER. THE COMPENSATION COMMITTEE OF THE BOARD OF GROUP HEALTH AUTHORIZED FIRST-CLASS TRAVEL FOR THE PRESIDENT/CEO DUE TO EXTENSIVE AMOUNT OF REQUIRED BUSINESS TRAVEL DURING 2010. FIRST-CLASS TRAVEL EXPENSE IS NOT REPORTED AS TAXABLE COMPENSATION AS IT IS ONLY REIMBURSED WHEN INCURRED FOR BUSINESS PURPOSES.

SOCIAL CLUB DUES

SCHEDULE J, PART I, LINE 1A

ALL EMPLOYEES ARE RESPONSIBLE FOR FOLLOWING ALL OF GROUP HEALTH'S EXPENSE REIMBURSEMENT GUIDELINES AND BEING A GOOD STEWARD OF THE COMPANY'S RESOURCES. THE COMPANY WILL PAY FOR ITS EXECUTIVES' SOCIAL CLUB DUES IF

Part III Supplemental Information

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

THE EXPENSE COMPLIES WITH THE EXPENSE REIMBURSEMENT POLICY AND THE BUSINESS EXPENSES ARE RELATED TO A LEGITIMATE BUSINESS PURPOSE AND ARE REASONABLE FOR THE SITUATION IN WHICH THEY WERE INCURRED. SOCIAL CLUB DUES ARE NOT TREATED AS TAXABLE COMPENSATION WHEN STRICTLY INCURRED FOR BUSINESS PURPOSE.

SEVERANCE PAYMENT

SCHEDULE J, PART I, LINE 4A

THE GROUP HEALTH PRESIDENT AND CEO, THE EXECUTIVE VICE PRESIDENTS, AND THE VICE PRESIDENTS ARE EACH PARTIES TO WRITTEN EMPLOYMENT AGREEMENTS WITH GROUP HEALTH COOPERATIVE THAT PROVIDE FOR SEVERANCE BENEFITS UNDER CERTAIN CONDITIONS. THE PRESIDENT AND CEO'S EMPLOYMENT AGREEMENT IS APPROVED BY THE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES. EXECUTIVES WHO ARE TERMINATED FOR CAUSE, OR WHO ELECT TO TERMINATE THEIR EMPLOYMENT RELATIONSHIP WITHOUT CAUSE (MEANING THEY VOLUNTARILY QUIT), ARE NOT ENTITLED TO SEVERANCE BENEFITS. IN THE EVENT THE EXECUTIVE IS ELIGIBLE FOR SEVERANCE BENEFITS, THE SEVERANCE BENEFITS ARE AS FOLLOWS: SEVERANCE PAYMENTS IN THE MAXIMUM, TOTAL AMOUNT OF TWELVE (12) MONTHS OF BASE SALARY, PLUS MEDICAL AND DENTAL COVERAGE (AT THE SAME LEVEL PROVIDED

Part III Supplemental Information

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

TO THE EXECUTIVE AS OF THE DATE OF SEPARATION) FOR A MAXIMUM OF TWELVE (12) MONTHS. THESE BENEFITS ARE FORFEITED IF THE EXECUTIVE VIOLATES THE TERMS OF THE NONCOMPETITION, NON-SOLICITATION, AND CONFIDENTIALITY COMMITMENTS IN THE EMPLOYMENT AGREEMENT. FURTHER, WITH RESPECT TO THE EXECUTIVE VICE PRESIDENTS AND VICE PRESIDENTS, THE SEVERANCE PAYMENTS (AND MEDICAL AND DENTAL COVERAGE) WILL CEASE AFTER SIX MONTHS OF THE EXECUTIVE'S SEPARATION DATE IN THE EVENT AND AS OF THE DATE THAT THE EXECUTIVE PROVIDES SERVICES, OR ENTERS INTO AN AGREEMENT TO PROVIDE SERVICES, AS AN EMPLOYEE OR INDEPENDENT CONTRACTOR TO GROUP HEALTH, ANY OF ITS SUBSIDIARIES, GROUP HEALTH PERMANENTE, OR ANY OTHER ORGANIZATION IN A COMPARABLE POSITION (MEANING AN EXECUTIVE LEVEL POSITION WITH COMPENSATION THAT IS AT LEAST 80% OF THE EXECUTIVE'S COMPENSATION AS OF THE SEPARATION DATE. LAST, THE PRESIDENT AND CEO'S EMPLOYMENT AGREEMENT ALSO PROVIDES FOR SEVERANCE PAYMENTS IN THE EVENT OF A CHANGE IN CONTROL, WHICH THE EMPLOYMENT AGREEMENT DEFINES AS (1) THE ACQUISITION BY ANOTHER ORGANIZATION OF OWNERSHIP OR CONTROL OF ALL OR SUBSTANTIALLY ALL OF THE ASSETS OR OPERATIONS OF GROUP HEALTH, BY MERGER, CONSOLIDATION, DISSOLUTION, LIQUIDATION, JOINT VENTURE, PARTNERSHIP, AFFILIATION,

Part III Supplemental Information

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

MANAGEMENT AGREEMENT, SALE OR TRANSFER OF ASSETS, OR OTHERWISE; (2) A CONVERSION OF GROUP HEALTH TO A STOCK-BASED CORPORATION; (3) A FIFTY PERCENT (50%) OR GREATER CHANGE IN THE COMPOSITION OF THE BOARD OF TRUSTEES THAT OCCURS WITHIN ANY SINGLE CALENDARY YEAR; OR (4) ANY OTHER CHANGE IN THE MANAGEMENT OR OPERATIONAL CONTROL OF GROUP HEALTH THAT IS DETERMINED BY THE GROUP HEALTH BOARD OF TRUSTEES BY MAJORITY VOTE TO BE A CHANGE IN CONTROL FOR PURPOSES OF THE CEO'S EMPLOYMENT AGREEMENT.

PETER MORGAN, EVP, GROUP PRACTICE DIVISION, SEVERANCE PAYMENT OF \$327,318.

ERNEST HOOD, VP, CIO, SEVERANCE PAYMENT OF \$97,696.

JILL OSTREM, VP, CONSULT SPEC & AC SVCS, SEVERANCE PAYMENT OF \$89,250.

SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN

SCHEDULE J, PART I, LINE 4B

THE GROUP HEALTH PRESIDENT AND CEO, THE EXECUTIVE VICE PRESIDENTS, AND THE VICE PRESIDENTS ARE ELIGIBLE TO PARTICIPATE IN A NONQUALIFIED SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (THE "PLAN") APPROVED BY THE GROUP HEALTH COOPERATIVE BOARD OF TRUSTEES COMPENSATION COMMITTEE AND

Part III Supplemental Information

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

ADMINISTERED BY THE COMPENSATION COMMITTEE. GROUP HEALTH CREDITS TO THE ACCOUNT OF EACH ACTIVE PARTICIPANT AN ANNUAL CONTRIBUTION AMOUNT OF NINE PERCENT OF THE PARTICIPANT'S BASE SALARY (15.3% FOR THE PRESIDENT AND CEO). THE FORMULA FOR THE ANNUAL CONTRIBUTION IS BASED ON THE PARTICIPANT'S BASE SALARY AND EXCLUDES ANY INCENTIVE PLAN OR BONUS PAYMENT AMOUNTS. THE PLAN BALANCES ARE SUBJECT TO SUBSTANTIAL RISK OF FORFEITURE UNTIL THE PARTICIPANT HAS VESTED AND MET OTHER PLAN REQUIREMENTS. VESTING OCCURS AFTER EITHER THREE YEARS OR FIVE YEARS FROM THE DATE ON WHICH A PARTICIPANT ENTERS THE PLAN, BASED ON THE PARTICIPANT'S DATE OF HIRE (AS OF JANUARY 1, 2008, ALL NEW EXECUTIVE VICE PRESIDENT AND VICE PRESIDENT HIRES ARE SUBJECT TO A FIVE-YEAR VESTING SCHEDULE). PARTICIPANTS WHO INCUR A SEPARATION FROM SERVICE PRIOR TO THEIR VESTING DATE ARE NOT ELIGIBLE FOR PLAN DISTRIBUTIONS UNLESS CERTAIN PLAN CONDITIONS ARE MET. A PARTICIPANT REMAINS ELIGIBLE TO PARTICIPATE UNTIL HIS OR HER ACCOUNT BALANCE IS EITHER FULLY DISTRIBUTED OR FORFEITED. GROUP HEALTH MADE NO SERP PLAN CONTRIBUTIONS IN 2010.

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled Financing	
						Yes	No	Yes	No	Yes	No
A WASHINGTON HEALTH CARE FACILITIES AUTHORITY	91-1108929	93978EE24	11/08/2006	99,995,662.	REVENUE BOND 2006		X		X		X
B											
C											
D											

Part II Proceeds

	A	B	C	D
1 Amount of bonds retired	0.			
2 Amount of bonds legally defeased	0.			
3 Total proceeds of issue	99,995,662.			
4 Gross proceeds in reserve funds	8,848,163.			
5 Capitalized interest from proceeds	0.			
6 Proceeds in refunding escrows	0.			
7 Issuance costs from proceeds	1,999,913.			
8 Credit enhancement from proceeds	0.			
9 Working capital expenditures from proceeds	0.			
10 Capital expenditures from proceeds	89,147,586.			
11 Other spent proceeds	0.			
12 Other unspent proceeds	0.			
13 Year of substantial completion	2008			
	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X		
15 Were the bonds issued as part of an advance refunding issue?		X		
16 Has the final allocation of proceeds been made?	X			
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X			

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2 Are there any lease arrangements that may result in private business use of bond-financed property		X						

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

Schedule K (Form 990) 2010

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b Are there any research agreements that may result in private business use of bond-financed property?		X						
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X						
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0.0000 %							
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0.0000 %							
6 Total of lines 4 and 5	0.0000 %							
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X						
2 Is the bond issue a variable rate issue?		X						
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?	X							
b Name of provider	CITIBANK, N.A.							
c Term of hedge	30.000							
d Was the hedge superintegrated?		X						
e Was the hedge terminated?		X						
4a Were gross proceeds invested in a GIC?	X							
b Name of provider	TRINITY PLUS FUNDING							
c Term of GIC	10.000							
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
5 Were any gross proceeds invested beyond an available temporary period?		X						
6 Did the bond issue qualify for an exception to rebate?		X						

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

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, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No. 1545-0047

2010

Open To Public Inspection

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

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

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

- 2 Enter the amount of tax imposed on the 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

1	(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
		To	From			Yes	No	Yes	No	Yes	No
		(1)									
(2)											
(3)											
(4)											
(5)											
(6)											
(7)											
(8)											
(9)											
(10)											

Total ▶ \$ _____

Part III Grants or Assistance Benefiting Interested Persons.

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

1	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			

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

Schedule L (Form 990 or 990-EZ) 2010

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) TODD CAMPBELL	SEE PART V.	45,938.	INDEPENDENT CONTRACTOR		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

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

PART IV BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS

PART IV BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS, LINE 1, COL. B

TODD CAMPBELL IS A FAMILY MEMBER OF JERRY CAMPBELL, A TRUSTEE.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

ORGANIZATION'S MEMBERSHIP

FORM 990, PART VI, SECTION A, LINE 6

GROUP HEALTH COOPERATIVE (GHC) HAS VOTING MEMBERS. THE GHC BYLAWS OUTLINE A NUMBER OF PURPOSES, INCLUDING TO SERVE THE GREATEST POSSIBLE NUMBER OF PEOPLE UNDER CONSUMER COOPERATIVE PRINCIPLES WITHOUT DISCRIMINATION. ELIGIBLE CONSUMERS WHO BELIEVE IN THIS PURPOSE ARE ENCOURAGED TO BECOME VOTING MEMBERS AND PARTICIPATE IN GOVERNING GHC. TO BE ELIGIBLE FOR MEMBERSHIP, A CONSUMER MUST BE EIGHTEEN YEARS OF AGE OR OLDER AND CURRENT IN MONTHLY PREMIUMS.

ORGANIZATION'S VOTING MEMBERSHIP

FORM 990, PART VI, SECTION A, LINE 7A

GHC HAS VOTING MEMBERS. THE RIGHTS OF MEMBERS ARE DELINEATED IN GHC'S BYLAWS AND INCLUDE THE DETERMINATION OF QUALIFICATIONS FOR MEMBERSHIP; THE ELECTION OF MEMBERS OF THE BOARD OF TRUSTEES (GHC'S GOVERNING BODY); THE ELECTION OF THE CHAIR OF THE STANDING NOMINATING COMMITTEE OF THE MEMBERSHIP (WHICH EVALUATES AND NOMINATES CANDIDATES FOR ELECTION TO THE BOARD); ADOPTION OF RESOLUTIONS THAT ARE ADVISORY TO THE BOARD; APPROVAL OF EXTRAORDINARY ACTIONS; AND AMENDMENT OF THE PREAMBLE, MEMBERSHIP, AND MEMBERSHIP RIGHTS SECTIONS OF THE BYLAWS.

APPROVAL BY VOTE OF MEMBERS

FORM 990, PART VI, SECTION A, LINE 7B

GHC BYLAWS PROVIDE THAT THE MERGER OR CONSOLIDATION OF GHC WITH ANOTHER

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

ENTITY, THE VOLUNTARY DISSOLUTION OF GHC, OR THE SALE, LEASE, EXCHANGE, OR OTHER DISPOSITION OF ALL OR SUBSTANTIALLY ALL OF THE PROPERTY AND ASSETS OF GHC MUST BE APPROVED BY VOTE OF THE MEMBERS. THE BOARD OF TRUSTEES PRESENTS A PROPOSED PLAN OF MERGER, CONSOLIDATION, DISSOLUTION, OR SALE, LEASE, EXCHANGE OR OTHER DISPOSITION OF ALL OR SUBSTANTIALLY ALL OF THE PROPERTY AND ASSETS OF GHC TO THE MEMBERS FOR APPROVAL. SUCH RESOLUTION IS FIRST CONSIDERED AT AN ANNUAL OR SPECIAL MEETING. ALSO, AMENDMENTS TO ARTICLE 2 OF THE GHC BYLAWS (ADDRESSING MEMBERSHIP AND MEMBERSHIP RIGHTS) MAY ONLY BE APPROVED BY VOTE OF THE MEMBERS. THE BOARD OF TRUSTEES MAY PROPOSE AMENDMENTS TO ARTICLE 2 BY RESOLUTION.

ORGANIZATION'S FORM 990 REVIEW PROCESS

FORM 990, PART VI, SECTION A, LINE 11A

THE FORM 990 UNDERGOES A ROBUST PREPARATION AND REVIEW PROCESS BEFORE IT IS SIGNED. THE ORGANIZATION'S FINANCE TEAM WORKS CLOSELY WITH THE OUTSIDE ACCOUNTING FIRM IT ENGAGES TO REVIEW THE RETURN AND INVOLVES MANY MEMBERS OF MANAGEMENT IN PREPARATION OF THE RETURN. THE FORM 990 IS THEN REVIEWED BY GHC MANAGEMENT AND THE OUTSIDE CPA FIRM FOR ACCURACY AND COMPLETENESS PRIOR TO BEING PRESENTED TO GHC'S AUDIT AND COMPLIANCE COMMITTEE OF THE BOARD OF TRUSTEES (A DULY CONSTITUTED COMMITTEE OF THE BOARD). THE FINAL DRAFT FORM 990 IS PRESENTED TO THE AUDIT AND COMPLIANCE COMMITTEE FOR REVIEW AND DISCUSSION. THE FINAL DRAFT FORM 990 IS PROVIDED TO THE FULL BOARD OF TRUSTEES FOR REVIEW AND DISCUSSION BEFORE THE RETURN IS FILED.

ORGANIZATION'S MONITORING AND ENFORCEMENT OF CONFLICT OF INTEREST POLICY

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

FORM 990, PART VI, SECTION B, LINE 12C

GROUP HEALTH COOPERATIVE HAS AN ORGANIZATION-WIDE CONFLICT OF INTEREST POLICY THAT COVERS TRUSTEES, OFFICERS, AND EMPLOYEES. IT ALSO APPLIES TO CERTAIN INDEPENDENT CONTRACTORS WHEN THEY PERFORM WORK ON BEHALF OF GROUP HEALTH.

THE POLICY INCLUDES REQUIRED DISCLOSURE PROCEDURES WHICH ARE APPLIED TO ALL GROUP HEALTH TRUSTEES AND GROUP HEALTH OFFICERS, INCLUDING:

- PROVIDING A WRITTEN DECLARATION OF ANY ACTUAL OR POTENTIAL AREAS OF CONFLICT OF INTEREST ON AN ANNUAL BASIS USING FORMS AND PROCEDURES DEVELOPED BY THE CHIEF COMPLIANCE OFFICER. THESE DECLARATIONS ARE REVIEWED BY THE AUDIT AND COMPLIANCE COMMITTEE OF THE BOARD OF TRUSTEES.
- SUBSEQUENT REPORTING OF MATERIAL ADDITIONS OR CHANGES TO THE INFORMATION PROVIDED ON THE CONFLICT OF INTEREST DECLARATIONS. THESE ADDITIONS OR CHANGES ARE REVIEWED BY THE AUDIT AND COMPLIANCE COMMITTEE, FOLLOWING THE PROCESS USED FOR ANNUAL DECLARATIONS.
- AT EACH BOARD MEETING, DISCLOSURE BY TRUSTEES OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST WHEN SUCH INTERESTS BECOME A MATTER FOR BOARD ACTION. ANY TRUSTEE HAVING AN ACTUAL CONFLICT OF INTEREST RELATED TO A MATTER AT ISSUE SHOULD NOT VOTE, TAKE OTHER ACTION, OR USE HIS/HER PERSONAL INFLUENCE ON THE MATTER.

GROUP HEALTH OFFICERS, OTHER EMPLOYEES, AND CERTAIN INDEPENDENT CONTRACTORS ACTING ON BEHALF OF GROUP HEALTH SHALL DISCLOSE AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST WHEN SUCH AN INTEREST IS RELEVANT TO A MATTER IN WHICH THEY HAVE A ROLE, EITHER DIRECTLY OR THROUGH SUBORDINATES ACTING AT THEIR DIRECTION.

CERTAIN HIGH-LEVEL MANAGEMENT POSITIONS AND OTHER POSITIONS INVOLVING

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

TRANSACTIONS WITH OUTSIDE PARTIES ARE ALSO SUBJECT TO DISCLOSURE PROCEDURES. INDIVIDUALS IN THESE POSITIONS MUST COMPLETE AN ANNUAL DISCLOSURE STATEMENT TO IDENTIFY ANY ACTUAL OR POTENTIAL AREAS OF CONFLICT OF INTEREST. DURING THE YEAR, THESE PERSONS SHALL REPORT MATERIAL ADDITIONS OR CHANGES TO THE INFORMATION PROVIDED ON ANNUAL CONFLICT OF INTEREST DECLARATIONS.

MANAGERS OF PERSONS NOT REQUIRED UNDER THE POLICY TO COMPLETE AN ANNUAL DISCLOSURE ARE RESPONSIBLE FOR REVIEWING AND RESPONDING TO ANY POTENTIAL CONFLICTS OF INTEREST AMONG THEIR STAFF AND FOR ESCALATING ISSUES AS NECESSARY TO ENSURE THEY ARE ADDRESSED.

ORGANIZATION'S COMPENSATION SETTING PROCESS

FORM 990, PART VI, SECTION B, LINE 15

GROUP HEALTH COOPERATIVE (GHC) IS GOVERNED BY AN INDEPENDENT BOARD OF TRUSTEES ("THE BOARD"), COMPRISED OF 11 CONSUMERS ELECTED BY GHC'S VOTING MEMBERS. THE BOARD HAS DELEGATED TO THE COMPENSATION COMMITTEE OF THE BOARD (THE "COMMITTEE") THE RESPONSIBILITY FOR NEGOTIATING AND APPROVING THE EMPLOYMENT AGREEMENT AND COMPENSATION PACKAGE FOR THE GHC PRESIDENT AND CHIEF EXECUTIVE OFFICER ("CEO"); APPROVING THE EXECUTIVE TOTAL COMPENSATION PHILOSOPHY THAT DRIVES ALL EXECUTIVE COMPENSATION DECISIONS; AND APPROVING COMPENSATION FOR THE EXECUTIVE VICE PRESIDENTS AND VICE PRESIDENTS OF GHC. THE FIVE MEMBERS OF THE COMMITTEE ARE THE CHAIR OF THE BOARD OF TRUSTEES, THE VICE CHAIR, THE IMMEDIATE PAST CHAIR, AND TWO ADDITIONAL TRUSTEES SELECTED BY THE CHAIR. AS ADOPTED BY THE COMMITTEE, THE EXECUTIVE TOTAL COMPENSATION PHILOSOPHY PROVIDES THAT GHC WILL MAINTAIN AN EXECUTIVE TOTAL COMPENSATION PROGRAM DESIGNED TO FACILITATE

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

THE ACHIEVEMENT OF ITS CHARITABLE MISSION, VALUES AND ORGANIZATIONAL GOALS. EXECUTIVE COMPENSATION IS SET "AT A LEVEL THAT ENABLES THE ORGANIZATION TO ATTRACT, RETAIN, MOTIVATE AND REWARD THE HIGHEST CALIBER EXECUTIVES AT A COST THAT IS JUSTIFIABLE TO THE BOARD OF TRUSTEES AND OUR MEMBERS AND CONSISTENT WITH OUR CHARITABLE MISSION." BASED UPON THOSE PRINCIPLES, THE PHILOSOPHY CONFIRMS THAT ALTHOUGH COMPENSATION WILL BE COMPETITIVE AS COMPARED TO COMPARABLE HEALTH CARE ORGANIZATIONS, BASE SALARY RANGES WILL BE BUILT AROUND 50TH PERCENTILE MARKET BASE PAY LEVELS, ANNUAL INCENTIVES WILL BE TARGETED AT THE 50TH PERCENTILE (WITH AN OPPORTUNITY TO EARN ABOVE THAT LEVEL BASED ON PERFORMANCE), AND BENEFITS AND PERQUISITES WILL BE ESTABLISHED CONSISTENT WITH MARKET PRACTICES. CONSISTENT WITH THIS PHILOSOPHY, THE COMMITTEE REVIEWS AND APPROVES THE ANNUAL PERFORMANCE GOALS AND CRITERIA TO BE USED IN DETERMINING SALARY INCREASES AND INCENTIVE COMPENSATION CRITERIA FOR THE GHC CEO, EXECUTIVE VICE PRESIDENTS AND VICE PRESIDENTS (WHICH GROUP INCLUDES ALL GHC KEY EMPLOYEES AND GHC OFFICERS, EXCLUDING THE CHAIR OF THE BOARD AND THE VICE CHAIR, WHO ARE NOT EMPLOYED BY GHC). THE COMMITTEE ALSO HIRES A QUALIFIED INDEPENDENT COMPENSATION CONSULTANT (AN INDEPENDENT EXPERT) TO REVIEW, ANALYZE AND PROVIDE BENCHMARKING DATA FOR THE TOTAL COMPENSATION AND BENEFITS PACKAGES OF THE CEO, EXECUTIVE VICE PRESIDENTS AND VICE PRESIDENTS. APPROPRIATE COMPARABILITY DATA IS OBTAINED FROM THE INDEPENDENT EXPERTS, I.E., COMPENSATION PAID BY SIMILARLY SITUATED ORGANIZATIONS (BOTH TAXABLE AND TAX-EXEMPT, OF SIMILAR SIZE AND IN THE SAME INDUSTRY) FOR SIMILAR JOB RESPONSIBILITIES. THE COMMITTEE'S WRITTEN RECORDS AND MINUTES INCLUDE THE (1) TERMS OF THE

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

ARRANGEMENT WITH THE DISQUALIFIED PERSON (INCLUDING THE DATE THE ARRANGEMENT WAS APPROVED); (2) A LIST OF MEMBERS PRESENT DURING THE DEBATE ON THE TRANSACTION (AND HOW THE MEMBERS VOTED WHEN IT WAS APPROVED); AND (3) A DESCRIPTION OF THE COMPARABLE DATA RELIED ON BY THE COMMITTEE. KEY DELIBERATIONS OF THE COMMITTEE ARE ALSO DOCUMENTED IN MINUTES WHICH ARE APPROVED AT THE NEXT COMMITTEE MEETING. THE COMMITTEE'S COMPENSATION DECISIONS ARE SHARED WITH THE FULL BOARD OF TRUSTEES.

THE FOLLOWING ARE THE 2010 OFFICES AND POSITIONS FOR WHICH THE ABOVE-DESCRIBED PROCESS WAS USED TO ESTABLISH COMPENSATION FOR THE PERSONS WHO HELD THESE POSITIONS: PRESIDENT AND CHIEF EXECUTIVE OFFICER; EXECUTIVE VICE PRESIDENT, HEALTH PLAN DIVISION; EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL AND ADMINISTRATIVE OFFICER; EXECUTIVE VICE PRESIDENT AND GENERAL COUNSEL; EXECUTIVE VICE PRESIDENT, GROUP PRACTICE DIVISION; EXECUTIVE VICE PRESIDENT, HUMAN RESOURCES; EXECUTIVE VICE PRESIDENT, PUBLIC AFFAIRS AND GOVERNANCE; VICE PRESIDENT, HEALTH PLAN ADMINISTRATION; VICE PRESIDENT, MARKETING; VICE PRESIDENT, CONSULTATIVE SPECIALTY AND ACUTE CARE SERVICES; VICE PRESIDENT, FINANCE; VICE PRESIDENT, SALES; VICE PRESIDENT, NETWORK SERVICES AND CARE MANAGEMENT; VICE PRESIDENT COMMUNITY RESPONSIBILITY; VICE PRESIDENT, PRIMARY CARE SERVICE; VICE PRESIDENT, STRATEGIC PLANNING AND DEPLOYMENT; VICE PRESIDENT CLINICAL EXCELLENCE AND NURSING; AND VICE PRESIDENT, CHIEF TECHNOLOGY OFFICER.

THIS PROCESS WAS FOLLOWED IN 2010 AND WAS LAST FOLLOWED IN 2011 FOR ESTABLISHING COMPENSATION FOR EACH OF THE ABOVE-LISTED POSITIONS.

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

ORGANIZATION'S DOCUMENTS AVAILABLE TO THE PUBLIC
FORM 990, PART VI, SECTION C, LINE 19
BYLAWS, CONSOLIDATED AUDITED FINANCIAL STATEMENTS, AND THE FORM 990 AND
990-T ARE MADE AVAILABLE TO THE GENERAL PUBLIC THROUGH GHC'S WEBSITE AND
BY PROVIDING PAPER COPIES UPON REQUEST. COPIES OF THE CONFLICT OF
INTEREST POLICY ARE MADE AVAILABLE UPON REQUEST.

RECONCILIATION OF NET ASSETS

FORM 990, PART XI, LINE 5, OTHER CHANGES IN NET ASSETS OR FUND BALANCES

MEMBERSHIP	(\$78,375)
CAPITAL DUES	(\$104,500)
UNREALIZED G/L ON INVESTMENTS	\$18,750,339
TEMP RESTRICTED	\$799,349
PERM RESTRICTED	\$101,462
OTHER COMPREHENSIVE INCOME	(\$1,833,874)
RETAINED EARNINGS	\$10,291,271
TOTAL	\$27,925,672

ATTACHMENT 1FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

GROUP HEALTH COOPERATIVE ("GROUP HEALTH") IS ONE OF THE NATION'S
LARGEST CONSUMER GOVERNED HEALTH CARE ORGANIZATIONS. GROUP HEALTH IS
GOVERNED BY AN INDEPENDENT BOARD OF TRUSTEES COMPRISED OF 11
CONSUMERS ELECTED BY GROUP HEALTH'S VOTING MEMBERSHIP. ANY PERSON 18
YEARS AND OLDER WHO IS ENROLLED IN A PREPAID HEALTH PLAN OFFERED BY
GROUP HEALTH OR A DESIGNATED AFFILIATE OR A SUBSIDIARY ("ENROLLEE")
IS ELIGIBLE TO BE A VOTING MEMBER. GROUP HEALTH'S PRIMARY EXEMPT

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

ATTACHMENT 1 (CONT'D)

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

PURPOSE IS TO PROVIDE COMPREHENSIVE, PREVENTION-ORIENTED HEALTH CARE SERVICES TO ITS ENROLLEES AND OTHER PATIENTS IN A MANNER THAT REDUCES COST AS A BARRIER TO CARE, AND TO PROVIDE HEALTH-RELATED EDUCATION AND RESEARCH ACTIVITIES THAT BENEFIT THE BROADER COMMUNITY. TO FULFILL THIS PURPOSE, GROUP HEALTH PROVIDES OUTPATIENT PRIMARY AND SPECIALTY CARE AS WELL AS INPATIENT ACUTE AND SUB-ACUTE CARE, THROUGH THE SERVICES OF SALARIED PHYSICIANS, NURSES, AND OTHER HEALTH CARE PRACTITIONERS. THE SALARIED PHYSICIANS ARE EMPLOYED BY GROUP HEALTH PERMANENTE, P.C., AN ORGANIZATION WITH WHOM GROUP HEALTH HAS AN EXCLUSIVE CONTRACT. IN 2010, GROUP HEALTH OPERATED ONE HOSPITAL, 26 PRIMARY CARE MEDICAL CENTERS, SIX SPECIALTY CARE UNITS, SEVEN BEHAVIORAL HEALTH CLINICS, 14 EYE CARE CLINICS, FIVE AUDIOLOGY/HEAR CENTERS, AND EIGHT SPEECH, LANGUAGE AND LEARNING CLINICS. GROUP HEALTH ALSO CONTRACTS WITH COMMUNITY HEALTH CARE PROVIDERS FOR SERVICES WHERE GROUP HEALTH DOES NOT OPERATE ITS OWN FACILITIES AND FOR SUB-SPECIALTY MEDICAL SERVICES NOT PROVIDED AT GROUP HEALTH FACILITIES.

ATTACHMENT 2

FORM 990, PART III, LINE 4D - OTHER PROGRAM SERVICES

<u>DESCRIPTION</u>	<u>GRANTS</u>	<u>EXPENSES</u>	<u>REVENUE</u>
HEALTHY COMMUNITIES	0.	1,106,609.	0.
TOTALS	<u>0.</u>	<u>1,106,609.</u>	<u>0.</u>

ATTACHMENT 3

PART VII - CONTINUATION OF OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEES AND HIGHEST COMPENSATED EMPLOYEES

(1)=IND.TRUSTEE/DIR. (2)=INS.TRUSTEE (3)=OFFICER (4)=KEY EMP. (5)=HIGHEST COMP. (6)=FORMER

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

(A) NAME AND TITLE	(B) HOURS	(C) POSITION						ATTACHMENT 3 (CONT'D) COMPENSATION FROM		
		(1)	(2)	(3)	(4)	(5)	(6)	(D) ORG.	(E) REL. ORG.	(F) OTHER
29 BARBARA BELT LLOYD CONTROLLER & EXEC DIR, FIN OPS	40.00					X		194,735.	0.	133,905.

ATTACHMENT 4

FORM 990, PART VII, COLUMN B - ESTIMATED AVERAGE PER WEEK

NAME AND TITLE	HOURS DEVOTED FOR RELATED ORGANIZATION
JERRY CAMPBELL	
TRUSTEE	0.00
CHANGMOOK SOHN	
TRUSTEE	0.00
IRA FIELDING	
TRUSTEE	0.00
ROSEMARY DASZKIEWICZ	
TRUSTEE - VICE CHAIR/CHAIR	0.00
BOBBIE BERKOWITZ	
TRUSTEE - CHAIR	0.00
ROBERT MARGULIS	
TRUSTEE	0.00
PORSCHE EVERSON	
TRUSTEE - VICE CHAIR	0.00
PHYLLIS BEST	
TRUSTEE	0.00
JENNIFER JOLY	
TRUSTEE	0.00
TRACY GARLAND	
TRUSTEE	0.00
HARRY HARRISON JR.	
TRUSTEE	0.00
DOROTHY RUZICKI	
TRUSTEE	0.00
SCOTT ARMSTRONG	
PRESIDENT/CEO	1.00
RICK WOODS	
SECRETARY & EVP, GEN COUNSEL	0.00
PAMELA MACEWAN	
ASST SECRETARY & EVP-PUB AFFRS	0.00
RICHARD MAGNUSON	
TREASURER, EVP, CFO	0.00
BRETON MYERS	
ASSISTANT TREASURER	0.00
PETER MORGAN	
EVP, GROUP PRACTICE DIVISION	0.00
JAMES HEREFORD	
EVP, STRATEGIC SERVICES & QLT	0.00

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

ATTACHMENT 4 (CONT'D)

ROBERT O'BRIEN EVP, HEALTH PLAN DIVISION	0.00
CYNTHIA JOHNSON EVP, HR	0.00
BRIAN HARRIS VP, NETWORK SVC & CARE MGMT	0.00
RANDY BARKER EXEC DIRECTOR, CLIN SUPP & BUS	0.00
JOEL SUELZLE VP, HEALTH PLAN ADMINISTRATION	0.00
JILL OSTREM VP, CONSULT SPEC & AC SVCS	0.00
ERIC LARSON VP, GROUP HEALTH RESEARCH INST	1.00
ERNEST HOOD VP, CIO	0.00
LINDA MACMASTER VP, MARKETING	0.00
BARBARA BELT LLOYD CONTROLLER & EXEC DIR, FIN OPS	0.00

ATTACHMENT 5

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
GROUP HEALTH PERMANENTE 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109-5233	MEDICAL PROFESSIONAL	295,944,997.
VIRGINIA MASON MEDICAL CENTER PO BOX 91046 SEATTLE, WA 98111	HOSPITAL SERVICES	84,212,967.
OVERLAKE HOSPITAL 1035 116TH AVE NE BELLEVUE, WA 98004	HOSPITAL SERVICES	54,041,353.
ST JOSEPH MEDICAL CENTER PO BOX 34936 SEATTLE, WA 98124	HOSPITAL SERVICES	55,850,866.
PROVIDENCE HEALTH & SERVICES-WASH PO BOX 34954 SEATTLE, WA 98124-1954	HOSPITAL SERVICES	45,403,728.
TOTAL COMPENSATION		<u>535,453,911.</u>

Name of the organization GROUP HEALTH COOPERATIVE	Employer identification number 91-0511770
--	--

ATTACHMENT 6

FORM 990, PART VIII - INVESTMENT INCOME

DESCRIPTION	(A) TOTAL REVENUE	(B) RELATED OR EXEMPT REVENUE	(C) UNRELATED BUSINESS REV.	(D) EXCLUDED REVENUE
INVESTMENT INCOME	45,715,508.			45,715,508.
TOTALS	<u>45,715,508.</u>			<u>45,715,508.</u>

ATTACHMENT 7

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
PREPAID EXPENSE AND DEF CHGS	24,246,252.	24,995,036.
TOTALS	<u>24,246,252.</u>	<u>24,995,036.</u>

ATTACHMENT 8

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	COST OR FMV
PIMCO	192,668,161.	186,245,295.	FMV
GOLDMAN SACHS	177,862,209.	145,203,953.	FMV
PRIME ADVISORS	109,295,518.	101,665,507.	FMV
BANK OF AMERICA	12,532,598.	0.	FMV
VANGUARD	54,027,336.	0.	FMV
FIDELITY	79,701,847.	16,883,847.	FMV
COLUMBIA MUTUAL FUND	38,284,739.	0.	FMV
CLEARWATER	0.	26,951,748.	FMV

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

ATTACHMENT 8 (CONT'D)FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
BNYM EQUITIES	0.	207,962,211.	FMV
TOTALS	<u>664,372,408.</u>	<u>684,912,561.</u>	

ATTACHMENT 9FORM 990, PART X - DEFERRED REVENUE

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>
DEFERRED GAIN-LONG TERM	16,287,592.	13,370,411.
UNEARNED PREMIUMS	21,338,885.	23,784,552.
TOTALS	<u>37,626,477.</u>	<u>37,154,963.</u>

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

Name of the organization

GROUP HEALTH COOPERATIVE

Employer identification number

91-0511770

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) -----					
(2) -----					
(3) -----					
(4) -----					
(5) -----					
(6) -----					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) GROUP HEALTH FOUNDATION 91-1246278 320 WESTLAKE AVE N, SUITE 100 SEATTLE, WA 98109	FOUNDATION	WA	170B1AVI	7	N/A		
(2) AUXILIARY OF GROUP HEALTH COOPERATIVE 23-7438071 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109	AUXILIARY	WA	509A3-TYPEI	N/A	N/A		
(3) GROUP HEALTH NORTHWEST 91-1216856 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109	INACTIVE	WA	509A3-TYPEI	N/A	N/A		
(4) -----							
(5) -----							
(6) -----							
(7) -----							

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

Schedule R (Form 990) 2010

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	
(1) -----												
(2) -----												
(3) -----												
(4) -----												
(5) -----												
(6) -----												
(7) -----												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) GROUP HEALTH OPTIONS, INC. 91-1467158 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109-5233	INSURANCE	WA	N/A	C CORP	0.	183,585,887.	100.0000
(2) KPS HEALTH PLANS 91-0540525 400 WARREN AVE BREMERTON, WA 98337	INSURANCE	WA	N/A	C CORP	0.	44,456,759.	100.0000
(3) GROUP HEALTH SERVICES, INC. 91-1392222 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109-5233	INACTIVE	WA	N/A	C CORP	0.	0.	100.0000
(4) GROUP HEALTH OF WASHINGTON 91-1314907 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109-5233	INACTIVE	WA	N/A	C CORP	0.	0.	100.0000
(5) -----							
(6) -----							
(7) -----							

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

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

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity	X	
b Gift, grant, or capital contribution to other organization(s)	X	
c Gift, grant, or capital contribution from other organization(s)	X	
d Loans or loan guarantees to or for other organization(s)		X
e Loans or loan guarantees by other organization(s)		X
f Sale of assets to other organization(s)		X
g Purchase of assets from other organization(s)		X
h Exchange of assets		X
i Lease of facilities, equipment, or other assets to other organization(s)		X
j Lease of facilities, equipment, or other assets from other organization(s)		X
k Performance of services or membership or fundraising solicitations for other organization(s)	X	
l Performance of services or membership or fundraising solicitations by other organization(s)	X	
m Sharing of facilities, equipment, mailing lists, or other assets		X
n Sharing of paid employees		X
o Reimbursement paid to other organization for expenses		X
p Reimbursement paid by other organization for expenses		X
q Other transfer of cash or property to other organization(s)		X
r Other transfer of cash or property from other organization(s)		X

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) GROUP HEALTH OPTIONS, INC.	B	30,000,000.	CASH
(2) GROUP HEALTH OPTIONS, INC.	K	586,132,342.	FMV
(3) KPS HEALTH PLANS	K	147,192.	FMV
(4) GROUP HEALTH FOUNDATION	C	626,705.	CASH
(5)			
(6)			

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No
(1) -----										
(2) -----										
(3) -----										
(4) -----										
(5) -----										
(6) -----										
(7) -----										
(8) -----										
(9) -----										
(10) -----										
(11) -----										
(12) -----										
(13) -----										
(14) -----										
(15) -----										
(16) -----										

Part VII **Supplemental Information**

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