

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2013

Open to Public Inspection

Form **990**

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

- ▶ Do not enter Social Security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

A For the 2013 calendar year, or tax year beginning **2013**, and ending **20**

B Check if applicable:	C Name of organization GROUP HEALTH COOPERATIVE	D Employer identification number 91-0511770
	Address change Doing Business As	E Telephone number (206) 448-4683
	Name change Number and street (or P.O. box if mail is not delivered to street address) Room/suite 320 WESTLAKE AVE N 100	
	Initial return Terminated Amended return Application pending	City or town, state or province, country, and ZIP or foreign postal code SEATTLE, WA 98109-5233
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 subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates 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: <u>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.</u> 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 11. 5 Total number of individuals employed in calendar year 2013 (Part V, line 2a) 5 8,734. 6 Total number of volunteers (estimate if necessary) 6 417. 7a Total unrelated business revenue from Part VIII, column (C), line 12 7a 967,870. 7b Net unrelated business taxable income from Form 990-T, line 34 7b -4,855.	
Revenue	8 Contributions and grants (Part VIII, line 1h) 46,749,715. Prior Year 46,303,086. Current Year 9 Program service revenue (Part VIII, line 2g) 2,653,434,840. 2,810,399,564. 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 25,436,484. 34,635,703. 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 99,186,151. 94,937,486. 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 2,824,807,190. 2,986,275,839.	
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) 674,726,988. 661,764,835. 16a Professional fundraising fees (Part IX, column (A), line 11e) 0 0 16b Total fundraising expenses (Part IX, column (D), line 25) 0 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 2,161,251,730. 2,206,320,139. 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 2,835,978,718. 2,868,084,974. 19 Revenue less expenses. Subtract line 18 from line 12 -11,171,528. 118,190,865.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16) 1,466,981,065. Beginning of Current Year 1,720,534,659. End of Year 21 Total liabilities (Part X, line 26) 835,358,094. 750,153,219. 22 Net assets or fund balances. Subtract line 21 from line 20. 631,622,971. 970,381,440.	

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: Type or print name and title: BARBARA BELT-LLOYD, VP, CHIEF ACCOUNTING OFFICER	Date: 11/13/14
------------------	--	-----------------------

Paid Preparer Use Only	Print/Type preparer's name: SUE ROBISON Firm's name: ▶ KPMG LLP Firm's address: ▶ 1918 EIGHTH AVENUE, SUITE 2900 SEATTLE, WA 98101	Preparer's: Date: 10/28/14	Check <input type="checkbox"/> if self-employed PTIN: P00560072	Firm's EIN ▶ 13-5565207 Phone no. 206-913-4000
-------------------------------	---	--------------------------------------	---	---

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

For Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2013)

Part III Statement of Program Service Accomplishments

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

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 [X] No

[] Yes [X] 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 [X] No

[] Yes [X] No

If "Yes," describe these changes on Schedule O.

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

4a (Code:) (Expenses \$ 2,185,720,829. including grants of \$) (Revenue \$ 2,840,412,996.)

GROUP HEALTH COOPERATIVE ("GROUP HEALTH") PROVIDED HEALTH CARE COVERAGE AND/OR SERVICES TO APPROXIMATELY 385,000 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. PLEASE REFER TO A DESCRIPTION OF THE PROGRAM'S OBJECTIVES IN SCHEDULE H, PART VI.2 AND PART VI.5.

4b (Code:) (Expenses \$ 51,897,393. including grants of \$) (Revenue \$ 17,774,443.)

CARE AND COVERAGE TO 24,514 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. PLEASE REFER TO A DESCRIPTION OF THE PROGRAM'S OBJECTIVES IN SCHEDULE H, PART VI.2 AND PART VI.5.

4c (Code:) (Expenses \$ 61,550,583. including grants of \$) (Revenue \$ 46,181,741.)

HEALTH RESEARCH AND EDUCATION FOR 320 PEOPLE INCLUDING: RESEARCH AND EVIDENCE-BASED CARE. PROFESSIONAL EDUCATION ACTIVITIES. CONSUMER HEALTH EDUCATION. PLEASE REFER TO A DESCRIPTION OF THE PROGRAM'S OBJECTIVES IN SCHEDULE H, PART VI.2 AND PART VI.5.

4d Other program services (Describe in Schedule O.) ATTACHMENT 2 (Expenses \$ 1,330,405. including grants of \$) (Revenue \$)

4e Total program service expenses 2,300,499,210.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 20b regarding organizational requirements and financial reporting.

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24 a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.</i>	X	
24 b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
24 c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
24 d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25 a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		X
25 b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payable to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II.		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III.</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35 a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with columns for line numbers (1a-14b), descriptions of questions, and Yes/No columns. Includes entries for Form 1096, Form W-2G, Form W-3, Form 990-T, Form 8886-T, Form 8282, Form 8899, Form 1098-C, Form 4966, Form 720, and Form 702.

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 or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include 1a (11), 1b (11), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

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, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

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 (Section 501(c)(3)s only) available for public inspection.
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: MARTIN R. DOPPS 320 WESTLAKE AVE N, STE 100 SEATTLE, WA 98109-5233 206-448-5146

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

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

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 (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) PORSCHE EVERSON CHAIR, TRUSTEE	7.50 .25	X		X				25,886.	1,000.	0
(2) KATHERINE BELL TRUSTEE	6.50 .20	X						12,750.	1,000.	0
(3) SUSAN JOY BYINGTON VICE CHAIR, TRUSTEE	7.50 .20	X						22,136.	1,000.	0
(4) RUTA ELMA FANNING TRUSTEE	6.50 .20	X						12,750.	1,000.	0
(5) LEO FRANCIS GREENAWALT JR. TRUSTEE	6.50 .20	X						12,750.	1,000.	0
(6) HARRY HARRISON JR. TRUSTEE	6.50 .20	X						18,386.	1,000.	0
(7) PHILLIP JEFFREY HAAS TRUSTEE	6.50 .20	X						18,386.	1,000.	0
(8) JENNIFER ANN JOLY TRUSTEE	6.50 .20	X						12,750.	1,000.	0
(9) ROBERT JOEL MARGULIS TRUSTEE	6.50 .20	X						18,386.	1,000.	0
(10) DOROTHY ANNE RUZICKI TRUSTEE	6.50 .20	X						18,386.	1,000.	0
(11) ROBERT ALEXANDER WATT TRUSTEE	6.50 .20	X						18,386.	750.	0
(12) SCOTT ELLIOT ARMSTRONG CEO & PRESIDENT	39.00 1.00			X				1,416,476.	0	-19,266.
(13) BARBARA ANN BELT-LLOYD CONTROLLER & EXEC DIR; FIN OPS	40.00 0			X				240,189.	0	36,499.
(14) SCOTT BOYD VP; FINANCE	40.00 0			X				606,528.	0	9,649.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
15) BRETON CLARK MYERS ASST TREASURER	40.00 0			X			266,325.	0	11,813.	
16) RICK DALE WOODS EVP & GENERAL COUNSEL	40.00 0			X			660,377.	0	218,716.	
17) SARAH BARIAN YATES VP & DEPUTY GENERAL COUNSEL	40.00 0			X			418,655.	0	24,085.	
18) ELLEN SUZANNE DALY VP; NTWRK SVC & PROVDR RELTNS	40.00 0				X		355,619.	0	29,702.	
19) CYNTHIA JOHNSON EVP; HR	40.00 0				X		531,687.	0	13,306.	
20) LAURA MCMILLAN VP; STRAGIC PLANNING & DEPLO	40.00 0				X		322,505.	0	-38,488.	
21) ROBERT O'BRIEN EVP; HEALTH PLAN DIVISION	40.00 0				X		1,095,533.	0	21,128.	
22) MARK SZALWINSKI EVP; GROUP PRACTICE DIVISION	40.00 0				X		894,105.	0	29,702.	
23) RANDY BARKER VP; APPLE DIVISION	40.00 0					X	414,301.	0	11,143.	
24) DEBORAH HUNTINGTON VP; SALES	40.00 0					X	375,848.	0	24,085.	
25) ERIC LARSON VP; GROUP HEALTH RESEARCH INST	39.00 1.00					X	454,299.	0	14,436.	
1b Sub-total							2,454,145.	10,750.	26,882.	
c Total from continuation sheets to Part VII, Section A							6,868,330.	0	383,624.	
d Total (add lines 1b and 1c)							9,322,475.	10,750.	410,506.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1157**

	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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 3		

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 **592**

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	1,414,758.				
	e Government grants (contributions) . .	1e	37,801,858.				
	f All other contributions, gifts, grants, and similar amounts not included above .	1f	7,086,470.				
	g Noncash contributions included in lines 1a-1f. \$		4,400.				
	h Total. Add lines 1a-1f			46,303,086.			
Program Service Revenue	Business Code						
	2a <u>MEDICARE/MEDICAID PAYMENTS</u>		900099	965,405,650.	965,405,650.		
	b <u>FEES AND CONTRACTS FROM GOV'T AGENCIES</u>		900099	691,522,340.	691,522,340.		
	c <u>MEMBER DUES</u>		900099	618,590,893.	618,590,893.		
	d <u>CAPITATION REVENUE</u>		900099	204,101,993.	204,101,993.		
	e <u>NON-COVERED ENROLLEE SVC</u>		900099	127,343,951.	127,343,951.		
	f All other program service revenue			203,434,737.	203,434,737.		
g Total. Add lines 2a-2f			2,810,399,564.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts).			31,859,678.			31,859,678.
	4 Income from investment of tax-exempt bond proceeds . . .			0			
	5 Royalties			0			
		(i) Real	(ii) Personal				
	6a Gross rents						
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)			0			
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	338,161,336.	5,398,461.				
	b Less: cost or other basis and sales expenses	339,766,410.	1,017,362.				
	c Gain or (loss)	-1,605,074.	4,381,099.				
	d Net gain or (loss)			2,776,025.			2,776,025.
	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	140,607.					
c Net income or (loss) from sales of inventory			-140,607.		-140,607.		
Miscellaneous Revenue			Business Code				
11a <u>ADMIN CONTRACT</u>		561000	89,863,816.	89,863,816.			
b <u>SALES TO MEMBERS</u>		446199	3,973,840.	3,973,840.			
c <u>GROUP HEALTH RESEARCH INSTITUTE</u>		541700	801,832.		801,832.		
d All other revenue		900099	438,605.	131,960.	306,645.		
e Total. Add lines 11a-11d			95,078,093.				
12 Total revenue. See instructions			2,986,275,839.	2,904,369,180.	967,870.	34,635,703.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	0			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. 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	9,795,312.		9,795,312.	
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	523,876,190.	296,236,690.	227,639,500.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	68,437,797.	38,699,576.	29,738,221.	
9 Other employee benefits	13,333,041.	7,539,445.	5,793,596.	
10 Payroll taxes	46,322,495.	26,511,266.	19,811,229.	
11 Fees for services (non-employees):				
a Management	0			
b Legal	1,969,483.		1,969,483.	
c Accounting	947,820.		947,820.	
d Lobbying	785,173.		785,173.	
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees	1,295,826.		1,295,826.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	1,653,165,185.	1,561,635,777.	91,529,408.	
12 Advertising and promotion	3,765,167.	147,184.	3,617,983.	
13 Office expenses	313,239,941.	289,514,354.	23,725,587.	
14 Information technology	25,273,195.	106,122.	25,167,073.	
15 Royalties	0			
16 Occupancy	48,703,318.	19,313,925.	29,389,393.	
17 Travel	2,294,520.	1,522,713.	771,807.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	5,112,061.	996,986.	4,115,075.	
20 Interest	10,363,228.	827.	10,362,401.	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	57,350,313.	31,850,800.	25,499,513.	
23 Insurance	16,485,156.	15,798,007.	687,149.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a ADMINISTRATIVE/ACCESS FEES	8,098,311.	7,352,588.	745,723.	
b BAD DEBT EXPENSE	15,260,551.	840,146.	14,420,405.	
c DUES/LICENSES/PERMITS	3,853,802.	541,117.	3,312,685.	
d PREMIUM AND BUSINESS TAX	36,850,954.	1,282,572.	35,568,382.	
e All other expenses	1,506,135.	609,115.	897,020.	
25 Total functional expenses. Add lines 1 through 24e	2,868,084,974.	2,300,499,210.	567,585,764.	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	41,794,036.	1	189,536,704.
	2 Savings and temporary cash investments	31,748,248.	2	22,343,469.
	3 Pledges and grants receivable, net	6,790,364.	3	8,413,001.
	4 Accounts receivable, net	93,794,184.	4	88,172,374.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	1,768,945.	7	823,474.
	8 Inventories for sale or use	17,957,077.	8	12,822,894.
	9 Prepaid expenses and deferred charges	24,491,412.	9	19,381,216.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1109478948.		
	b Less: accumulated depreciation	10b 686,493,405.	428,423,038.	10c 422,985,543.
	11 Investments - publicly traded securities	622,005,017.	11	679,518,111.
	12 Investments - other securities. See Part IV, line 11	154,449,046.	12	199,063,900.
	13 Investments - program-related. See Part IV, line 11	18,076,182.	13	23,065,182.
	14 Intangible assets	0	14	0
	15 Other assets. See Part IV, line 11	25,683,516.	15	54,408,791.
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,466,981,065.	16	1,720,534,659.	
Liabilities	17 Accounts payable and accrued expenses	307,174,879.	17	356,057,653.
	18 Grants payable	160,000.	18	150,000.
	19 Deferred revenue	27,201,955.	19	44,015,890.
	20 Tax-exempt bond liabilities	139,903,363.	20	129,805,552.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	360,917,897.	25	220,124,124.
	26 Total liabilities. Add lines 17 through 25	835,358,094.	26	750,153,219.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	617,868,794.	27	953,734,158.
	28 Temporarily restricted net assets	5,568,486.	28	7,349,921.
	29 Permanently restricted net assets	8,185,691.	29	9,297,361.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	631,622,971.	33	970,381,440.
	34 Total liabilities and net assets/fund balances	1,466,981,065.	34	1,720,534,659.

Part XI Reconciliation of Net Assets

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

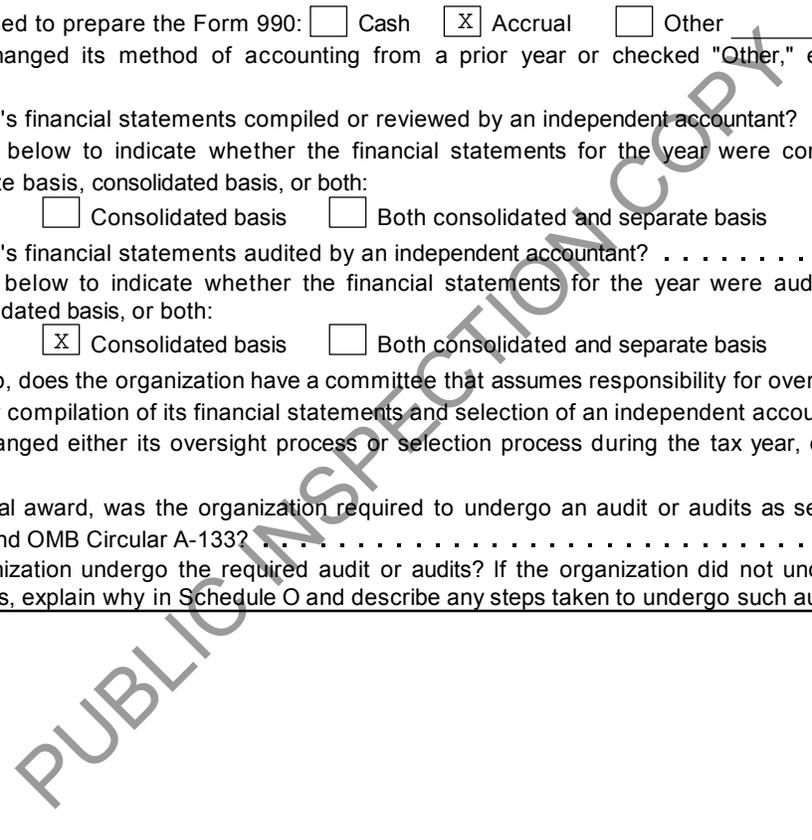
1	Total revenue (must equal Part VIII, column (A), line 12)	1	2,986,275,839.
2	Total expenses (must equal Part IX, column (A), line 25)	2	2,868,084,974.
3	Revenue less expenses. Subtract line 2 from line 1	3	118,190,865.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	631,622,971.
5	Net unrealized gains (losses) on investments	5	20,606,576.
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	199,961,028.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	970,381,440.

Part XII Financial Statements and Reporting

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

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

	Yes	No
2a		X
2b	X	
2c	X	
3a	X	
3b	X	



SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

OMB No. 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

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-Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s).

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(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) 2013

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) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (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) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (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; 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: Description, Percentage, and Check box. Rows include: 14 Public support percentage for 2013; 15 Public support percentage from 2012 Schedule A; 16a 33 1/3% support test - 2013; b 33 1/3% support test - 2012; 17a 10%-facts-and-circumstances test - 2013; b 10%-facts-and-circumstances test - 2012; 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: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (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. Add lines 1 through 5; 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: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (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, 2013, 2012. Row 15: Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2012 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, 2013, 2012. Row 17: Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2012 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2013. 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.

19b 33 1/3% support tests - 2012. 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.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

PUBLIC INSPECTION COPY

Schedule of Contributors

2013

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**
 ▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

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, total 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 total 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 its Form 990-PF, Part I, line 2, 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). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	----- ----- -----	\$ 30,223,558.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	----- ----- -----	\$ 2,258,807.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	----- ----- -----	\$ 1,932,695.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	----- ----- -----	\$ 1,836,403.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	----- ----- -----	\$ 1,760,668.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	----- ----- -----	\$ 1,401,479.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

PUBLIC INSPECTION COPY

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

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	----- ----- -----	\$ 1,178,550.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8	----- ----- -----	\$ 1,081,484.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

PUBLIC INSPECTION COPY

Name of organization **GROUP HEALTH COOPERATIVE**

Employer identification number

91-0511770

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	----- ----- -----	\$-----	-----
-----	----- ----- -----	\$-----	-----
-----	----- ----- -----	\$-----	-----
-----	----- ----- -----	\$-----	-----
-----	----- ----- -----	\$-----	-----
-----	----- ----- -----	\$-----	-----
-----	----- ----- -----	\$-----	-----
-----	----- ----- -----	\$-----	-----
-----	----- ----- -----	\$-----	-----

PUBLIC INSPECTION COPY

Name of organization **GROUP HEALTH COOPERATIVE**

Employer identification number
91-0511770

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2013

Open to Public Inspection

For Organizations Exempt From Income Tax Under section 501(c) and section 527
 ▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
 ▶ **See separate instructions.** ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

Department of the Treasury
Internal Revenue Service

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

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

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

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

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

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

Name of 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 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 employee identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)	-----			
(2)	-----			
(3)	-----			
(4)	-----			
(5)	-----			
(6)	-----			

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

Schedule C (Form 990 or 990-EZ) 2013

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

A Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	840,359.													
c	Total lobbying expenditures (add lines 1a and 1b)	840,359.													
d	Other exempt purpose expenditures	2,867,244,615.													
e	Total exempt purpose expenditures (add lines 1c and 1d)	2,868,084,974.													
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	1,000,000.													
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>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-	0	0												
i	Subtract line 1f from line 1c. If zero or less, enter -0-	0	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 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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
2a 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	887,298.	811,312.	935,937.	840,359.	3,474,906.
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					

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 questions about lobbying activities (1a-1j, 2a-2d) and tax implications.

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 questions about dues (1), lobbying expenditures (2), and carryover (3).

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

Table with 2 columns: Question, Amount. Rows include dues (1), lobbying expenditures (2a-2c), carryover (3), and taxable amount (5).

Part IV Supplemental Information

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

Horizontal dashed lines for providing supplemental information.

Part IV Supplemental Information *(continued)*

PUBLIC INSPECTION COPY

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

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

2013

Department of the Treasury Internal Revenue Service

Attach to Form 990.

Open to Public Inspection

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

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 1-4 for totals, 5-6 for compliance questions.

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

Questions 1-9 regarding conservation easements, including a table for 'Held at the End of the Tax Year' with rows 2a-2d.

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.

Questions 1a-1b and 2 regarding art and historical treasures, including revenue and asset reporting.

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
a Public exhibition
b Scholarly research
c Preservation for future generations
d Loan or exchange programs
e Other
4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

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?
b If "Yes," explain the arrangement in Part XIII and complete the following table:
Table with columns: Amount, 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance
2a Did the organization include an amount on Form 990, Part X, line 21?
b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII.

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

Table with 6 columns: (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows include: 1a Beginning of year balance, b Contributions, c Net investment earnings, gains, and losses, d Grants or scholarships, e Other expenditures for facilities and programs, f Administrative expenses, g End of year balance.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
a Board designated or quasi-endowment %
b Permanent endowment %
c Temporarily restricted endowment %
The percentages in lines 2a, 2b, and 2c should equal 100%.
3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
(i) unrelated organizations
(ii) related organizations
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
4 Describe in Part XIII the intended uses of the organization's endowment funds.

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

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows include: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c)).

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives	3,503,456.	ATTACHMENT 1
(2) Closely-held equity interests	194,923,044.	ATTACHMENT 2
(3) Other		
(A) ONE HEALTH PORT	637,400.	COST
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	199,063,900.	

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

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

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) SELF INSURANCE	73,737,483.
(3) RETIREE MEDICAL	46,001,000.
(4) PENSION LIABILITY	77,645,933.
(5) DEFERRED COMPENSATION	6,310,723.
(6) LEASES	8,234,517.
(7) RENT DIFFERENTIAL	5,465,840.
(8) SECURITY CARE CLAIMS	2,384,913.
(9) OTHER LIABILITIES	343,715.
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	220,124,124.

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	3023727889.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a 38,548,034.		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d 199,842.		
e	Add lines 2a through 2d		2e	38,747,876.
3	Subtract line 2e from line 1		3	2984980013.
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 1,295,826.		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	1,295,826.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)		5	2986275839.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	2867116288.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d 327,140.		
e	Add lines 2a through 2d		2e	327,140.
3	Subtract line 2e from line 1		3	2866789148.
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 1,295,826.		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b		4c	1,295,826.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	2868084974.

Part XIII Supplemental Information.

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

SEE PAGE 5

Part XIII Supplemental Information (continued)

PART XI

LINE 2D

OTHER THAN TEMP. IMPAIRED	(\$20,433)
BOOK PARTNERSHIP EARNINGS	84,068
NON-CASH CONTRIBUTION	(\$4,400)
COGS RECLASS	\$140,607

TOTAL	\$199,842
-------	-----------

PART XII

LINE 2D

LOSS ON SALE OF ASSETS	\$191,648
TAX PARTNERSHIP EARNINGS	(\$5,115)
COGS RECLASS	\$140,607

TOTAL	\$327,140
-------	-----------

PUBLIC INSPECTION COPY

<u>ATTACHMENT 1</u>

SCHEDULE D, PART VII - INVESTMENTS - FINANCIAL DERIVATIVES

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>COST OR FMV</u>
DERIVATIVES	3,503,456.	COST
TOTALS	<u>3,503,456.</u>	

Part XIII Supplemental Information (continued)ATTACHMENT 2SCHEDULE D, PART VII - INVESTMENTS - CLOSELY HELD EQUITY INTERESTS

<u>DESCRIPTION</u>	<u>BOOK VALUE</u>	<u>COST OR FMV</u>
GROUP HEALTH OPTIONS	116,114,676.	COST
INVESTMENT IN BANK LOANS	30,581,694.	COST
INVESTMENT IN SUBSIDIARIES	23,553,340.	COST
INVESTMENT IN LLC'S	2,342,711.	COST
INVESTMENT IN AEIX	22,330,623.	COST
TOTALS	<u>194,923,044.</u>	

PUBLIC INSPECTION COPY

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2013

Open to Public Inspection

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

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

▶ **Information about Schedule H (Form 990) and its instructions is at www.irs.gov/form990.**

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	
1b 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 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) as a factor in determining eligibility for providing <i>free</i> care? 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 as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input checked="" type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	X	
c If the organization used factors other than FPG in determining 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, as a factor in determining 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
5b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		
5c 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	
6b 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 Worksheet 1)		735	891,597.		891,597.	.03
b Medicaid (from Worksheet 3, column a)		20237	41,810,507.	15,043,522.	26,766,985.	.94
c Costs of other means-tested government programs (from Worksheet 3, column b)		1591	1,470,603.		1,470,603.	.05
d Total Financial Assistance and Means-Tested Government Programs		22563	44,172,707.	15,043,522.	29,129,185.	1.02
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	4	2111	823,608.		823,608.	.03
f Health professions education (from Worksheet 5)	10	320	10,135,707.		10,135,707.	.35
g Subsidized health services (from Worksheet 6)	7	1951	7,724,686.	2,730,921.	4,993,765.	.17
h Research (from Worksheet 7)	1		51,414,876.	46,181,741.	5,233,135.	.18
i Cash and in-kind contributions for community benefit (from Worksheet 8)	2		18,792.		18,792.	
j Total. Other Benefits	24	4382	70,117,669.	48,912,662.	21,205,007.	.73
k Total. Add lines 7d and 7j.	24	26945	114,290,376.	63,956,184.	50,334,192.	1.75

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

Schedule H (Form 990) 2013

JSA 3E1284 1.000

2176FT 1783 10/31/2014 11:01:40 AM V 13-7.5F

1138282

PAGE 34

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		406,904.		406,904.	.01
4 Environmental improvements	1		33,377.		33,377.	
5 Leadership development and training for community members	1		20,000.		20,000.	
6 Coalition building						
7 Community health improvement advocacy	1		27,723.		27,723.	
8 Workforce development						
9 Other						
10 Total	4		488,004.		488,004.	.01

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

	Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?		X
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.		
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.		

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	678,808.
6 Enter Medicare allowable costs of care relating to payments on line 5	6	1,656,578.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-977,770.
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: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	X
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	9b	X

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

(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

Section A. Hospital Facilities

(list in order of size, from largest to smallest - see instructions)

How many hospital facilities did the organization operate during the tax year? 1

Name, address, primary website address, and state license number

1 CAPITOL HILL MAIN BUILDING
201 16TH AVE E
SEATTLE WA 98112-5260
WWW.GHC.ORG/LOCATIONS/

Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
X	X								
2									
3									
4									
5									
6									
7									
8									
9									
10									

PUBLIC INSPECTION COPY

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group CAPITOL HILL BUILDING

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)

	Yes	No
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9. If "Yes," indicate what the CHNA report describes (check all that apply):	X	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" 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 checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Section C)		
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply):	X	
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW1.GHC.ORG/HTML/PUBLIC/ABOUT/COMMUNITY</u>		
b <input type="checkbox"/> Other website (list url): _____		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input type="checkbox"/> Participation in the development of a community-wide plan		
d <input type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" 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 Section C)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy CAPITOL HILL BUILDING

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care: <u>2</u> <u>0</u> <u>0</u> % If "No," explain in Section C the criteria the hospital facility used.	X	
11	Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>2</u> <u>5</u> <u>0</u> % If "No," explain in Section C the criteria the hospital facility used.	X	
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply):	X	
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input checked="" type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Section C)		
13	Explained the method for applying for financial assistance?	X	
14	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):	X	
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" 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 Section C)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
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 similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged:		X
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 similar actions (describe in Section C)		

Part V Facility Information (continued) CAPITOL HILL BUILDING

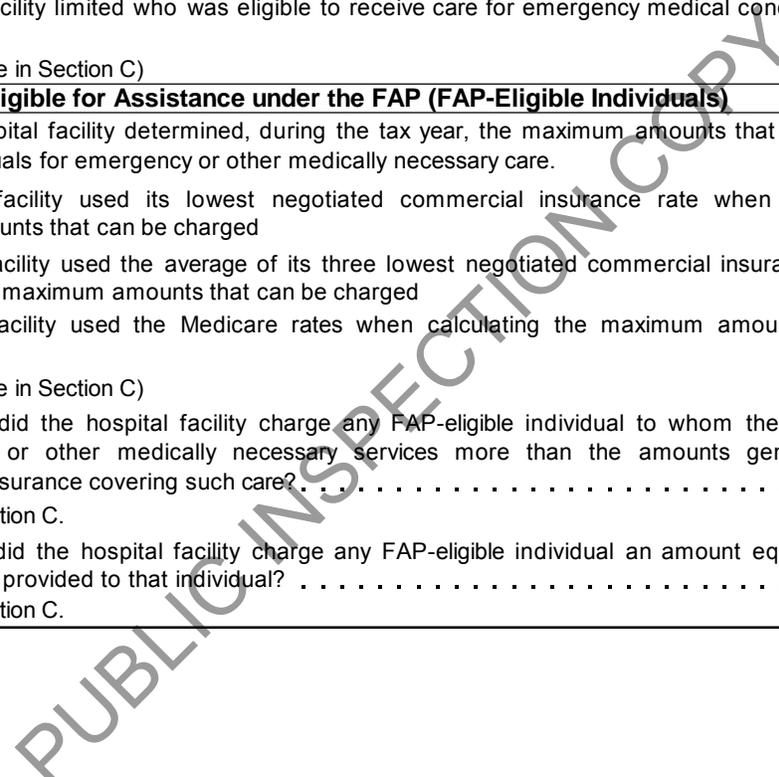
- 18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):
- a Notified individuals of the financial assistance policy on admission
 - b Notified individuals of the financial assistance policy prior to discharge
 - c Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
 - d Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
 - e Other (describe in Section C)

Policy Relating to Emergency Medical Care

- | | Yes | No |
|---|-----|----|
| 19 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 why: | X | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) | | |
| d <input type="checkbox"/> Other (describe in Section C) | | |

Changes to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

- | | | |
|---|--|---|
| 20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care. | | |
| a <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> Other (describe in Section C) | | |
| 21 During the tax year, did the hospital facility charge any FAP-eligible individual 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 Section C. | | X |
| 22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?
If "Yes," explain in Section C. | | X |



Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

PART V, LINE 3

THE CENTER FOR COMMUNITY HEALTH AND EVALUATION (CCHE) CONDUCTED KEY INFORMANT INTERVIEWS WITH 23 INDIVIDUALS REPRESENTING PUBLIC HEALTH, CITY GOVERNMENT, THE HEALTHCARE SAFETY NET, CULTURAL COMMUNITIES, SCHOOLS AND HEALTH ADVOCACY IN KING COUNTY. THE FINDINGS WERE ALSO INFORMED BY 8 KEY INFORMANT INTERVIEWS CONDUCTED EARLIER AS PART OF THE NEEDS ASSESSMENT FOR VIRGINIA MASON MEDICAL CENTER, ONE OF GROUP HEALTH'S HEALTH CARE PARTNERS AND 4 PUBLIC HEALTH DATA EXPERTS. THE LIST OF 35 KEY INFORMANTS/DATA EXPERTS IS AS FOLLOWS:

- MARGUERITE RO, DRPH; CHIEF, ASSESMENT, POLICY DEVELOPMENT & EVALUATION UNIT - PUBLIC HEALTH-SEATTLE & KING COUNTY
- JOE CAMPO, MPH; SENIOR FORECAST ANALYST - WASHINGTON STATE OFFICE OF FINANCIAL MANAGEMENT
- EVA WONG, PHD; EPIDEMIOLOGIST - PUBLIC HEALTH-SEATTLE & KING COUNTY
- CHRIS HALSELL; ASSESSMENT COORDINATOR - WASHINGTON STATE DEPT OF HEALTH
- ANTOINETTE ANGULO, MPH; DIRECTOR, PREVENTIVE HEALTH SERVICES - SEAMAR COMMUNITY HEALTH CENTERS
- PETER RETZTAGG; EXECUTIVE DIRECTOR - COMMUNITY FOR YOUTH
- RICHARD BROOKS; EXECUTIVE DIRECTOR - RENTON AREA YOUTH AND FAMILY SERVICES
- RALPH FORQUERA; EXECUTIVE DIRECTOR - SEATTLE INDIAN HEALTH BOARD
- LISA YOHALEM; DIRECTOR, PLANNING & DEVELOPMENT - HEALTHPOINT
- DAVE LEIBMAN; COMMANDER - RENTON POLICE DEPARTMENT
- KEN WEINBERG; CEO - JEWISH FAMILY SERVICES REFUGEE & IMMIGRANT

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

SERVICE CENTERS

-CHRISTOPHER WILLIAMS; ACTING SUPERINTENDENT - SEATTLE PARKS &

RECREATION

-ADAM TAYLOR; PROJECT MANAGER, GLOBAL TO LOCAL INITIATIVE - PUBLIC

HEALTH-SEATTLE & KING COUNTY

-COLLEEN BRANDT-SCHLUTER; HUMAN RESOURCES MANAGER - CITY OF SEATAC

-MANDI GEORGE; CHRONIC DISEASE PREVENTION DIRECTOR - YMCA OF GREATER
SEATTLE

-MARK SMITH; CHIEF OPERATING OFFICER - BOYS & GIRLS CLUBS OF KING
COUNTY

-PRAMILA JAYAPAL; EXECUTIVE DIRECTOR - ONE AMERICA

-ABBIE ZAHLER; COMMUNITY ADVOCACY SUPERVISOR - INTERNATIONAL COMMUNITY
HEALTH SERVICES

-JASON BERRY; EXECUTIVE DIRECTOR - YMCA-AUBURN VALLEY

-JANET ST. CLAIR; DEPUTY DIRECTOR - ASIAN COUNSELING & REFERRAL SERVICES

-ALICE PARK; PROGRAM MANAGER - KING COUNTY FOOD & FITNESS INITIATIVE

-JENNIFER RAMIREZ-ROBINSON; INTERIM DIRECTOR - NEW FUTURES

-BLISHDA LACET; REACH PROGRAM COORDINATOR - PUBLIC HEALTH-SEATTLE &
KING COUNTY

-MATIAS VALENZUELA; KING COUNTY EQUITY & SOCIAL JUSTICE INITIATIVE -
PUBLIC HEALTH-SEATTLE & KING COUNTY

-ESTELA ORTEGA MIGUEL MAESTAS; EXECUTIVE DIRECTOR ASSOCIATE
ADMINISTRATOR - EL CENTRA DE LA RAZA

-TERRY HIGASHIYAMA; COMMUNITY SERVICES ADMINISTRATOR - CITY OF RENTON

-GREG DOOTSON; NORTH PUGET SOUND DIRECTOR - LUTHERAN COMMUNITY SERVICES

INTERNATIONAL

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

-SUSAN MILLEDER; PROGRAMS DIRECTOR - AMERICAN DIABETES ASSOCIATION

-EUDORA CARTER; CHRONIC DISEASE SELF MANAGEMENT - CENTER FOR

MULTICULTURAL HEALTH

-MARK SECORD; EXECUTIVE DIRECTOR - NEIGHBORCARE HEALTH

-SONJA REID; LEAD NURSE - BELLEVUE SCHOOL DISTRICT

-TRISE MOORE; FAMILY & COMMUNITY PARTNERSHIP ADVOCATE - FEDERAL WAY

SCHOOL DISTRICT

-EMILY LESLIE; HUMAN SERVICES MANAGER - CITY OF BELLEVUE

-JAY BENNETT; COMMUNITY SERVICES MANAGER - CITY OF FEDERAL WAY

-PATTY HAYES, RN, MN; DIRECTOR, COMMUNITY HEALTH SERVICES - PUBLIC

HEALTH-SEATTLE & KING COUNTY

PART V, LINE 7

A LIST OF POTENTIAL SIGNIFICANT HEALTH NEEDS WAS COMPILED AND SENT TO A BROAD GROUP OF STAKEHOLDERS WHO WERE ASKED TO SELECT PRIORITIES ACCORDING TO THE FOLLOWING CRITERIA: 1) THE SEVERITY AND URGENCY OF THE HEALTH NEEDS OF THE COMMUNITIES SERVED BY GROUP HEALTH HOSPITAL; 2) AREAS WHERE GROUP HEALTH HAS THE MOST LEVERAGE TO MAKE THE BIGGEST IMPACT; 3) STAKEHOLDERS' PERCEPTION OF THE IMPORTANCE THE COMMUNITY PLACES ON ADDRESSING THE NEED; AND 4) CONNECTION TO GROUP HEALTH'S MISSION, CORE VALUES, AND STRATEGIES. AS A RESULT OF THE FEEDBACK RECEIVED, THE FOLLOWING HEALTH NEEDS WERE SELECTED AS IMPLEMENTATION STRATEGIES OF THE CHNA: 1) IMPROVEMENTS IN ACCESS TO CARE FOR UNDERSERVED POPULATIONS; 2) PROMOTION OF PHYSICAL ACTIVITY, IMPROVED FITNESS, AND HEALTHY EATING; AND 3) CARDIOVASCULAR AND DIABETES DISEASE PREVENTION.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

GROUP HEALTH WILL NOT ADDRESS: 1) INJURY PREVENTION (NOT THE MOST EFFECTIVE OR EFFICIENT AREA OF FOCUS FOR GROUP HEALTH); 2) TOBACCO CESSATION (OTHER ORGANIZATIONS ARE IN A BETTER POSITION AND ARE BETTER FOCUSED IN THIS AREA); 3) MENTAL HEALTH AND SUBSTANCE ABUSE (ALTHOUGH GROUP HEALTH HAS A BEHAVIORAL HEALTH UNIT, THIS WAS NOT CONSIDERED EXPERTISE THAT IT COULD LEVERAGE EFFECTIVELY); AND 4) ORAL HEALTH (GROUP HEALTH DOES NOT PROVIDE ORAL HEALTH CARE).

PART V, LINE 20D

GROUP HEALTH BILLING IS BASED ON USUAL, CUSTOMARY AND REASONABLE (UCR) CHARGES FOR THE GEOGRAPHIC AREA, WITH CONSIDERATION OF ACTUAL AVERAGE COSTS OF CARE PROVIDED BY GROUP HEALTH TO ALL PATIENTS. MAXIMUM CHARGES FOR FAP-ELIGIBLE INDIVIDUALS ARE NO MORE THAN THE AMOUNTS GENERALLY BILLED TO INSURED PATIENTS FOR EMERGENCY OR MEDICALLY NECESSARY CARE. FURTHER, CHARGES TO ELIGIBLE INDIVIDUALS FOR ANY OTHER CARE ARE LESS THAN THE GROSS CHARGES FOR THAT CARE.

PUBLIC INSPECTION COPY

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

(list in order of size, from largest to smallest)

How many non-hospital health care 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 112 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) 2013

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

(list in order of size, from largest to smallest)

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

Name and address	Type of Facility (describe)
1 DOWNTOWN SEATTLE MEDICAL CENTER 1420 5TH AVE, STE 375 SEATTLE WA 98101	MEDICAL CENTER
2 FACTORIA MEDICAL CENTER 13451 SE 36TH STREET BELLEVUE WA 98006-1454	MEDICAL CENTER
3 KENT MEDICAL CENTER 26004 104TH AVE SE KENT WA 98031	MEDICAL CENTER
4 LIDGERWOOD MEDICAL CENTER 6002 N LIDGERWOOD SPOKANE WA 99208	MEDICAL CENTER
5 LYNNWOOD MEDICAL CENTER 20200 54TH AVENUE W LYNNWOOD WA 98036-6389	MEDICAL CENTER
6 NORTHGATE MEDICAL CENTER 9800 4TH AVENUE NE SEATTLE WA 98115-2158	MEDICAL CENTER
7 NORTHGATE SOUTH BUILDING 9720 4TH AVENUE NE SEATTLE WA 98115	MEDICAL CLINIC
8 NORTHSHORE MEDICAL CENTER 11913 NE 195TH STREET BOTHELL WA 98011-3147	MEDICAL CENTER
9 OLYMPIA MEDICAL CENTER 700 LILLY ROAD NE OLYMPIA WA 98506-5196	MEDICAL CENTER
10 PORT ORCHARD MEDICAL CENTER 1400 POTTERY AVENUE PORT ORCHARD WA 98366-3768	MEDICAL CENTER

Schedule H (Form 990) 2013

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

(list in order of size, from largest to smallest)

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

Name and address	Type of Facility (describe)
1 POULSBO MEDICAL CENTER 19379 7TH AVENUE NE POULSBO WA 98370	MEDICAL CENTER
2 PUYALLUP MEDICAL CENTER 611 31ST AVE SW PUYALLUP WA 98374	MEDICAL CENTER
3 RAINIER MEDICAL CENTER 5316 RAINIER AVE S SEATTLE WA 98118-2398	MEDICAL CENTER
4 REDMOND MEDICAL CENTER 15809 BEAR CREEK PARKWAY, SUITE #100 REDMOND WA 98052-4370	MEDICAL CENTER
5 RENTON MEDICAL CENTER 275 BRONSON WAY NE RENTON WA 98056-4099	MEDICAL CENTER
6 BURIEN MEDICAL CENTER 140 SW 146TH STREET BURIEN WA 98166-1997	MEDICAL CENTER
7 RIVERFRONT MEDICAL CENTER 322 W NORTH RIVER DRIVE SPOKANE WA 99201	MEDICAL CENTER
8 SILVERDALE MEDICAL CENTER 10452 SILVERDALE WAY NW SILVERDALE WA 98383	MEDICAL CENTER
9 SOUTH HILL MEDICAL CENTER 4102 S REGAL STREET, SUITE 101 SPOKANE WA 99223-4733	MEDICAL CENTER
10 SILVERDALE EYE CARE SERVICES 10516 SILVERDALE WAY NW, SUITE 104 SILVERDALE WA 98383-8745	MEDICAL CLINIC

Schedule H (Form 990) 2013

Part V Facility Information *(continued)*

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

(list in order of size, from largest to smallest)

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

Name and address	Type of Facility (describe)
1 TACOMA HEAR CENTER/AUDIOLOGY & EYE CARE 5821 S SPRAGUE COURT TACOMA WA 98409	MEDICAL CLINIC
2 ST JOSEPH 1708 S YAKIMA AVENUE TACOMA WA 98405	MEDICAL CLINIC
3 TACOMA MEDICAL CENTER 209 MARTIN LUTHER KING JR WAY TACOMA WA 98405-4267	MEDICAL CENTER
4 TACOMA SOUTH MEDICAL CENTER 9505 S STEELE ST TACOMA WA 98444-6858	MEDICAL CENTER
5 VERADALE MEDICAL CENTER 14402 E SPRAGUE AVENUE SPOKANE VALLEY WA 99216-2167	MEDICAL CENTER
6 METROPOLITAN PARK EAST RESEARCH FACILITY 1730 MINOR AVENUE SEATTLE WA 98101	RESEARCH FACILITY
7 TACOMA BEHAVIORAL HEALTH SERVICES 4301 S PINE STREET TACOMA WA 98409-7206	MEDICAL CLINIC
8 FEDERAL WAY MEDICAL CENTER 301 SOUTH 320TH STREET FEDERAL WAY WA 98003-5296	MEDICAL CENTER
9 	
10 	

Schedule H (Form 990) 2013

PUBLIC INSPECTION COPY

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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

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

BAD DEBT EXPENSE IS 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).

PART I, LINE 7 PERCENT OF TOTAL EXPENSE

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 ASSISTANCE)

GROUP HEALTH UTILIZED THE STATUTORY LINE OF BUSINESS REPORT AND OTHER INTERNAL REPORTS, THAT PROVIDE DETAILED REVENUE AND EXPENSE BY LINE OF

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

BUSINESS USING THE 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

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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 II, COMMUNITY BUILDING

GROUP HEALTH PROVIDES COMMUNITY SUPPORT THROUGH OUR SPONSORSHIPS OF MANY ORGANIZATIONS. ACTIVITIES AND EVENTS HOSTED BY THESE ORGANIZATIONS ENCOURAGE PHYSICAL ACTIVITY FROM A WIDE RANGE OF COMMUNITY MEMBERS SUCH AS THE SEATTLE-TO-PORTLAND BICYCLE CLASSIC, GONZAGA UNIVERSITY'S AND THE SEATTLE STORM'S SUMMER BASKETBALL CAMPS, BLOOMSDAY TRAINING CLINICS, THE SEATTLE SOUNDERS YOUTH SOCCER CAMPS AND YMCA'S HEALTHY KIDS DAY.

GROUP HEALTH, IN PARTNERSHIP WITH SEVERAL STATE AND FEDERAL AGENCIES, CONTINUES TO PROMOTE ENVIRONMENTAL IMPROVEMENTS THROUGH 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 SUCH AS ABUSE AND ACCIDENTAL POISONING. IN 2013, GROUP HEALTH DISPOSED OF OVER

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

19,000 POUNDS OF UNUSED MEDICATIONS.

THROUGH SPONSORSHIP OF THE UNITED WAY LOANED EXECUTIVE PROGRAM, GROUP HEALTH CONTRIBUTES TO LEADERSHIP DEVELOPMENT AND TRAINING FOR COMMUNITY MEMBERS. GROUP HEALTH'S SUPPORT MAKES AVAILABLE A LOANED EXECUTIVE IDENTIFIED BY THE UNITED WAY, WHICH EDUCATES CURRENT AND FUTURE DONORS ABOUT HUMAN SERVICE NEEDS IN THE COMMUNITY.

GROUP HEALTH ADVOCATES COMMUNITY HEALTH IMPROVEMENT THROUGH A "WALK AND TALK" PROGRAM OPEN TO MEMBERS, EMPLOYEES AND MEMBERS OF THE COMMUNITY. AT SIX GROUP HEALTH CLINICS THROUGHOUT OUR WESTERN WASHINGTON SERVICE AREA, PEOPLE ARE INVITED TO JOIN A MEMBER OF THE HEALTH TEAM TO RECEIVE A QUICK HEALTH TIP AND JOIN OTHER WALKERS FOR A 30-45 MINUTE WALK IN THE AREA OF THE CLINIC. GROUP HEALTH ALSO ORGANIZED AND OPERATED A FITNESS NETWORK THAT ENCOURAGED AND INCENTIVIZED THE COMMUNITY TO PARTICIPATE IN PHYSICAL ACTIVITY AND DEVELOPED AND PILOTED A WEB-BASED PORTAL CALLED NEIGHBORHOOD HEALTH LINK WHICH CONTAINS COMMUNITY PROGRAMS AND ORGANIZATIONS THAT SUPPORT HEALTHY LIVING, SPECIFICALLY PHYSICAL ACTIVITY, HEALTHY EATING,

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

AND CHRONIC DISEASE MANAGEMENT. NEIGHBORHOOD HEALTH LINK IS AVAILABLE IN THE CLINICAL SETTING TO LINK PATIENTS TO THESE RESOURCES AND TO THE COMMUNITY TO LOCATE RESOURCES FOR THEMSELVES AND THEIR FAMILIES.

PART III, LINE 2, BAD DEBT EXPENSE METHODOLOGY

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 ASSIGNMENTS INCLUDE

STANDARD:

-PATIENTS/GUARANTORS WHO DO NOT PAY FOR LEGITIMATE SERVICES AFTER 3 STATEMENTS

EXCEPTIONS TO STANDARD:

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

-PATIENTS/GUARANTORS WHO DECLARE BANKRUPTCY

-DECEASED PATIENTS/GUARANTORS

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

-PATIENTS/GUARANTORS WHO FAIL TO MEET THE REQUIREMENTS OF A NEGOTIATED
PAYMENT ARRANGEMENT

THE FOLLOWING IS THE BAD DEBT POLICY:

-IF NO PAYMENT IS RECEIVED AFTER THE THIRD STATEMENT, AND THE BALANCE IS
AT LEAST 15 DAYS AFTER THE 3RD CYCLE BILL DATE AND NOT MORE THAN 90 DAYS
FROM THE FIRST STATEMENT DATE, STANDARD BALANCES ARE SYSTEMATICALLY
REFERRED TO THE COLLECTION EXTERNAL AGENCY AND WRITTEN OFF TO BAD DEBT
EXPENSE.

-EXCEPTIONS TO STANDARD BAD DEBT ACCOUNTS, INCLUDING RETURNED MAIL,
LAPSED PAYMENT ARRANGEMENTS, DECEASED PATIENTS AND BANKRUPTCIES ARE
MANUALLY ASSIGNED TO BAD DEBT EXPENSE AND FORWARDED TO THE COLLECTION
AGENCY.

-COLLECTION AGENCY IS INSTRUCTED TO NOT REPORT ACCOUNTS TO THE CREDIT
BUREAUS UNTIL AFTER THE FIRST 3 MONTHS OF COLLECTION ACTIVITY.

-JUSTIFICATION FOR MANUALLY ASSIGNED (NON STANDARD) BAD DEBT WRITE-OFFS
IS RECORDED IN THE PATIENT'S ELECTRONIC BILLING RECORD.

-STAFF MEMBERS ARE AUTHORIZED TO REVERSE THE DECISION TO REFER AN ACCOUNT

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

TO A COLLECTION AGENCY WHEN A MISTAKE IS DISCOVERED THAT CAUSED THE ASSIGNMENT TO BE MADE IN ERROR OR WHEN NEW INFORMATION ABOUT INSURANCE COVERAGE IS RECEIVED.

-AFTER BAD DEBT ASSIGNMENT, SPONSORED CARE IS OFFERED BY AGENCY IF PATIENT CONTACTS THEM AND STATES THEY CANNOT PAY.

PART III, LINE 4, BAD DEBT EXPENSE
 BAD DEBT EXPENSE IS DESCRIBED IN THE AUDITED FINANCIAL STATEMENT FOOTNOTES ON PAGE 9 UNDER SECTION (F) ACCOUNTS RECEIVABLE AND (G) PROVISION FOR UNCOLLECTIBLE ACCOUNTS AND RETROACTIVITY.

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 THE PAYMENT FROM CMS OR COST INFORMATION FOUND IN FULL COST REPORTS. GROUP HEALTH USES INTERNAL MEDICARE CHARGE AND REVENUE INFORMATION TO COMPUTE A COST TO CHARGE RATIO FOR ITS CENTRAL HOSPITAL MEDICARE COSTS. GROUP HEALTH DOES NOT INCLUDE ANY MEDICARE SHORTFALL AS COMMUNITY BENEFIT.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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 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. STANDARD PRACTICE IS TO REFER ACCOUNTS FOR COLLECTION AFTER THREE 30 DAY BILLING CYCLES HAVE PASSED WITHOUT PAYMENT. EACH BILLING STATEMENT INCLUDES INFORMATION ON HOW PATIENTS CAN CONTACT GROUP HEALTH'S SPONSORED CARE DEPARTMENT TO INQUIRE ABOUT PAYMENT ASSISTANCE. AT ANY POINT IN THE BILLING PROCESS WHEN THE PATIENT INFORMS GROUP HEALTH THEY ARE UNABLE TO PAY, THEY ARE SCREENED FOR LIKELY ELIGIBILITY FOR FINANCIAL ASSISTANCE AND SENT A FINANCIAL ASSISTANCE APPLICATION, WHICH COLLECTS INCOME AND OTHER FINANCIAL INFORMATION. IF A PATIENT IS ELIGIBLE FOR FREE OR DISCOUNTED CARE, THE CHARGES ARE WRITTEN OFF AS ADJUSTMENTS TO REVENUE AND NOT RECOGNIZED AS BAD DEBT. THE COLLECTIONS PROCESS IS TERMINATED.

PART VI, LINE 2, NEEDS ASSESSMENT

GROUP HEALTH LEADERS WITH THE SUPPORT OF THE ORGANIZATION CONTINUE TO SERVE ON A NUMBER OF COALITIONS, COLLABORATIVES AND BOARDS TO ASSESS AND IMPROVE THE HEALTH OF THE COMMUNITIES WE SERVE. THESE INCLUDE THE PUGET

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

SOUND HEALTH ALLIANCE, KING COUNTY HOSPITALS FOR HEALTHIER COMMUNITIES, THE BREE COLLABORATIVE, THE COMMUNITY TRANSFORMATION GRANTS STEERING COMMITTEES AND THEIR TEAMS, YOUTHCARE, YMCA, ALLIANCE FOR EDUCATION AND THE WASHINGTON CHILDREN'S ALLIANCE TO NAME A FEW. GROUP HEALTH PARTICIPATES IN THESE POLICY, ADVOCACY AND TRANSFORMATION EFFORTS TO ENSURE GREATER ACCESS TO ADDRESS THE NEEDS OF THE COMMUNITY AND STATE POPULATIONS AND TO ENSURE EQUITY AND ACCESS FOR OUR LOW INCOME POPULATIONS. SOME OF THESE GROUPS ARE BRINGING TOGETHER DELIVERY SYSTEMS, STATE AND CITY GOVERNMENT AND HOSPITALS AND INSURERS TO ADDRESS ENTRENCHED ISSUES THAT CANNOT BE TACKLED BY ANY ONE ENTITY ALONE.

PART VI, LINE 3, PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE GROUP HEALTH HAS TWO FINANCIAL ASSISTANCE PROGRAMS WHICH ARE ADMINISTERED AS THE SPONSORED CARE PROGRAM. THE CHARITY CARE PROGRAM IS FOR MEMBERS OR NON-MEMBERS OF GROUP HEALTH. PATIENTS SEEKING HOSPITAL SERVICES AT GROUP HEALTH CENTRAL HOSPITAL OR ANOTHER STATE-LICENSED HOSPITAL WHEN SERVICES ARE DELIVERED BY A GROUP HEALTH PROVIDER, WHO HAVE INCOMES AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL (FPL) ARE ELIGIBLE FOR CHARITY

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

CARE ASSISTANCE. THE HEALTH CARE ASSISTANCE PROGRAM IS FOR ENROLLEES SEEKING ANY MEDICAL CARE OR SERVICE AT A GROUP HEALTH FACILITY AND WHO ARE AT OR BELOW 250% FPL. HEALTH CARE ASSISTANCE IS A SHORT-TERM PROGRAM PROVIDING ASSISTANCE WITH INPATIENT AND OUTPATIENT FEES, COPAYS, PRESCRIPTION COSTS, GLASSES AND HEARING AIDS

GROUP HEALTH INFORMS PATIENTS ABOUT SPONSORED CARE AS FOLLOWS:

1. GROUP HEALTH DISPLAYS POSTERS AT THE MAIN ENTRANCES OF GROUP HEALTH HOSPITAL, AT THE HOSPITAL'S URGENT CARE CENTER AND AT ITS LABOR/DELIVERY UNIT. EACH POSTER INFORMS PATIENTS THAT THEY MAY BE ELIGIBLE FOR FREE CARE IN SEVEN DIFFERENT LANGUAGES.

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

Part VI Supplemental Information

Provide the following information.

- 1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

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 25 GROUP HEALTH MEDICAL 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.

6. INFORMATION REGARDING GROUP HEALTH FINANCIAL ASSISTANCE IS AVAILABLE ON THE PUBLIC WEBSITE AT [HTTPS://WWW1.GHC.ORG/HTML/PUBLIC/CUSTOMER-SERVICE/FINANCIAL-ASSISTANCE](https://www1.ghc.org/html/public/customer-service/financial-assistance).

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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 VI, LINE 4, COMMUNITY INFORMATION

GROUP HEALTH'S SERVICE AREAS INCLUDE ALL, OR PARTS OF, 20 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 POPULATIONS. FRANKLIN COUNTY AND YAKIMA COUNTY HAVE THE LARGEST SHARES OF NON-WHITE POPULATIONS. CURRENT DATA INDICATES 49.5% OF WASHINGTON'S AFRICAN AMERICAN 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

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

(8%), HISPANIC (5%) ALASKA NATIVE/AMERICAN INDIAN (1%) AND OTHER (3%).

IN 2013, GROUP HEALTH COOPERATIVE AND ITS WHOLLY-OWNED SUBSIDIARIES, GROUP HEALTH OPTIONS, INC. AND KPS HEALTH PLANS, PROVIDED HEALTH CARE COVERAGE AND SERVICES TO APPROXIMATELY 617,000 INDIVIDUALS. GROUP HEALTH WAS ABLE TO REACH THESE INDIVIDUALS VIA INDIVIDUAL AND FAMILY, COMMERCIAL GROUP, FEDERAL EMPLOYEE HEALTH BENEFIT PLAN, PUBLIC EMPLOYEE BENEFIT BOARD PLAN (FOR WASHINGTON STATE EMPLOYEES), AND MEDICARE ADVANTAGE PLAN ENROLLEES IN WASHINGTON AND NORTH IDAHO.

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. IN 2013, SPECIFICALLY RELATED TO LOW-INCOME INDIVIDUALS, GROUP HEALTH PROVIDED CARE TO APPROXIMATELY 16,000 HEALTHY OPTIONS (WASHINGTON STATE-MANAGED MEDICAID) PATIENTS AND APPROXIMATELY 4,500 LOW INCOME BASIC HEALTH PATIENTS IN 6 COUNTIES AROUND THE STATE. THIS WAS ACCOMPLISHED THROUGH GROUP HEALTH CONTRACTING TO DELIVER HEALTH CARE SERVICES TO

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

PATIENTS ENROLLED IN MOLINA HEALTHCARE OF WASHINGTON'S HEALTHY OPTIONS AND BASIC HEALTH PLANS. GROUP HEALTH, IN ADDITION, PROVIDED CARE TO MEDICAID FEE-FOR-SERVICE PATIENTS WHO WERE UNABLE TO ACCESS GROUP HEALTH THROUGH THE MANAGED MEDICAID PROGRAM. GROUP HEALTH SERVED APPROXIMATELY 300 OF THESE INDIVIDUALS.

IN ADDITION, GROUP HEALTH'S FAMILY BEGINNINGS UNIT (FBU) IN SEATTLE PROVIDES LABOR AND DELIVERY AND NEONATAL INTENSIVE CARE UNIT SERVICES TO MEDICAID PATIENTS, WITH GROUP HEALTH PHYSICIANS AND NURSE MIDWIVES DELIVERING NEWBORNS. CONTRACTS WITH SEVERAL COMMUNITY HEALTH CLINICS AND FEDERALLY QUALIFIED HEALTH CENTERS ALLOW COMMUNITY PROVIDERS TO DELIVER THE PATIENTS OF THESE COMMUNITY CLINICS AT THE FBU, WITH BACK-UP AND SUPPORT PROVIDED BY GROUP HEALTH OB-GYN PHYSICIANS. IN 2013, OVER 1,300 PATIENTS WERE TREATED IN OUR BIRTHING FACILITY, ONE OF THE FEW IN SEATTLE THAT ALLOWS CERTIFIED NURSE MIDWIFE BIRTHING FOR ALL PATIENTS. IN ADDITION, THE FBU WAS AWARDED THE BABY-FRIENDLY HOSPITAL DESIGNATION, ONE OF ONLY TWO CHILDBIRTH CENTERS IN SEATTLE TO RECEIVE THIS ACCOLADE. BABY-FRIENDLY IS A GLOBAL INITIATIVE SPONSORED BY THE WORLD HEALTH

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

ORGANIZATION AND UNICEF.

FINALLY, THE GROUP HEALTH TEEN PREGNANCY AND PARENTING CLINIC PROVIDES COMPREHENSIVE SERVICES TO WOMEN, INFANTS AND CHILDREN AND OTHER HEALTH CARE SERVICES TO BOTH ENROLLED GROUP HEALTH MEMBERS AND NON-ENROLLED LOW-INCOME TEENAGERS AND YOUNG ADULTS. IN 2013, THE TOTAL NUMBER OF PATIENT VISITS WAS 3,092.

PART VI, LINE 5, PROMOTION OF COMMUNITY HEALTH
 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 IMPROVEMENT-RELATED EDUCATION AND INFORMATION, FINANCIAL AND OTHER SUPPORT TO COMMUNITY-BASED ORGANIZATIONS, WITH A FOCUS ON PREVENTION AND WELLNESS, AND CONDUCTS RESEARCH ACTIVITIES THAT BENEFIT THE BROADER COMMUNITY.

TO FULFILL ITS PURPOSE, GROUP HEALTH PROVIDES OUTPATIENT PRIMARY AND

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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 2013, GROUP HEALTH OPERATED ONE HOSPITAL, 25 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 CONDUCTS PRACTICAL, PUBLIC DOMAIN RESEARCH TO IMPROVE HEALTH AND HEALTH CARE THROUGHOUT THE COMMUNITY AND NATION THROUGH THE GROUP HEALTH RESEARCH INSTITUTE (GHRI) INVESTING OVER \$51M IN 2013. SINCE GHRI'S INCEPTION IN 1983, GHRI INVESTIGATORS HAVE PUBLISHED MORE THAN 4,000 SCIENTIFIC PAPERS AND HAVE MADE MAJOR CONTRIBUTIONS TO EFFECTIVE CARE OF CHRONIC CONDITIONS SUCH AS DIABETES, BACK PAIN, CARDIOVASCULAR DISEASE, AND DEPRESSION. GHRI RESEARCHERS DEVELOP AND STUDY WAYS TO HELP

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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 POPULATION MAKE INFORMED MEDICAL DECISIONS, QUIT SMOKING, AND FIGHT OBESITY. GHRI ALSO SUPPORTS RESEARCH THAT IMPROVES THE SAFETY AND EFFICACY OF MEDICATIONS, IMMUNIZATIONS, MEDICAL IMAGING, AND CANCER SCREENING. WHILE SOME RESEARCH TAKES A LONG TIME TO REACH AND INFLUENCE THE HEALTH CARE SYSTEM ITSELF (I.E. CLINICAL PRACTICE), GHRI INVESTS IN DISSEMINATION AND TRANSLATION ACROSS OUR COMMUNITY.

GHRI IS A GLOBALLY RECOGNIZED LEADER IN PREVENTIVE MEDICINE, HEALTHY AGING, WOMEN'S HEALTH, AND CANCER CONTROL, ALL USING CUTTING-EDGE DATA ANALYSIS AND HEALTH INFORMATION TECHNOLOGY. GHRI INVESTIGATORS ARE HELPING DEVELOP AND EVALUATE GROUP HEALTH'S ADVANCED PRIMARY CARE MEDICAL HOME MODEL, AND IS RESPONSIBLE FOR THE DEVELOPMENT OF THE CHRONIC CARE MODEL. IN ADDITION, GHRI'S CENTER FOR COMMUNITY HEALTH AND EVALUATION LEADS EVALUATIONS OF HEALTH-RELATED PROGRAMS AND INITIATIVES NATIONALLY, CONTRIBUTING TO IMPROVEMENTS IN HEALTH OUTCOMES FOR THE MYRIAD OF COMMUNITIES IT SERVES.

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

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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 PHYSICIAN AND STAFF VOLUNTEERS PROVIDED NO-COST MEDICAL SUPPORT AT MEDICAL TENTS SET UP AT THE SITES OF SEVERAL ACTIVITIES AND EVENTS WITH WIDE PUBLIC PARTICIPATION. THIS SUPPORT RANGED FROM BASIC FIRST AID TO ADVANCED MEDICAL SUPPORT AND STABILIZATION FOR PARTICIPANTS NEEDING TO BE TRANSFERRED TO A HIGHER LEVEL OF CARE. GROUP HEALTH ALSO ACTIVELY PROMOTES HEALTHY LIFESTYLES BY SPONSORING ACTIVITIES HOSTED BY ORGANIZATIONS SUCH AS THE CASCADE BICYCLE CLUB AND THE YOUTH PROGRAMS OF THE YMCA DESIGNED TO HELP AT-RISK YOUTH AND LOW INCOME COMMUNITIES STAY SAFE AND HEALTHY AND ACCESS RESOURCES TO IMPROVE THEIR HEALTH.

THROUGH A PARTNERSHIP WITH KING COUNTY, GROUP HEALTH ALSO SUPPORTS 6 SCHOOL-BASED HEALTH CENTERS AT MIDDLE AND HIGH SCHOOLS IN THE SEATTLE PUBLIC SCHOOL DISTRICT. THIS INCLUDES HIRING NURSES AND NURSE PRACTITIONERS AND SUPPORTING THEIR CLINIC AND ADMINISTRATIVE NEEDS. THE SCHOOL-BASED CENTERS SERVED APPROXIMATELY 3,700 STUDENTS IN 2013 AND ARE A HUGE BOOST TO THE HEALTH AND WELLNESS OF THE STUDENT COMMUNITY.

GROUP HEALTH PARTNERS WITH PROJECT ACCESS, AN ORGANIZATION WHICH WORKS

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

WITH MEDICAL PROVIDERS IN HEALTH CARE COMMUNITIES ACROSS THE COUNTRY TO PROVIDE MEDICAL CARE TO INDIVIDUALS THAT MEET COUNTY-SPECIFIC MEDICAL AND FINANCIAL ELIGIBILITY CRITERIA. GROUP HEALTH COORDINATES WITH PROJECT ACCESS TO PROVIDE CARE TO THESE PATIENTS AT DESIGNATED MEDICAL CENTERS AND SPECIALTY DEPARTMENTS.

GROUP HEALTH HOSTED TWO CONTINUING MEDICAL EDUCATION CONFERENCES IN 2013 TO LEADERS IN TACOMA ON IMPROVING CLINICAL OUTCOMES AND BETTER MANAGEMENT OF COSTS FOR PATIENTS IN OUR REGION WHO HAVE HYPERTENSION, HYPERLIPIDEMIA AND TYPE 2 DIABETES AND IN SPOKANE ON MANAGING ACUTE INJURY AND CHRONIC PAIN OF THE KNEE. THESE CONFERENCES WERE OPEN TO NON-GROUP HEALTH COMMUNITY HEALTH LEADERS FOR FREE OR REDUCED COST.

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

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

MEMBERSHIP. VOTING MEMBERSHIP IS OPEN TO ALL GROUP HEALTH ENROLLEES OVER THE AGE OF 18.

GROUP HEALTH COOPERATIVE HAS A WHOLLY-OWNED SUBSIDIARY, THE GROUP HEALTH FOUNDATION, WHICH IS ALSO A 501(C)(3) ORGANIZATION. THE PURPOSE OF THE 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. THE GROUP HEALTH FOUNDATION IS CURRENTLY ENGAGED IN A MULTI-YEAR PROGRAM WITH ORGANIZATION 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.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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 HAS AN EXCLUSIVE CONTRACT WITH GROUP HEALTH PERMANENTE, P.C., A GROUP PRACTICE WITH OVER 900 SALARIED CLINICIANS. GROUP HEALTH PERMANENTE IS NOT UNDER COMMON GOVERNANCE OR CONTROL WITH GROUP HEALTH COOPERATIVE, BUT THE TWO ORGANIZATIONS COLLABORATE TO SERVE THE 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) AND AN OPTOMETRY RESIDENCY IN 2 MEDICAL CENTER LOCATIONS, 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. IN ADDITION TO THE ABOVE-MENTIONED PROGRAMS IN WASHINGTON STATE, IN 2013, 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 Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

AS AN INTEGRATED CARE ORGANIZATION AND ONE OF THE LARGEST PROVIDERS IN WASHINGTON STATE, GROUP HEALTH COOPERATIVE HAS INNOVATIVE NEW APPROACHES TO CARE AND ITS CLEAR CARE HMO MEDICARE ADVANTAGE PLANS HAVE CONTINUED TO RECEIVE THE HIGHEST RATING FROM CMS (5-STAR RATING) SINCE 2012. 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. GROUP HEALTH IS A FOUNDING MEMBER OF THE WASHINGTON HEALTH ALLIANCE WHOSE MISSION IS TO PROMOTE HEALTH AND IMPROVE THE QUALITY AND AFFORDABILITY OF THE HEALTH CARE SYSTEM BY REDUCING OVERUSE, UNDERUSE AND MISUSE OF HEALTH CARE SERVICES.

PHYSICIAN AND NON-PHYSICIAN LEADERS AT GROUP HEALTH ALSO CONTRIBUTE TO THE DISSEMINATION AND COMMUNITY-WIDE PRACTICE 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, THE MEDICAL HOME TEAM-BASED CARE MODEL, THE CHRONIC CARE MODEL, AND

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs 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 hospital 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.

OTHER CARE INNOVATIONS. GROUP HEALTH IS A LEADER IN THE WASHINGTON STATE HEALTH ALLIANCE, WHICH PUBLICLY AND TRANSPARENTLY REPORTS PROVIDER QUALITY MEASURES THROUGH ITS COMMUNITY CHECKUP.

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.
- ▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

**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 directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed 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?
 - b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
 - c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

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?
 - b** Any related organization?
- 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?
 - b** Any related organization?
- 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

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

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

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

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

Schedule J (Form 990) 2013

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 SCOTT ELLIOT ARMSTRONG CEO & PRESIDENT	(i)	968,017.	275,684.	172,775.	-43,400.	24,806.	1,397,882.	
	(ii)	0	0	0				
2 BARBARA ANN BELT-LLOYD CONTROLLER & EXEC DIR; FIN OPS	(i)	215,403.	24,786.	0	20,370.	16,736.	277,295.	
	(ii)	0	0	0				
3 SCOTT BOYD VP; FINANCE	(i)	379,726.	117,716.	109,086.	5,100.	4,999.	616,627.	
	(ii)	0	0	0				
4 BRETON CLARK MYERS ASST TREASURER	(i)	239,462.	26,863.	0	5,066.	6,747.	278,138.	
	(ii)	0	0	0				
5 RICK DALE WOODS EVP & GENERAL COUNSEL	(i)	487,235.	123,796.	49,346.	205,938.	13,513.	879,828.	
	(ii)	0	0	0				
6 SARAH BARIAN YATES VP & DEPUTY GENERAL COUNSEL	(i)	333,121.	55,631.	29,903.	5,100.	19,840.	443,595.	
	(ii)	0	0	0				
7 ELLEN SUZANNE DALY VP; NTRWK SVC & PROVDR RELTNS	(i)	299,447.	52,482.	3,690.	5,100.	25,404.	386,123.	
	(ii)	0	0	0				
8 CYNTHIA JOHNSON EVP; HR	(i)	392,709.	92,506.	46,472.	5,100.	9,079.	545,866.	
	(ii)	0	0	0				
9 LAURA MCMILLAN VP; STRAGIC PLANNING & DEPLO	(i)	249,891.	44,354.	28,260.	-42,206.	4,146.	284,445.	
	(ii)	0	0	0				
10 ROBERT O'BRIEN EVP; HEALTH PLAN DIVISION	(i)	670,114.	170,486.	254,933.	5,000.	17,088.	1,117,621.	
	(ii)	0	0	0				
11 MARK SZALWINSKI EVP; GROUP PRACTICE DIVISION	(i)	519,409.	363,782.	10,914.	52,395.	25,533.	972,033.	
	(ii)	0	0	0				
12 RANDY BARKER VP; APPLE DIVISION	(i)	327,451.	55,635.	31,215.	3,037.	8,506.	425,844.	
	(ii)	0	0	0				
13 DEBORAH HUNTINGTON VP; SALES	(i)	288,305.	55,618.	31,925.	5,100.	19,657.	400,605.	
	(ii)	0	0	0				
14 ERIC LARSON VP; GROUP HEALTH RESEARCH INST	(i)	341,457.	71,911.	40,931.	5,000.	10,309.	469,608.	
	(ii)	0	0	0				
15 ERIN LEFF VP; CONSULT SPEC & AC SVCS	(i)	290,693.	57,207.	64,068.	5,100.	8,806.	425,874.	
	(ii)	0	0	0				
16 LAURA REHRMANN VP; COMMUNITY RESPONSIBILITY	(i)	282,364.	55,590.	41,997.	4,601.	7,020.	391,572.	
	(ii)	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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
RICHARD EDWARD MAGNUSON	(i)	276,000.	0	11,157.		287,157.		
1 EVP; CHIEF FINL & ADM OFFICER	(ii)	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)							

PUBLIC INSPECTION COPY

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

FIRST CLASS TRAVEL

SCHEDULE J, PART I, LINE 1A

PER THE 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 2013. FIRST CLASS TRAVEL EXPENSE IS NOTE REPORTED AS TAXABLE COMPENSATION AS IT IS ONLY REIMBURSED WHEN INCURRED FOR BUSINESS PURPOSES.

SOCIAL CLUB DUES

SCHEDULE J, PART 1, LINE 1A

ALL EMPLOYEES ARE RESPONSIBLE FOR FOLLOWING ALL OF GROUP HEALTH'S EXPENSE REIMBURSEMENT GUIDELINES AND BEING GOOD STEWARDS OF THE COMPANY'S RESOURCES. THE COMPANY WILL PAY FOR THE PRESIDENT AND CEO'S SOCIAL CLUB DUES IF 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

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

BUSINESS PURPOSE.

SEVERANCE PAYMENT

SCHEDULE J, PART 1, 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, (EIGHTEEN (18) MONTHS FOR THE PRESIDENT AND CEO), PLUS MEDICAL AND DENTAL COVERAGE (AT THE SAME LEVEL PROVIDED TO THE EXECUTIVE AS OF THE DATE OF SEPARATION) FOR A MAXIMUM OF TWELVE (12) MONTHS (EIGHTEEN (18) MONTHS FOR THE PRESIDENT AND CEO). THESE BENEFITS ARE

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

FORFEITED IF THE EXECUTIVE VIOLATES THE TERMS OF THE NON-COMPETITION,
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

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

ASSETS OR OPERATIONS OF GROUP HEALTH, BY MERGER, CONSOLIDATION, DISSOLUTION, LIQUIDATION, JOINT VENTURE, PARTNERSHIP, AFFILIATION, 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 CALENDAR 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.

EXECUTIVE RECEIVING SEVERANCE PAYMENTS IN 2013:

RICHARD EDWARD MAGNUSON, EVP, CHIEF FIN'L & ADM OFFICER	276,000
SCOTT BOYD, VP, FINANCE	82,846
RANDY BARKER, VP, APPLE DIVISION	160,385
LAURA MCMILLAN, VP, STRATEGIC PLANNING & DEPLOYMENT	98,154

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

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 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 EITHER FIVE YEARS AFTER THE DATE ON WHICH A PARTICIPANT ENTERS THE PLAN, OR ON THE DATE ON WHICH A PARTICIPANT COMPLETES TEN CONSECUTIVE YEARS OF EMPLOYMENT WITH GROUP HEALTH COOPERATIVE, WHICHEVER OCCURS FIRST, PROVIDED THAT THE PARTICIPANT DOES NOT EXPERIENCE A SEPARATION FROM SERVICE BEFORE THE VESTING DATE. A PARTICIPANT REMAINS ELIGIBLE TO PARTICIPATE UNTIL HIS OR HER ACCOUNT

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

BALANCE IS EITHER FULLY DISTRIBUTED OR FORFEITED. GROUP HEALTH MADE SERP

PLAN CONTRIBUTIONS AND DISTRIBUTIONS IN 2013 AS FOLLOWS:

SERP DISTRIBUTIONS

RICHARD EDWARD MAGNUSON, EVP, CHIEF FIN'L & ADM OFFICER	11,157
SCOTT BOYD, VP, FINANCE	2,353
RANDY BARKER, VP, APPLE DIVISION	2,607
LAURA MCMILLAN, VP, STRATEGIC PLANNING & DEPLOYMENT	1,874

SERP CONTRIBUTIONS - VESTED

SCOTT ELLIOT ARMSTRONG, CEO & PRESIDENT	145,814
RICK DALE WOODS, EVP & GENERAL COUNSEL	41,642
SCOTT BOYD, VP, FINANCE	104,458
SARAH BARIAN YATES, VP & DEPUTY GENERAL COUNSEL	25,809
ROBERT O'BRIEN, EVP, HEALTH PLAN DIVISION	242,669
CYNTHIA JOHNSON, EVP, HR	32,172
RANDY BARKER, VP, APPLE DIVISION	24,494
LAURA MCMILLAN, VP, STRATEGIC PLANNING & DEPLOYMENT	19,835

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

ERIC LARSON, VP, GROUP HEALTH RESEARCH INSTITUTE	29,956
LAURA REHRMANN, VP, COMMUNITY RESPONSIBILITY	24,992
DEBORAH HUNTINGTON, VP, SALES	25,802
ERIN LEFF, VP, CONSULT SPEC & AC SERVICES	61,593

SERP CONTRIBUTIONS - NONVESTED

MARK SZALWINSKI, EVP, GROUP PRACTICE DIVISION	47,295
---	--------

PAYMENTS SUBJECT TO THE INITIAL CONTRACT EXCEPTION

SCHEDULE J, PART I, LINE 8

A PORTION OF THE COMPENSATION REPORTED IN PART VII WAS PAID PURSUANT TO A WRITTEN CONTRACT THAT WAS THE INITIAL CONTRACT (WITHIN THE MEANING OF REGULATIONS SECTION 53.4958.4(A)(3)) BETWEEN GROUP HEALTH COOPERATIVE AND AN INDIVIDUAL, BRETON MYERS, WHO WAS NOT A DISQUALIFIED PERSON (WITHIN THE MEANING OF REGULATIONS SECTION 53.4958.3) IMMEDIATELY BEFORE ENTERING INTO THE CONTRACT. THE ORGANIZATION FOLLOWED THE REBUTTABLE PRESUMPTION PROCEDURE IN ESTABLISHING THAT COMPENSATION.

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2013

**Open to Public
Inspection**

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.

▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

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	97978EE24	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								
2 Amount of bonds legally defeased								
3 Total proceeds of issue		99,995,662.						
4 Gross proceeds in reserve funds		8,848,163.						
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds		1,999,913.						
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds		89,147,586.						
11 Other spent proceeds								
12 Other unspent proceeds								
13 Year of substantial completion		2008						
	Yes	No	Yes	No	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.

Part III Private Business Use (Continued)

BOND ISSUE 2006

Table with 9 rows and 8 columns (A, B, C, D). Rows include questions about management contracts, research agreements, and bond issue details. Includes a large diagonal watermark 'PUBLIC INSPECTION COPY'.

Part IV Arbitrage

Table with 7 rows and 8 columns (A, B, C, D). Rows include questions about Form 8038-T, rebates, and hedges. Includes a large diagonal watermark 'PUBLIC INSPECTION COPY'.

Part VI **Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions) *(Continued)*

PUBLIC INSPECTION COPY

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

2013

**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 PREPARE THE RETURN AND INVOLVES MANY MEMBERS OF MANAGEMENT IN REVIEW OF THE RETURN. THE FORM 990 IS THEN REVIEWED BY GHC MANAGEMENT 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 ALSO PROVIDED TO THE FULL BOARD OF TRUSTEES FOR REVIEW AND INFORMATION BEFORE THE RETURN IS FILED.

ORGANIZATION'S MONITORING AND ENFORCEMENT OF CONFLICT OF INTEREST POLICY

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

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

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.

THE AUDIT AND COMPLIANCE COMMITTEE OF THE BOARD IS RESPONSIBLE FOR APPROVING COMPLIANCE PROCEDURES RELATED TO THIS POLICY FOR TRUSTEES AND GROUP HEALTH OFFICERS AND IS DELEGATED NECESSARY AUTHORITY TO APPROVE SUCH PROCEDURES. THESE PROCEDURES INCLUDE:

-TRUSTEES AND COOPERATIVE OFFICERS SHALL PROVIDE A WRITTEN DECLARATION OF ANY ACTUAL OR POTENTIAL AREAS OF CONFLICT OF INTEREST ON AN ANNUAL BASIS USING FORMS AND PROCEDURES DEVELOPED BY THE OFFICE OF COMPLIANCE AND ETHICS. THESE DECLARATIONS ARE SUBMITTED BY TRUSTEES AND OFFICERS TO THE OFFICE OF COMPLIANCE AND ETHICS FOR REVIEW. THE OFFICE OF COMPLIANCE AND ETHICS EVALUATE THE DECLARATIONS AND PROVIDES A SUMMARY OF DISCLOSURES THAT ARE FORWARDED TO THE AUDIT AND COMPLIANCE COMMITTEE FOR CONSIDERATION. ANY APPARENT CONFLICTS OF INTEREST AND/OR OTHER INSTANCES OF NONCOMPLIANCE WITH THIS POLICY ARE REFERRED BY THE AUDIT AND COMPLIANCE COMMITTEE TO THE CHAIR OF THE COOPERATIVE FOR RESOLUTION AS DESCRIBED BELOW.

-DURING THE YEAR, TRUSTEES AND COOPERATIVE OFFICERS REPORT MATERIAL ADDITIONS OR CHANGES TO THE INFORMATION PROVIDED ON ANNUAL CONFLICT OF

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

INTEREST DECLARATIONS. THESE ADDITIONS OR CHANGES TO THE DECLARATIONS ARE SUBMITTED TO THE OFFICE OF COMPLIANCE AND ETHICS FOR REVIEW. IF THE REVIEW INDICATES THAT THERE IS A CONFLICT OF INTEREST OR THE APPEARANCE OF ONE, A SUMMARY OF THE ADDITIONS OR CHANGES IS FORWARDED TO THE AUDIT AND COMPLIANCE COMMITTEE, FOLLOWING THE PROCESS USED FOR ANNUAL DECLARATIONS.

-THE CHAIR OF THE COOPERATIVE COUNSELS ANY TRUSTEE OR OFFICER ABOUT PROHIBITED CONFLICTS OF INTEREST AND OTHER INSTANCES OF NONCOMPLIANCE WITH THIS POLICY, INCLUDING APPARENT UNDISCLOSED CONFLICTS OF INTEREST AND, IF NOT RESOLVED TO HIS/HER SATISFACTION, PLACES THE MATTER ON THE AGENDA OF AN EXECUTIVE SESSION. THE CHIEF COMPLIANCE AND ETHICS OFFICER SUPPORTS THE CHAIR OF THE COOPERATIVE IN FULFILLING THIS RESPONSIBILITY.

-TRUSTEES SHALL DISCLOSE AN ACTUAL CONFLICT OF INTEREST, OR THE APPEARANCE OF SUCH A CONFLICT, WHEN SUCH AN INTEREST BECOMES A MATTER FOR BOARD ACTION. ANY TRUSTEE HAVING AN ACTUAL CONFLICT OF INTEREST, OR THE APPEARANCE OF A CONFLICT OF INTEREST, RELATED TO A MATTER AT ISSUE SHALL NOT VOTE, TAKE OTHER ACTION, OR USE HIS/HER PERSONAL INFLUENCE ON THE MATTER BEYOND THAT DESCRIBED BELOW. THE MINUTES OF THE MEETING REFLECTS THAT A DISCLOSURE WAS MADE AND THAT THE TRUSTEE ABSTAINED FROM PARTICIPATION IN THE DISCUSSION EXCEPT AS DESCRIBED BELOW. IF ANY TRUSTEE HAS REASON TO BELIEVE S/HE OR ANOTHER TRUSTEE MAY HAVE AN ACTUAL CONFLICT OF INTEREST, OR THE APPEARANCE OF SUCH A CONFLICT, THE TRUSTEE SHALL RAISE THE QUESTION FOR CONSIDERATION. IF THERE IS ANY DISAGREEMENT

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

REGARDING THE EXISTENCE OF AN ACTUAL CONFLICT OF INTEREST, OR THE APPEARANCE OF SUCH A CONFLICT, THE CHAIR OF THE COOPERATIVE POLLS OTHER TRUSTEES TO DETERMINE IF THE BOARD CONCLUDES THAT AN ACTUAL CONFLICT OR THE APPEARANCE OF A CONFLICT OF INTEREST EXISTS. IF THE BOARD CONCLUDES THERE IS A CONFLICT OR THE APPEARANCE OF A CONFLICT, THEN THE TRUSTEE ABSTAINS FROM VOTING OR DISCUSSIONS ON THE MATTER. THE REQUIREMENTS OF THIS PARAGRAPH SHOULD NOT BE CONSTRUED AS PREVENTING THE TRUSTEE WITH AN ACTUAL CONFLICT OF INTEREST, OR THE APPEARANCE OF SUCH A CONFLICT, FROM BRIEFLY STATING HIS/HER POSITION IN THE MATTER, NOR FROM ANSWERING PERTINENT QUESTIONS OF OTHER TRUSTEES OR OFFICERS SINCE HIS/HER KNOWLEDGE MAY BE OF ASSISTANCE.

-GROUP HEALTH OFFICERS ARE REQUIRED TO DISCLOSE AN ACTUAL CONFLICT OF INTEREST, OR THE APPEARANCE OF SUCH A CONFLICT, WHEN SUCH AN INTEREST IS RELEVANT TO A MATTER IN WHICH THEY HAVE A ROLE, EITHER DIRECTLY OR THROUGH SUBORDINATES ACTING AT THEIR DIRECTION. ANY GROUP HEALTH OFFICER HAVING AN ACTUAL CONFLICT OF INTEREST, OR THE APPEARANCE OF A CONFLICT OF INTEREST, RELATED TO A MATTER AT ISSUE SHALL NOT PARTICIPATE IN THE MATTER OR USE HIS/HER PERSONAL OR PROFESSIONAL INFLUENCE ON THE MATTER. ANY GROUP HEALTH OFFICER WHO BELIEVES HE/SHE MAY HAVE AN ACTUAL CONFLICT OF INTEREST, OR THE APPEARANCE OF SUCH A CONFLICT, IS EXPECTED TO ABSTAIN FROM PARTICIPATION OR STATING HIS/HER POSITION IN THE MATTER, OR MAY ASK HIS/HER DIRECT SUPERVISOR TO DETERMINE IF THE SUPERVISOR BELIEVES THAT AN ACTUAL CONFLICT OR THE APPEARANCE OF A CONFLICT OF INTEREST EXISTS. IF THE SUPERVISOR DETERMINES THAT A CONFLICT OF INTEREST OR THE APPEARANCE

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

OF A CONFLICT EXISTS, THE INDIVIDUAL SHALL ABSTAIN FROM PARTICIPATION IN THE MATTER. CONSULTATION WITH THE OFFICE OF COMPLIANCE AND ETHICS IS RECOMMENDED WHEN IT IS DIFFICULT TO DETERMINE WHETHER THE CIRCUMSTANCES CONSTITUTE A CONFLICT OF INTEREST. THE GROUP HEALTH OFFICE OF COMPLIANCE AND ETHICS IS RESPONSIBLE FOR DEVELOPING COMPLIANCE PROCEDURES FOR ADMINISTERING THIS POLICY, DEVELOPING PROCEDURES FOR THE DISCLOSURE STATEMENTS TO BE COMPLETED BY KEY PERSONS (AS DEFINED IN THIS POLICY), AND FOR PROVIDING GENERAL GUIDANCE TO GROUP HEALTH MANAGEMENT AND EMPLOYEES REGARDING COMPLIANCE WITH THIS POLICY. THE OFFICE OF COMPLIANCE AND ETHICS WILL CONSULT WITH GROUP HEALTH EXECUTIVE MANAGEMENT TO ENSURE SUPPORT FOR THE IMPLEMENTATION AND ADMINISTRATION OF THIS POLICY. THE CHIEF COMPLIANCE AND ETHICS OFFICER WILL PROVIDE PERIODIC REPORTS TO THE AUDIT AND COMPLIANCE COMMITTEE ON THE IMPLEMENTATION AND ADMINISTRATION OF THIS POLICY.

-ALL KEY PERSONS MUST COMPLETE AN ANNUAL DISCLOSURE STATEMENT TO IDENTIFY ACTUAL CONFLICTS OF INTEREST, OR CIRCUMSTANCES THAT MIGHT GIVE THE APPEARANCE OF A CONFLICT OF INTEREST, OR TO ATTEST THAT NO SUCH CONFLICT EXISTS. DURING THE YEAR, KEY PERSONS REPORT MATERIAL ADDITIONS OR CHANGES TO THE INFORMATION PROVIDED ON ANNUAL CONFLICT OF INTEREST DECLARATIONS. THESE ADDITIONS OR CHANGES TO THE DECLARATIONS ARE SUBMITTED TO THE OFFICE OF COMPLIANCE AND ETHICS, FOLLOWING THE PROCESS USED FOR ANNUAL DECLARATIONS.

-ALL DISCLOSURE STATEMENTS OF KEY PERSONS WHO HAVE A GROUP HEALTH MANAGER

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

ARE REVIEWED BY THE KEY PERSON'S DIRECT MANAGER AND BY THE OFFICE OF COMPLIANCE AND ETHICS TO DETERMINE WHETHER OR TO WHAT EXTENT ANY DISCLOSED ACTIVITY MAY BE UNDERTAKEN. THE DISCLOSURE STATEMENTS OF KEY PERSONS WHO DO NOT HAVE A GROUP HEALTH MANAGER (TRUSTEES, THE PRESIDENT AND CEO) WILL BE REVIEWED BY THE OFFICE OF COMPLIANCE AND ETHICS. NOT EVERY POTENTIAL CONFLICT OF INTEREST SITUATION WILL WARRANT ACTION.

-COVERED PERSONS NOT CONSIDERED KEY PERSONS MAY ALSO BE ASKED TO COMPLETE ANNUAL DISCLOSURE STATEMENTS.

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 (EXCEPT FOR COMPENSATION ESTABLISHED IN THE INITIAL WRITTEN CONTRACTS OFFERED TO CANDIDATES FOR VICE PRESIDENT POSITIONS WHO ARE NOT THEN EMPLOYED BY GHC AND WHO HAVE NOT BEEN DETERMINED TO BE A "DISQUALIFIED PERSON" UNDER APPLICABLE IRS REGULATIONS, AS TO WHOM THE BOARD HAS DELEGATED SUCH AUTHORITY TO THE CEO). THE FIVE MEMBERS OF THE COMMITTEE ARE THE CHAIR OF THE BOARD OF TRUSTEES, THE VICE CHAIR, AND

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

THREE 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 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 CONSISTENT WITH OUR PERFORMANCE AND CHARITABLE MISSION. BASED UPON THOSE PRINCIPLES, THE PHILOSOPHY CONFIRMS THAT COMPENSATION WILL BE COMPARED TO COMPARABLE ORGANIZATIONS (HMOS AND MANAGED CARE, HEALTH CARE, AND HEALTH INSURANCE ORGANIZATIONS), AND THAT BASE SALARY RANGES WILL BE BUILT AROUND 50TH PERCENTILE MARKET BASE PAY LEVELS, ANNUAL AND LONG-TERM 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. A SIGNIFICANT PORTION OF EXECUTIVES' TOTAL COMPENSATION IS CONTINGENT ON INDIVIDUAL AND ORGANIZATIONAL PERFORMANCE. CONSISTENT WITH GHC'S 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,

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

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 EXPERT, 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 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 BOARD.

THE FOLLOWING ARE THE 2013 OFFICES AND POSITIONS FOR WHICH THE ABOVE-DESCRIBED PROCESS WAS USED TO ESTABLISH COMPENSATION FOR THE PERSONS WHO HELD THESE POSITIONS: PRESIDENT & CEO; VICE PRESIDENT (VP), ADMINISTRATIVE SERVICES DIVISION; VP, FINANCE; INTERIM VP AND CHIEF FINANCIAL OFFICER; EXECUTIVE VICE PRESIDENT (EVP), GROUP PRACTICE DIVISION; VP, NETWORK SERVICES & PROVIDER RELATIONS; EVP, GROUP PRACTICE DIVISION; VP, SALES; EVP, HUMAN RESOURCES; VP, GROUP HEALTH RESEARCH INSTITUTE; VP, CONSULTATIVE SPECIALTY & MARKET DEVELOPMENT; VP, CHIEF TECHNOLOGY OFFICER; VP, PUBLIC AFFAIRS; VP, MARKETING; EVP & CHIEF FINANCIAL OFFICER; VP, STRATEGIC PLANNING, DEPLOYMENT & BUSINESS

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

DEVELOPMENT; EVP, HEALTH PLAN DIVISION; VP, COMMUNITY RESPONSIBILITY; VP, CLINICAL EXCELLENCE & NURSING OPERATIONS; INTERIM VP, PRIMARY CARE & NURSING; VP, PRIMARY CARE, CLINICAL EXCELLENCE & NURSING; VP, EMPLOYEE & LABOR RELATIONS; EVP, CHIEF LEGAL OFFICER & ADMINISTRATIVE SERVICES; VP & GENERAL COUNSEL; VP, DELIVERY SYSTEM SUPPORT SERVICES & CHIEF MEDICAL INFORMATICS OFFICER; VP, ANALYTICS & CHIEF MEDICAL INFORMATION OFFICER; VP, MARKET DEVELOPMENT; VP, CHIEF ACTUARY; VP, FINANCIAL PLANNING & ANALYSIS; VP, TREASURY; VP & CHIEF ACCOUNTING OFFICER; VP, INNOVATION, DEVELOPMENT & BUSINESS SERVICES; VP HUMAN RESOURCES OPERATIONS; AND VP, HUMAN RESOURCES BUSINESS SOLUTIONS. THIS PROCESS WAS ALSO USED IN 2012.

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.

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

RECONCILIATION OF NET ASSETS

PART XI, LINE 9

MEMBERSHIP	\$(51,825)
CAPITAL DUES	\$(69,454)
TEMP RESTRICTED	\$1,781,435
PERM RESTRICTED	\$1,111,670
OTHER COMPREHENSIVE INCOME	\$146,627,569
RETAINED EARNINGS	\$50,561,633

TOTAL OTHER CHANGES IN NET ASSETS	\$199,961,028

 ATTACHMENT 1

FORM 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 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

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

SERVICES OF SALARIED PHSYCIANS, NURSES, AND OTHER HEALTH CARE PRACTITIONERS. THE SALARIED PHSYCIANS ARE EMPLOYED BY GROUP HEALTH PERMANENTE, P.C., AN ORGANIZATION WITH WHOM GROUP HEALTH HAS AN EXCLUSIVE CONTRACT. IN 2013, GROUP HEALTH OPERATED ONE HOSPITAL, 25 PRIMARY CARE MEDICAL CENTERS, SIX SPECIALTY CARE UNITS, SEVEN BEHAVIORAL HEALTH CLINICS, 13 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		1,330,405.	
TOTALS		<u>1,330,405.</u>	

ATTACHMENT 3

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

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
VIRGINIA MASON PO BOX 91046 SEATTLE, WA 98111	HOSPITAL SERVICES	97,332,229.
OVERLAKE HOSPITAL 1035 116TH AVE NE BELLEVUE, WA 98004	HOSPITAL SERVICES	71,398,677.

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

ATTACHMENT 3 (CONT'D)

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

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
ST JOSEPH FRANCISCAN HEALTH SYSTEM PO BOX 34936 SEATTLE, WA 98124	HOSPITAL SERVICES	58,666,829.
PROVIDENCE HEALTH & SERVICES PO BOX 34439 SEATTLE, WA 98124	HOSPITAL SERVICES	90,895,653.
GROUP HEALTH PERMANENTE 320 WESTLAKE AVE N, SUITE 100 SEATTLE, WA 98109-5233	MEDICAL PROFESSIONAL	352,242,586.

PUBLIC INSPECTION COPY

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2013

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

- ▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.**
- ▶ **Attach to Form 990.** ▶ **See separate instructions.**
- ▶ **Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.**

Name of the organization

Employer identification number

GROUP HEALTH COOPERATIVE

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 (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) COLUMBIA MEDICAL ASSOCIATES, L.L.C. 20-0986848 1003 EAST TRENT SUITE 150 SPOKANE, WA 99202	COMP MED CARE	WA	19,841,451.	5,913,969.	GHC
(2) COLUMBIA CLINIC, L.L.C. 1003 EAST TRENT SUITE 150 SPOKANE, WA 99202	INACTIVE	WA			CMA L.L.C.
(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, STE 100 SEATTLE, WA 98109	FOUNDATION	WA	501(C)(3)	7	GHC	X	
(2) GROUP HEALTH NORTHWEST 91-1216856 320 WESTLAKE AVE. N, STE 100 SEATTLE, WA 98109	INACTIVE	WA	501(C)(3)	11, TYPE I	GHC	X	
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

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

Schedule R (Form 990) 2013

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	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) GROUP HEALTH OPTIONS, INC. 91-1467158 320 WESTLAKE AVE NORTH, SUITE 100 SEATTLE, WA 98109-5233	INSURANCE	WA	GHC	C CORP	897,993,307.	219,372,981.	100.0000	X	
(2) KPS HEALTH PLANS 91-0540525 400 WARREN AVE BREMERTON, WA 98337	INSURANCE	WA	GHC	C CORP	115,373,711.	40,798,021.	100.0000	X	
(3) GROUP HEALTH SERVICES, INC. 91-1392222 320 WESTLAKE AVE NORTH, SUITE 100 SEATTLE, WA 98109-5233	INACTIVE	WA	GHC	C CORP			100.0000	X	
(4) GROUP HEALTH OF WASHINGTON 91-1314907 320 WESTLAKE AVE NORTH, SUITE 100 SEATTLE, WA 98109-5233	INACTIVE	WA	GHC	C CORP			100.0000	X	
(5) -----									
(6) -----									
(7) -----									

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

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

Table with 3 columns: Question (1a-1s), Yes, No. Rows include transactions like receipt of interest, gift, loans, dividends, etc.

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.

Table with 4 columns: (a) Name of related organization, (b) Transaction type (a-s), (c) Amount involved, (d) Method of determining amount involved. Rows list organizations like GROUP HEALTH OPTIONS, INC., KPS HEALTH PLANS, etc.

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) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(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		Yes	No	
(1) -----													
(2) -----													
(3) -----													
(4) -----													
(5) -----													
(6) -----													
(7) -----													
(8) -----													
(9) -----													
(10) -----													
(11) -----													
(12) -----													
(13) -----													
(14) -----													
(15) -----													
(16) -----													

PUBLIC INSPECTION COPY

Part VII **Supplemental Information**

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

PUBLIC INSPECTION COPY

Application for Extension of Time To File an Exempt Organization Return

► **File a separate application for each return.**
► **Information about Form 8868 and its instructions is at www.irs.gov/form8868.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. GROUP HEALTH COOPERATIVE	Employer identification number (EIN) or 91-0511770
	Number, street, and room or suite no. If a P.O. box, see instructions. 320 WESTLAKE AVE N	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SEATTLE, WA 98109-5233	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

• The books are in the care of ► MARTIN R. DOPPS

Telephone No. ► 206 448-5146 FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 2014, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► calendar year 2013 or

► tax year beginning _____, 20____, and ending _____, 20____.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a \$	0
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b \$	0
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c \$	0

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see instructions.

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box.

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. GROUP HEALTH COOPERATIVE	Employer identification number (EIN) or 91-0511770
	Number, street, and room or suite no. If a P.O. box, see instructions. 320 WESTLAKE AVE N	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. SEATTLE, WA 98109-5233	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of MARTIN R. DOPPS
Telephone No. 206 448-5146 Fax No.

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until _____ 11/17, 20 14 .

5 For calendar year 2013, or other tax year beginning _____, 20 _____, and ending _____, 20 _____.

6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

7 State in detail why you need the extension INFORMATION NECESSARY TO PREPARE A COMPLETE AND ACCURATE RETURN IS NOT YET AVAILABLE.

8a	If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	NONE
b	If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	NONE
c	Balance Due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	NONE

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature *Sue W. Robinson* Title CPA Date 08/11/2014