

NOTICE

GuideStar has been informed by the IRS of processing errors on IRS Forms 990 filed electronically between January 1, 2009, and December 3, 2010, for form year 2008. These processing errors resulted in inaccurate data appearing on the scanned images of the affected returns that are posted on GuideStar and do not reflect the information filed with the IRS.

These errors include:

- Part III, line 1, organization's mission description—may not reflect what was originally submitted by the nonprofit organization.
- Part VIII, line 8a, gross income for special events—values may have been transposed.
- Part IX, line 7c, other salaries and wages, management and general expenses—may show a blank where a value was originally reported.
- Schedule D, Part V, line 3a(ii), endowment funds and possession by related organizations—checkbox values may have been transposed.

GuideStar is working with the IRS to obtain a corrected copy of its form year 2008 Form 990. GuideStar will replace this Form 990 if, and when, the accurate return is made available from the IRS.

For more information, please visit <http://www2.guidestar.org/rxg/help/form-year-2008-returns.aspx>



Form **990**
 Department of the Treasury
 Internal Revenue Service

Return of Organization Exempt From Income Tax

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

OMB No 1545-0047

2008

Open to Public Inspection

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

A For the 2008 calendar year, or tax year beginning 04-01-2008 and ending 03-31-2009

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization Southern Illinois Hospital Services		D Employer identification number 37-0618939
		Doing Business As Southern Illinois Healthcare NFP		E Telephone number (618) 457-5200
		Number and street (or P O box if mail is not delivered to street address) PO Box 3988	Room/suite	G Gross receipts \$ 330,359,547
		City or town, state or country, and ZIP + 4 Carbondale, IL 629023988		
F Name and address of Principal Officer REX BUDDER PO Box 3988 Carbondale, IL 629023988		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No (If "No," attach a list. See instructions.) H(c) Group Exemption Number		
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		J Web site: WWW SIH NET		
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> trust <input type="checkbox"/> association <input type="checkbox"/> other		L Year of Formation 1946	M State of legal domicile IL	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities See Additional Data Table		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	13
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5 Total number of employees (Part V, line 2a)	5	2,868
	6 Total number of volunteers (estimate if necessary)	6	502
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	220,073
b Net unrelated business taxable income from Form 990-T, line 34	7b	-253,257	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 1,136,947	Current Year 1,886,398
	9 Program service revenue (Part VIII, line 2g)	289,104,169	326,636,830
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,653,439	-1,170,302
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	883,302	1,070,404
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	301,777,857	328,423,330
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
Expenses	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	122,164,445	133,729,691
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b (Total fundraising expenses, Part IX, column (D), line 25 <u>342,175</u>)		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	157,982,951	176,696,397
	18 Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	280,147,396	310,426,088
19 Revenue less expenses Subtract line 18 from line 12	21,630,461	17,997,242	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year 430,705,931	End of Year 433,802,017
	21 Total liabilities (Part X, line 26)	175,911,151	196,485,606
	22 Net assets or fund balances Subtract line 21 from line 20	254,794,780	237,316,411

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.

Please Sign Here
 Signature of officer: *****
 Date: 2009-11-11
 Type or print name and title: REX BUDDER, PRESIDENT/CEO

Paid Preparer's Use Only	Preparer's signature: Ross Hewitt	Date:	Check if self-employed: <input type="checkbox"/>	Preparer's PTIN (See Gen Inst)
	Firm's name (or yours if self-employed), address, and ZIP + 4: RSM McGladrey Inc, 15 S Old State Capitol Plaza Ste 20, Springfield, IL 627011510			EIN:
				Phone no: (217) 522-3000

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

Part III Statement of Program Service Accomplishments (See the instructions.)

1 Briefly describe the organization's mission

See Additional Data Table

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting or make significant changes in how it conducts any program services? Yes No
If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses \$ 271,493,357 including grants of \$) (Revenue \$)
Southern Illinois Hospital Services (SIHS) provides quality health services to people throughout Southern Illinois regardless of race, creed, sex, national origin, handicap, age or ability to pay. During this reporting period, Southern Illinois Hospital Services recorded 63,945 adult and child patient days and 3,135 newborn patient days. Through daily operations, Southern Illinois Hospital Services hospitals provide significant amounts of uncompensated charity care, uncompensated government-sponsored health care, subsidized health services and medical education. UNCOMPENSATED HEALTH CARE: Southern Illinois Hospital Services has provided \$43,785,432 of uncompensated health care through participation in the government-sponsored Medicare health care program. INDIGENT HEALTH CARE: Southern Illinois Hospital Services has provided \$32,854,489 of indigent health care through participation in the government-sponsored Medicaid health care program and \$2,887,913 of indigent charity health care. The criteria to qualify for indigent health care follows: Patients of Southern Illinois Hospital Services facilities with an inability to pay for services, or who demonstrate that they do not have the capacity to pay the entire balance owed for services rendered are provided aid through the SIHS Healthcare Assistance Program. SIHS believes that it has a responsibility and an obligation to meet the financial needs of the uninsured and underinsured patients in the communities it serves. Through the Healthcare Assistance Program, patients can apply for financial assistance. Upon submission of the required information, the individual's eligibility for discounted charges is determined using established criteria. SIH policy allows individuals in need of assistance to be classified as either Financially Indigent or Medically Indigent. Financially Indigent refers to an uninsured or underinsured person who does not have the ability to pay for services rendered. Patients whose income is less than or equal to 200% of the Federal Poverty Guidelines qualify as Financially Indigent and receive 100% financial assistance. Partial financial assistance is provided on a sliding scale for those patients whose income is between 2 and 4 times the Federal Poverty Guidelines. An individual who meets the criteria of being Medically Indigent is one whose remaining hospital bill(s), after application of Financially Indigent criteria, exceeds a specified percentage of the patient's annual income and who is unable to pay the remaining balance of the bill(s). To be considered for classification as a Medically Indigent patient, the amount owed after application of the Financially Indigent adjustment must exceed 25% of the patient's annual income and the patient must be unable to pay their remaining balance of their bill(s). Southern Illinois Hospital Services policy also provides for the ability to assist patients through Judgmental Health Care Assistance. Southern Illinois Hospital Services reserves the right to provide Judgmental Health Care Assistance in the following circumstances: -Homeless-Resident of shelter facilities-Rape victim or victim of violent crimes-Deceased patients-Lawsuits initiated by hospital where there are no available assets for payment-BAD DEBT: Southern Illinois Hospital Services wrote off \$9,860,341 from private pay accounts that were uncollectible, but did not meet the criteria to be considered Charity Care as defined above. Southern Illinois Hospital Services has determined that 18.7% or \$1,840,170 of the amounts written off as bad debt would have qualified as Charity Care if the patients would have submitted the required documentation. SUBSIDIZED HEALTH SERVICES: Southern Illinois Hospital Services has provided \$13,370,354 in subsidized health services. Subsidized health services include, but are not limited to: Emergency Rooms, Physician Referral Centers, Family Practice Centers, Senior Membership, etc. SIHS provides quality health care in these areas in response to community needs. These health services must be subsidized from other revenue sources in order to be provided. MEDICAL EDUCATION: Southern Illinois Hospital Services has provided \$1,475,886 of medical education through the affiliation with the Southern Illinois University's Medical School Family Practice Residency Program.

4b (Code) (Expenses \$ 380,201 including grants of \$) (Revenue \$)
COMMUNITY BENEFITS: Southern Illinois Hospital Services has extended its services beyond hospital walls and into the neighborhoods where people live and work. The Community Benefits Department of Southern Illinois Hospital Services was instituted in 1994 with an operating budget specifically allocated to bring health-related programs to the areas in which they were most needed. Community Benefits has undertaken a wide variety of successful programs since its inception. The Community Benefits department's primary functions that are performed on behalf of Southern Illinois Hospital Services include: -Coordinate system-wide community health assessments and community benefit planning -Plan, implement, and evaluate departmentally initiated community health promotion programs and services -Initiate and participate in collaborative partnerships with community-based organizations to develop and implement solutions to unmet health needs -Convene community-based organizations and public sector entities to focus on pervasive issues and to develop health initiatives -Identify funding opportunities/grant program that fund community-based health programs and public/private health initiatives. Southern Illinois Hospital Services target the following communities and populations: -Uninsured, underinsured and under-served -Populations that are vulnerable due to a range of socio-economic barriers such as poverty, education levels, employment status, and/or racial disparities in health care -Populations that are hard to reach due to language and cultural challenges -Populations with identified needs that can be efficiently reached through the leveraging of community linkages (i.e. faith-based, schools, neighborhoods, communities, etc.) -The working poor -Populations at risk of experiencing adverse health conditions or outcomes. In order to accomplish the organization's mission, the Community Benefits Department of Southern Illinois Hospital Services implements a number of directed initiatives: PROGRAMS: HEALTH MINISTRY: The Health Ministry program collaborates with Southern Illinois faith communities to improve the health and wellness of people in the communities they serve. Emphasizing wholeness of body, mind and spirit, faith communities with a health ministry offer health promotion and education activities, advocacy and referral, and caring spiritual support. Over seventy percent of today's illnesses are related to lifestyle. A supportive community of individuals of common faith can facilitate the lifestyle changes necessary to improve health. The Health Ministry program has a proven record of success in assisting faith communities with establishing health ministries with parish nurses. Health promotion through faith communities offers opportunities to: -Provide access to understandable disease-specific health education -Address the health needs of a growing elderly population -Act as a health advocate for members of the faith community -Promote ecumenical collaboration between faith communities to address the unmet needs of the greater community or area. HEALTHY COMMUNITIES: The focus of the work in the area of Healthy Communities is to increase the capacity of local agencies to work collaboratively to address the unmet health needs with the communities served by Southern Illinois Hospital Services. Staff will work to improve community health through the assessment of community needs and the planning, implementation, and evaluation of community based health promotions, education, prevention programs, and services. An increased focus of these activities will be directed to initiatives addressing cardiovascular disease and cancer, and the development of strategies, programming, and interventions to reduce methamphetamine usage. Also, the continuation of efforts to expand access to care for the uninsured and the under-served will be a major area of focus. The following health needs have been identified in our communities: -Cardiovascular disease is the number one cause of mortality in each of the counties in the SIHS service area. These mortality rates are substantially higher than the Illinois state rates. -Cancer is the second cause of mortality in all counties. -Violence is among the top 5 health priorities in the majority of the counties. -Elder populations in most counties have higher than the state average, creating a need for services. -Substance abuse and access to care are both in the top 5 health priorities of the primary service area of SIHS. Agencies demonstrating a motivation and willingness to collaborate to meet community needs are the focus of the work of this initiative. Correspondingly, residents of the seven county service territory of Southern Illinois Hospital Services that are uninsured, under-served, and vulnerable due to a range of socio-economic barriers such as poverty, education levels, and employment status, are among the target population of these collaborative efforts resulting from this work. In addition, those having identified and demonstrated health needs that can be efficiently reached through the leveraging of community linkages and populations at risk for adverse health conditions or outcomes are also among the target population.


















4c (Code) (Expenses \$ 124,405 including grants of \$) (Revenue \$)
COORDINATED SCHOOL HEALTH: Southern Illinois Hospital Services provides programs to improve the health and well-being of the children and adolescents attending Southern Illinois schools. Following is a summary of the FY09 programs: School Health Promotion and Health Service Delivery Initiatives: Coordinated School Health Initiative - "PARTNERS IN HEALTH": A collaborative initiative, partnering with regional schools, promoting and assisting in the implementation of coordinated school health programming in schools by supplying curriculum, materials, supplies, teacher training, and ongoing support in southern Illinois schools. Staff assists school personnel with assessment, program planning, implementation, and evaluation within the eight areas of the coordinated school health model. These include: -health instruction-physical education-health services-nutrition services-development of a healthy school environment-health promotion for staff-psychological and social services-family/community involvement. Involved in this program are five collaborating partners, 41 schools, 21,000 students, and 1100 faculty and staff. School Based Health Services - School Based Health Center/School Nursing: "HEALTHY STUDENTS - READY TO LEARN": Schools provide an ideal location where a range of health services can be delivered to the adolescent population effectively and efficiently. The School Based Health Center is a planned partnership between the school district and local health care providers to deliver primary health care and social services. Through the collaborative relationship with existing health care providers, school districts plan, deliver, and evaluate services that serve the unmet health needs of the students with the goal of improved overall academic and social outcomes. Services provided at the School Based Health Center include: -Primary care including early diagnostic services with treatment-Immediate injury assessment and treatment-Immunizations-Health education-Physical examinations including school physicals-Laboratory services (strep tests, etc.) -Management of chronic illnesses-Medication management-Nutrition counseling-Vision screening-Social service referrals-Individual mental health counseling (substance abuse and emotional problems)-Group counseling (substance abuse and emotional problems). Collaborative agencies are working to serve the health needs of 9,900 students and 670 in newly developed School Based Health Centers in 6 school districts. School Based Fitness Assessment - "HEALTHY FITNESS ZONE": Promoting lifelong fitness by supporting quality physical education in southern Illinois schools and assisting children to meet the Surgeon General's recommendation for 60 minutes of daily physical activity. -Community Benefits awards scholarships for physical education teachers to attend training workshops -Host NASPE workshops that will highlight newly revised national physical education standards -Community Benefits will host networking sessions throughout the year for physical education teachers -Provide FitnessGram software, pedometers, and heart rate monitors to participating physical education teachers -Teachers networked into state-wide fitness assessment initiative piloted by IAAPHERD -Assist schools in drafting grants (Carol M. White, PEP) to provide funding for curriculum evaluation and development, equipment, and program planning. This initiative is based upon current local research and national physical education standards published by the National Association for Sports and Physical Education (NASPE). Program components assist schools in developing a quality physical education program that helps students set and work toward goals, practice self-assessment, and learn the benefits of lifelong physical activity. FitnessGram was developed by the Cooper Institute and unlike other assessment tools, is designed to encourage youth to set goals to improve their own personal fitness levels. National physical education guidelines recommend the use of FitnessGram for physical fitness assessments. FitnessGram results have been used to validate the relationship between physical activity and academic performance in a California study, "Report to the Governor and Legislature." Copies of the report are available from SIH Community Benefits Coordinated Approach To Child Health (CATCH). Schools are logical settings for health promotion programs for children and adolescents due to schools' continuous and intensive contact with children and adolescents during their first two decades of life. School gymnasiums, sports and physical education (PE) equipment, and outdoor playing fields provide ideal built environments for physical activity interventions. With over 98% of American children attending public and private schools, school programs can be delivered at low cost to families and reach all socioeconomic levels. CATCH (Coordinated Approach To Child Health) is a program designed to promote physical activity, healthy food choices, and prevent tobacco use in elementary school aged children. CATCH employs a coordinated approach to child health promotion by targeting multiple aspects of the school environment and involving classroom teachers, school food service staff, physical education (PE) teachers, student's families, and the broader school community in a range of health promoting activities for all children in grades K-5, similar to the CDC's Coordinated School Health Program model. The four core components of CATCH include: (1) the Eat Smart school nutrition program, (2) a classroom physical activity and healthy eating curricula, (3) the CATCH physical education program, and (4) a family education and involvement program. The coordination of health messages and activities between these four component areas is critical to positively impacting children's knowledge, skills, and behavior.

(Code) (Expenses \$ 246,000 including grants of \$) (Revenue \$)









4d Other program services (Describe in Schedule O)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses \$ 272,243,963 *Must equal Part IX, Line 25, column (B).*

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	No
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable 	11 Yes	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12	No
13 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the U S ?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? If "Yes," complete Schedule F, Part I	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	No
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I 	17	No
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II 	18 Yes	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III 	19	No
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20 Yes	
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	No
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J 	23 Yes	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25 	24a Yes	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	No
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No
25a Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I 	25a	No
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I 	25b	No
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II 	26	No
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III 	27	No

Part IV Checklist of Required Schedules *(Continued)*

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i> 	Yes	
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> 	Yes	
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i> 	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> 		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> 	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	Yes	
36	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> 		No
37	Did the organization conduct more than 5 percent 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> 		No

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable		
	1a 248		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return		
	2a 2,868		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	Yes	
b	If "Yes," enter the name of the foreign country <u>CJ</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?		
6a	Did the organization solicit any contributions that were not tax deductible?		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	<i>Organizations that may receive deductible contributions under section 170(c).</i>		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		No
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		No
8	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</i> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</i>		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	<i>Section 501(c)(7) organizations.</i> Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	<i>Section 501(c)(12) organizations.</i> Enter		
a	Gross income from members or shareholders		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a	<i>Section 4947(a)(1) non-exempt charitable trusts.</i> Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
	12b		

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

		Yes	No
1a	Enter the number of voting members of the governing body		
1b	Enter the number of voting members that are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?		No
6	Does the organization have members or stockholders?	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	Yes	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	the governing body?	Yes	
8b	each committee with authority to act on behalf of the governing body?	Yes	
9a	Does the organization have local chapters, branches, or affiliates?		No
9b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	Yes	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		No

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No", go to line 13	Yes	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	Yes	
13	Does the organization have a written whistleblower policy?	Yes	
14	Does the organization have a written document retention and destruction policy?	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
15a	The organization's CEO, Executive Director, or top management official?	Yes	
15b	Other officers or key employees of the organization? Describe the process in Schedule O	Yes	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	Yes	
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	Yes	

Section C. Disclosure

- 17** List the States with which a copy of this Form 990 is required to be filed IL
- 18** Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 own website another's website upon request
- 19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization
 MIKE KASSER
 1239 E MAIN STREET
 CARBONDALE, IL 62901
 (618) 457-5200

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

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

1a Complete this table for all persons required to be listed Use Schedule J-2 if additional space is needed
* List all of the organization's current officers, directors, trustees (whether individuals or organizations) and key employees regardless of amount of compensation, and current key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
* List the organization's five current highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
* List all of the organization's former officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
* List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations
List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons
Check this box if the organization did not compensate any officer, director, trustee or key employee

Table with 8 main columns: (A) Name and Title, (B) Average hours per week, (C) Position (Individual Trustee or Director, Institutional Trustee, Officer, Key employee, Highest compensated employee, Former), (D) Reportable compensation from the organization (W-2/1099MISC), (E) Reportable compensation from related organizations (W-2/1099-MISC), (F) Estimated amount of other compensation from the organization and related organizations. Rows include names like THOMAS FIRESTONE, REX BUDD, HAROLD BARDO, etc.

Part VII Continued

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099MISC)	(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			
1b Total							3,927,312	38,415	1,089,214	

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **57**

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
MEDICAL STAFFING NETWORK PO BOX 840416 DALLAS, TX 76022	MEDICAL STAFFING	1,735,615
BRIGHAM ANESTHESIA SOUTH LLC 35 ALBANY ROAD CARBONDALE, IL 62901	ANESTHESIA	1,690,137
LEGATUS EMERGENCY SVC SO IL 16091 SWINGLEY RIDGE ROAD ST LOUIS, MO 63101	MEDICAL STAFFING	1,673,342
MIDWEST REGIONAL NEONATOLOGY 1809 WEST MAIN STREET CARBONDALE, IL 62901	MEDICAL SERVICES	944,000
FAVORITE HC STAFFING INC PO BOX 3037 KANSAS CITY, MO 64112	MEDICAL STAFFING	810,630

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization **28**

Part VIII Statement of Revenue

			(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . . 1a					
	b	Membership dues 1b					
	c	Fundraising events 1c					
	d	Related organizations . . . 1d					
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	1,886,398				
	g	Noncash contributions included in lines 1a-1f \$ _____					
	h	Total (Add lines 1a-1f)	1,886,398				
Program Service Revenue	2a	PATIENT SERVICE REVENUE	Business Code 621,300	323,437,933	323,437,933		
	b	PARTNERSHIP INCOME	621,300	2,338,694	2,338,694		
	c	OTHER OPER REV-EXEMPT	621,500	860,203	640,130	220,073	
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f					
Other Revenue	3	Investment income (including dividends, interest other similar amounts)		654,758		654,758	
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	Gross Rents	(i) Real	(ii) Personal			
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
				53,711			
			1,573,261	305,510			
			-1,573,261	-251,799			
	b	Less cost or other basis and sales expenses					
c	Gain or (loss)						
d	Net gain or (loss)		-1,825,060	-1,825,060			
8a	Gross income from fundraising events (not including \$ 21,770 of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000 a		85,168				
		b	Less direct expenses . . . b	57,446			
		c	Net income or (loss) from fundraising events		-35,676	-35,676	
9a	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000 a						
		b	Less direct expenses . . . b				
		c	Net income or (loss) from gaming activities				
10a	Gross sales of inventory, less returns and allowances . . . a						
		b	Less cost of goods sold . . . b				
		c	Net income or (loss) from sales of inventory				
	Miscellaneous Revenue	Business Code					
11a	CAFETERIA REVENUE	621,300	787,454		787,454		
b	VENDING MACHINE	621,300	30,188		30,188		
c	XRAY SILVER/COPIES	621,300	5,859		5,859		
d	All other revenue _____		282,579	282,579			
e	Total. Add lines 11a-11d						
			\$ 1,106,080				
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		328,423,330	324,838,600	220,073	1,478,259	

Part IX Statement of Functional Expenses

**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	5,117,275		5,117,275	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	95,542,485	83,592,221		188,284
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,220,577	2,625,729	591,882	2,966
9	Other employee benefits	22,691,567	21,097,172	1,571,148	23,247
10	Payroll taxes	7,157,787	6,132,911	1,014,299	10,577
11	Fees for services (non-employees)				
a	Management	1,023,099	1,023,099		
b	Legal	418,145	8,305	409,840	
c	Accounting	254,176		254,176	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	112,000		112,000	
g	Other	20,705,811	18,339,334	2,366,477	
12	Advertising and promotion	1,031,986	25,462	1,004,863	1,661
13	Office expenses	2,601,043	1,656,502	938,656	5,885
14	Information technology	2,896,705	474	2,896,231	
15	Royalties				
16	Occupancy	6,162,210	5,408,360	753,850	
17	Travel	519,724	329,011	186,565	4,148
18	Payments of travel or entertainment expenses for any Federal, state or local public officials				
19	Conferences, conventions and meetings	659,456	344,250	313,281	1,925
20	Interest	6,935,574	6,862,721	72,853	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	25,490,577	20,458,100	5,032,050	427
23	Insurance				
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	SUPPLIES	49,695,478	49,688,341		7,137
b	BAD DEBTS	29,283,280	29,283,280		
c	OTHER PURCHASED SERVICE	7,056,970	3,614,446	3,442,524	
d	PROVIDER TAX	5,782,475	5,782,475		
e	FINANCING ACTIVITY	5,445,097	5,445,097		
f	All other expenses	10,622,591	10,526,673		95,918
25	Total functional expenses. Add lines 1 through 24f	310,426,088	272,243,963	37,839,950	342,175
26	Joint Costs. Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	279,316	1	112,268
	2 Savings and temporary cash investments	4,067,993	2	9,266,105
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	57,481,223	4	64,678,730
	5 Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6	
	7 Notes and loans receivable, net	1,696,838	7	727,744
	8 Inventories for sale or use	4,172,454	8	4,759,479
	9 Prepaid expenses and deferred charges	1,908,830	9	2,346,709
	10a Land, buildings, and equipment cost basis			
		10a 288,932,294		
	b Less accumulated depreciation <i>Complete Part VI of Schedule D</i>			
		10b 136,209,189	145,827,368	10c 152,723,105
	11 Investments—publicly traded securities	194,296,582	11	161,317,860
	12 Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>		12	
	13 Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13	
14 Intangible assets		14		
15 Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	20,975,327	15	37,870,017	
16 Total assets. Add lines 1 through 15 (must equal line 34)	430,705,931	16	433,802,017	
Liabilities	17 Accounts payable and accrued expenses	32,935,552	17	33,837,218
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	114,975,000	20	143,510,000
	21 Escrow account liability <i>Complete Part IV of Schedule D</i>		21	
	22 Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22	
	23 Secured mortgages and notes payable to unrelated third parties	3,765,379	23	215,994
	24 Unsecured notes and loans payable		24	
	25 Other liabilities <i>Complete Part X of Schedule D</i>	24,235,220	25	18,922,394
	26 Total liabilities. Add lines 17 through 25	175,911,151	26	196,485,606
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	254,540,180	27	237,042,784
	28 Temporarily restricted net assets	254,600	28	273,627
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, 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	254,794,780	33	237,316,411	
34 Total liabilities and net assets/fund balances	430,705,931	34	433,802,017	

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> cash <input checked="" type="checkbox"/> accrual <input type="checkbox"/> other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
2b	Were the organization's financial statements audited by an independent accountant?		No
2c	If "Yes" to lines 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?		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
3b	If "Yes," did the organization undergo the required audit or audits?		

SCHEDULE A (Form 990 or 990EZ)

Public Charity Status and Public Support

2008

Open to Public Inspection

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts. Attach to Form 990 or Form 990-EZ. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization Southern Illinois Hospital Services

Employer identification number

37-0618939

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only one organization)

- 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). (Attach Schedule H)
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). (See instructions)
11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See Section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h
a Type I b Type II c Type III - Functionally Integrated d Type III - Other
e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

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

Table with 2 columns: Yes, No. Rows 11g(i), 11g(ii), 11g(iii)

h Provide the following information about the organizations the organization supports

Table with 7 columns: (i) Name of Supported Organization, (ii) EIN, (iii) Type of organization, (iv) Is the organization in col (i) listed in your governing document?, (v) Did you notify the organization in col (i) of your support?, (vi) Is the organization in col (i) organized in the U S ?, (vii) Amount of support? Includes sub-columns for Yes/No for (iv) and (v).

Part II Support Schedule for Organizations Described in IRC 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.)

Public Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add line 1-3						
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						
6 Public Support subtract line 5 from line 4						

Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total Support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Computation of Public Support Percentage

14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15	
16a 33 1/3% Test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% Test - 2007. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% Facts and Circumstances Test - 2008. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% Facts and Circumstances Test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		<input type="checkbox"/>

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

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Total of lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						

Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total Support (Add lines 9, 10c, 11 and 12)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Computation of Public Support Percentage

15 Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15	
16 Public Support Percentage for 2007 Schedule A, Part IV-A, line 27g	16	

Computation of Investment Income Percentage

17 Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment Income Percentage from 2007 Schedule A, Part IV-A, line 27h	18	

- 19a 33 1/3% Tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- b 33 1/3% Tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- 20 Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions

Part IV **Supplemental Information.** Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide any other additional information. (see instructions)

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization Southern Illinois Hospital Services

Employer identification number 37-0618939

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 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4.

- 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply)
2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

Table with 2 columns: Line number, Held at the End of the Year. Rows 2a-2d.

- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year
4 Number of states where property subject to conservation easement is located
5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?
6 Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year
7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?
9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items
1b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

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

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

- a** Public exhibition
- b** Scholarly research
- c** Preservation for future generations
- d** Loan or exchange programs
- e** Other

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

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

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

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

b If "Yes," explain why in Part XIV and complete the following table

	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? Yes No

b If "Yes," explain the arrangement in Part XIV

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a** Board designated or quasi-endowment
- b** Permanent endowment
- c** Term endowment

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		6,085,293		6,085,293
b Buildings		90,055,501	36,622,505	53,432,996
c Leasehold improvements		3,105,063	2,670,000	435,063
d Equipment		143,123,795	80,528,408	62,595,387
e Other		46,562,642	16,388,276	30,174,366
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				152,723,105

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

Table with 3 columns: (a) Description of security or category, (b) Book value, (c) Method of valuation. Rows include Financial derivatives and other financial products, Closely-held equity interests, Other, and Total.

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

Table with 3 columns: (a) Description of investment type, (b) Book value, (c) Method of valuation. Rows include Total.

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

Table with 2 columns: (a) Description, (b) Book value. Rows include UNAMORTIZED BOND COSTS, INVESTMENTS IN JOINT VENTURES, OTHER CURRENT ASSETS, TRAVEL ADVANCE, DISHONORED CHECKS, EXECUTIVE BENEFIT PLAN, STUDENT LOAN RECEIVABLES, MEDICAID ASSESSMENT RECEIVABLE, INTERCOMPANY A/R, SELF INSURANCE TRUST FUND, and Total.

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

Table with 2 columns: (a) Description of Liability, (b) Amount. Rows include Federal Income Taxes, ACCRUED BOND INTEREST, FSA LIABILITY, MEDICAL STAFF LIABILITY, UNCLAIMED PROPERTY, ACCRUED STATE UNEMPLOYMENT, ACCRUED TAXES, DEFERRED RETIREMENT SAVINGS, OTHER LIABILITIES, bLUE CROSS UPP LIABILITY, and Total.

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	328,423,330
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	310,426,088
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	17,997,242
4	Net unrealized gains (losses) on investments	4	-33,499,928
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-1,975,683
9	Total adjustments (net) Add lines 4 - 8	9	-35,475,611
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-17,478,369

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

1	Total revenue, gains, and other support per audited financial statements	1	330,214,320
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	1,882,506
e	Add lines 2a through 2d	2e	1,882,506
3	Subtract line 2e from line 1	3	328,331,814
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	91,516
c	Add lines 4a and 4b	4c	91,516
5	Total Revenue Add lines 3 and 4c . (This should equal Form 990, Part I, line 12)	5	328,423,330

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

1	Total expenses and losses per audited financial statements	1	345,808,522
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	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	35,382,434
e	Add lines 2a through 2d	2e	35,382,434
3	Subtract line 2e from line 1	3	310,426,088
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses Add lines 3 and 4c . (This should equal Form 990, Part I, line 18)	5	310,426,088

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation

Part XIV Supplemental Information*(continued)*

Identifier	Return Reference	Explanation

**SCHEDULE G
(Form 990 or 990-EZ)**

**Supplemental Information Regarding
Fundraising or Gaming Activities**

OMB No 1545-0047

2008

**Open to Public
Inspection**

Department of the
Treasury
Internal Revenue
Service

▶ **Attach to Form 990 or Form 990-EZ. Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.**

Name of the organization
Southern Illinois Hospital Services

Employer identification number

37-0618939

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a** Mail solicitations
- b** Email solicitations
- c** Phone solicitations
- d** In-person solicitations
- e** Solicitation of non-government grants
- f** Solicitation of government grants
- g** Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities? Yes No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

Part III Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
		<u>GOLF TOURNAMENT</u> (event type)	<u>DINNER</u> (event type)	(total number)	(Add col (a) through col (c))
Revenue	1 Gross receipts	74,739	32,199		106,938
	2 Less Charitable contributions	62,890	22,278		85,168
	3 Gross revenue (line 1 minus line 2)	11,849	9,921		21,770
Direct Expenses	4 Cash Prizes				
	5 Non-cash Prizes				
	6 Rent/Facility costs	7,344	850		8,194
	7 Other direct expenses	39,225	10,027		49,252
	8 Direct expense summary Add lines 4 through 7 in column (d) ▶				57,446
9 Net income summary Combine lines 3 and 8 in column (d) ▶				-35,676	

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
		1 Gross revenue			
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No		
7 Direct expense summary Add lines 2 through 5 in column (d) ▶					
8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶					

		Yes	No
9	Enter the state(s) in which the organization operates gaming activities _____		
a	Is the organization licensed to operate gaming activities in each of these states?	9a	
b	If "No," Explain _____ _____		
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b	If "Yes," Explain _____ _____		
11	Does the organization operate gaming activities with nonmembers?	11	
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12	

13 Indicate the percentage of gaming activity operated in

- a** The organization's facility **13a**
- b** An outside facility **13b**

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ _____

Address ▶ _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?

- b** If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____
- c** If "Yes," enter name and address

Name ▶ _____

Address ▶ _____

16 Gaming manager information

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

- Director/officer
- Employee
- Independent contractor

17 Mandatory distributions

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

- b** Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

	Yes	No
13a		
13b		
14		
15a		
16		
17a		

SCHEDULE H (Form 990)

Hospitals

OMB No 1545-0047

2008

Open to Public Inspection

Attach to Form 990. To be completed by organizations that answer "Yes" to Form 990, Part IV, line 20.

Department of the Treasury Internal Revenue Service

Name of the organization Southern Illinois Hospital Services

Employer identification number 37-0618939

Part I Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

1a Does the organization have a charity care policy? 1b If "Yes," is it a written policy? 2 If the organization has multiple hospitals... 3 Answer the following based on the charity care eligibility criteria... 4 Does the organization's policy provide free or discounted care to the "medically indigent"? 5a Does the organization budget amounts for free or discounted care... 6a Does the organization prepare an annual community benefit report? 6b If "Yes," does the organization make it available to the public?

7 Charity Care and Certain Other Community Benefits at Cost

Table with 7 columns: (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. Rows include Charity Care and Means-Tested Programs (a-d) and Other Benefits (e-k).

Part II Community Building Activities (Complete this table if the organization conducted any community building activities) (Optional for 2008)

	(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						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total						

Part III Bad Debt, Medicare, & Collection Practices (Optional for 2008)

Section A. Bad Debt Expense

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

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

Section B. Medicare

- 5** Enter total revenue received from Medicare (including DSH and IME)
- 6** Enter Medicare allowable costs of care relating to payments on line 5
- 7** Enter line 5 less line 6—surplus or (shortfall)
- 8** Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit and the costing methodology or source used to determine the amount reported on line 6 and indicate which of the following methods was used
 Cost accounting system Cost to charge ratio Other

Section C. Collection Practices

- 9a** Does the organization have a written debt collection policy?
- 9b** If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI

Part IV Management Companies and Joint Ventures (Optional for 2008)

(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				
14				

Part V Facility Information (Required for 2008)

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
MEMORIAL HOSPITAL OF CARBONDALE 405 W JACKSON STREET CARBONDALE, IL 62901	X	X		X			X		
HERRIN HOSPITAL 201 S 14 STREET HERRIN, IL 62945	X	X					X		ACUTE REHABILITATION
ST JOSEPH MEMORIAL HOSPITAL 800 N 2ND STREET MURPHYSBORO, IL 62966	X	X			X		X		

Part VI Supplemental Information (Optional for 2008)

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 7, Part III, line 4, Part III, line 8, and Part III, line 9b

Horizontal lines for providing description for item 1.

2 Needs Assessment. Describe how the organization assesses the health care needs of the communities it serves

Horizontal lines for providing description for item 2.

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 charity care policy

Horizontal lines for providing description for item 3.

4 Community Information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

Horizontal lines for providing description for item 4.

5 Community Building Activities. Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

Horizontal lines for providing description for item 5.

6 Provide any other information important to describing how the organization's hospitals 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)

Horizontal lines for providing description for item 6.

7 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

Horizontal lines for providing description for item 7.

8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Horizontal lines for providing description for item 8.

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2008

Open to Public Inspection

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

▶ **Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.**

Department of the Treasury
Internal Revenue Service

Name of the organization
Southern Illinois Hospital Services

Employer identification number

37-0618939

Part I Questions Regarding Compensation

	Yes	No								
<p>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.</p> <table border="0"> <tr> <td><input type="checkbox"/> First class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax idemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input 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 idemnification and gross-up payments	<input 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)		
<input 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 idemnification and gross-up payments	<input 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)									
<p>1b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain.</p>										
<p>2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?</p>										
<p>3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input checked="" type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract									
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
<p>4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:</p> <p>a Receive a severance payment or change of control payment?</p>		No								
<p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p>	Yes									
<p>c Participate in, or receive payment from, an equity-based compensation arrangement?</p> <p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p>		No								
<p>501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.</p>										
<p>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:</p> <p>a The organization?</p>		No								
<p>b Any related organization?</p> <p>If "Yes," to line 5a or 5b, describe in Part III.</p>		No								
<p>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:</p> <p>a The organization?</p>		No								
<p>b Any related organization?</p> <p>If "Yes," to line 6a or 6b, describe in Part III.</p>		No								
<p>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.</p>		No								
<p>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 Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III.</p>		No								

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
THOMAS FIRESTONEMD	(i) (ii)	446,484	455	178,109	175,716	35,778	836,542	
REX BUDDE	(i) (ii)	275,382	30	10,732	93,320	22,273	401,737	
WILLIAM SHERWOOD	(i) (ii)	226,331	455	103,733	96,307	26,984	453,810	
PHILIP SCHAEFER	(i) (ii)	207,285	30	60,527	63,239	25,893	356,974	
FRANK SEARS	(i) (ii)	186,468	30	87,105	90,518	21,748	385,869	
GEORGE MARONEY	(i) (ii)	150,957	1,417	78,016	42,668	15,612	288,670	
BECKY ASHTON	(i) (ii)	230,474	30	25,037	71,597	7,427	334,565	
SCOTT SEABORN	(i) (ii)	196,611	30	83,850	80,522	17,910	378,923	
MIKE KASSER	(i) (ii)	168,214	30	14,744	18,930	22,158	224,076	
LOUISE VAUGHN	(i) (ii)	206,538	4,754	330	7,965	22,942	242,529	
CATHERINE PORTER	(i) (ii)	210,271	243	315	8,103	18,907	237,839	
RICHARD BOREN	(i) (ii)	185,201	7,439	344	7,844	22,974	223,802	
ANN IGNAS	(i) (ii)	159,849	7,804	576	3,165	11,448	182,842	
ANTHONY ORSO	(i) (ii)	146,168	30	3,791	6,033	22,374	178,396	
	(i)							
	(ii)							

**Schedule K
(Form 990)**

OMB No 1545-0047

Supplemental Information on Tax Exempt Bonds

2008

To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a.
Provide descriptions, explanations, and any additional information in Schedule O.

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
Southern Illinois Hospital Services

Employer identification number

37-0618939

Part I Bond Issues (Required for 2008)

	(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	
							Yes	No	Yes	No
A	ILLINOIS HEALTH FACILITY AUTHORITY	86-1091967	45200BKU1	01-27-2005	69,000,000	FINANCE CAPITAL ACQUISITIONS, REFUND AND DEFEASE PREVIOUS BONDS		X		X
B	ILLINOIS HEALTH FACILITY AUTHORITY	86-1091967	45200FSD2	12-04-2008	55,000,000	FINANCE CAPITAL ACQUISITIONS, REFUND AND DEFEASE PREVIOUS BONDS		X		X

Part II Proceeds (Optional for 2008)

		A		B		C		D		E	
1	Total Proceeds of Issue										
2	Gross Proceeds in Reserve Funds										
3	Proceeds in Refunding or Defeasance Escrows										
4	Other Unspent Proceeds										
5	Issuance Costs from Proceeds										
6	Working Capital Expenditures from Proceeds										
7	Capital Expenditures from Proceeds										
8	Year of Substantial Completion										
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?										
10	Were the bonds issued as part of an advance refunding issue?										
11	Has the final allocation of proceeds been made?										
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?										

Part III Private Business Use (Optional for 2008)

		A		B		C		D		E	
		Yes	No	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?										
2	Are there any lease arrangements with respect to the financed property which may result in private business use?										

Part III Private Business Use (Continued)

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

Part IV Arbitrage (Optional for 2008)

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T been filed with respect to the bond issue?										
2 Is the bond issue a variable rate issue?										
3a Has the organization or the government issuer identified a hedge with respect to the bond issue on its books and records?										
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?										
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?										
6 Did the bond issue qualify for an exception to rebate?										

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2008

Open to Public Inspection

Attach to Form 990 or Form 990-EZ. To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.

Department of the Treasury Internal Revenue Service

Name of the organization Southern Illinois Hospital Services

Employer identification number

37-0618939

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

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

Table with 3 main columns: (a) Name of disqualified person, (b) Description of transaction, (c) Corrected? (Yes/No)

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

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

Part II Loans to and/or From Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

Table with 7 main columns: (a) Name of interested person and purpose, (b) Loan to or from the organization?, (c) Original principal amount, (d) Balance due, (e) In default?, (f) Approved by board or committee?, (g) Written agreement?

Total \$

Part III Grants or Assistance Benefitting Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

Table with 3 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of transaction, (d) Description of transaction, (e) Sharing of organization's revenues?

SCHEDULE O (Form 990)

Supplemental Information to Form 990

OMB No 1545-0047
2008
 Open to Public Inspection

Department of the Treasury
 Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

Name of the organization
 Southern Illinois Hospital Services

Employer identification number
 37-0618939

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		Russell Brown, DO and Jeffrey Parks, MD are officers, board members and shareholders in Logan Primary Care Service Corporation and officers and members of the LPC Land LLC. The organization (Southern Illinois Hospital Services) has written leases with both Logan Primary Care Service Corporation and LPC Land LLC.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		The organization has a sole member, Southern Illinois Healthcare Enterprises, Inc, a 501(c)(3) tax-exempt, not-for-profit corporation.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7a		The organization has a sole member, Southern Illinois Healthcare Enterprises, Inc, a 501(c)(3) tax-exempt, not for profit corporation. The sole member has the exclusive right to elect Trustees to the organization's Board of Trustees.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7b		The organization has a sole member, Southern Illinois Healthcare Enterprises, Inc, a 501(c)(3) tax-exempt, not-for-profit corporation. The sole member (Corporate Member) has reserved powers found in the Organization's bylaw s. Except for transfers identified in the budget of the Organization approved by the Corporate Member, the Organization may not transfer assets to entities other than the Corporate Member or entities that the Corporate Member controls (the 'Corporate Member Affiliates'), without the approval of the Corporate Member. The Corporate Member shall have the right to require the Organization to transfer assets to the extent necessary to accomplish the Corporate Member's goals and objectives and to provide for the payment of all indebtedness of the Corporate Member or a Corporate Member Affiliate issued or incurred by or on behalf of the Corporate Member or a Corporate Member Affiliate in furtherance of the Corporate Member's goals and objectives. The Organization shall not be required to violate its charitable purposes, the terms of any restricted gifts, or the covenants of its debt instruments in complying with any asset transfers directed by the Corporate Member. In addition, the following matters must be submitted to and receive the approval of the Corporate Member: 1 Capital expenditures in excess of \$500,000, 2 The buying, selling, leasing, mortgaging or disposing of real property belonging to the Corporation or any of its subsidiaries, 3 The establishment or discontinuance of any major services, including services requiring Certificates of Need, 4 Long-Range Strategic Plans, 5 Master Facilities and Site Plans, 6 The creation or dissolution of any corporation, the sole member or majority stockholder of which is the corporation, 7 Joint venture of affiliation agreements, 8 The incurrence of indebtedness in excess of \$500,000, 9 Such other matters as may be required by law or by the Organization's Articles of Incorporation, or by its bylaw s to be submitted to the Corporate Member.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		The 990 of Southern Illinois Hospital Services is prepared by the Finance staff and an independent accounting firm with input from various departments within the organization. A draft of the 990 is distributed to the CEO, CFO and certain Vice-Presidents of the corporation for their review and comments. This draft copy is also presented to the Finance Committee by the CFO for their review and comments. After this review and comment period, all suggestions and comments are considered and the 990 amended as appropriate. The finalized 990 is then presented as an agenda item to the Board. The presentation of the 990 is done by the CFO in a meeting of the Board prior to the filing of the 990 with the IRS. Areas highlighted in the presentation include Program Service Accomplishments, significant activities, and review of governance responses. Complete copies of the 990 are available for each board member to review.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		Annually, the General Counsel sends out a Conflict of Interest Questionnaire to each Trustee, Director, Officer, Manager and Key Employee to complete and return. The General Counsel then reviews these Questionnaires to determine what conflicts, real or perceived, exist. The General Counsel reviews the organization's agenda in advance of its meetings to determine whether or not a conflict of interest may exist. There is a standing agenda item on each agenda pertaining to conflicts of interest. When the Chairperson of the meeting reaches this agenda item, the chairperson turns the meeting over to the General Counsel. At that time, the General Counsel reminds the Trustees that the Board has a conflict of interest policy, that the General Counsel has reviewed the agenda for any conflicts, but that the Trustees are obligated to give notice if a conflict has been over-looked or if a discussion or action comes before the Board which may involve or create a conflict of interest for someone. If a Trustee has a conflict of interest in a matter which requires Board action, the Trustee or the General Counsel discloses the conflict. The Trustee with the conflict is allowed to remain in the meeting to answer any question the conflicted Trustee may need to answer and then the conflicted Trustee is excused from the meeting. The remaining Trustees can then discuss the matter further and action is taken on the matter. The conflicted Trustee is then invited back into the meeting.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		In determining the amount of compensation to be paid or provided to an executive employee, the following factors, to the extent applicable, are considered: -The employee's qualifications, -The nature, extent, scope and complexity of the employee's duties, -The compensation levels paid by similarly situated organizations (both taxable and tax-exempt), for functionally comparable positions, -The extent to which a qualified successor to the employee would be available and the amount of compensation which would need to be paid in order to secure the services of a qualified successor, and the compensation being paid to other SIH employees, including non-executive employees, -The results of the annual performance evaluation process, -Other relevant business factors -Market values of comparable executive positions. The Board of Trustees (Board) sets the executive compensation policy and is responsible for approvals. The Governance Committee (Committee) of the Board is designated by the Board to act as the Compensation Committee for matters concerning executive compensation. The membership of the Committee is prescribed by the by-laws of the Board. Each member of the Committee, while considering executive compensation issues, must be an independent director, free from any conflict of interest. Members of the Committee must be able to commit the time necessary to fulfill the responsibilities of compensation review, comprehend compensation issues, support the mission of SIH, balance the requirements of responding to competitive practice, linking compensation to performance, retaining high-performing executives, minimizing adverse community, physician and employee reaction, and ensuring the achievement of SIH's community benefit mission, critically review the performance and market practice data that are presented to the committee and fairly apply the relevant information, and firmly present her/his view points to fellow committee members and the full Board as well as other internal and external groups if necessary. Members of the Committee not meeting these qualifications are excused from participating in executive compensation matters and are replaced by the Board with an independent director that meets these qualifications. The Committee seeks out and contracts the services of an outside, independent executive compensation consultant with proper expertise and experience to competently advise the Committee in matters of market values of comparable executive positions. The Committee annually reviews all determining factors listed above and prepares a recommendation as to the compensation package of the President/CEO for the full Board. Only the full Board has the authority to approve the compensation of the President/CEO. The President annually reviews all determining factors listed above and prepares a recommendation as to the compensation package of senior management for the Committee. Only the Committee has the authority to approve the compensation of the senior management team. The Committee reports its action to the Board.

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		The organization does not make its governing documents or its financial statements available to the general public. The organization makes its Corporate Compliance Policy, Code of Ethics, Conflict of Interest Policy, a summary of its financial statement (the 'Annual Report') and its Form 990 available to the general public. The organization's Corporate Compliance Policy and Code of Ethics are published in pamphlet format and copies are disseminated throughout the organization's hospitals and corporate offices and provided to anyone at their request. The organization's Corporate Compliance Policy and Code of Ethics are also posted on the organization's website and are available for inspection at the organization's corporate office. The organization's Annual Report is published in pamphlet format and copies are disseminated throughout the communities in the organization's service area and are provided to anyone at their request. The organization's Annual Report is available for inspection at the organization's corporate office. The organization's Form 990s are available for inspection at the organization's corporate office. As of August 2009, SIH's Conflict of Interest Policy, Whistleblower Policy and Non-Retaliation Policy have been posted on its website.

Identifier	Return Reference	Explanation
FORM 990, PAGE 3, LINE 12, PART IV, QUESTION NUMBER 12	AUDITED FINANCIAL STATEMENTS	THE ORGANIZATION RECEIVED AUDITED FINANCIAL STATEMENTS ON A CONSOLIDATED AS OPPOSED TO A STAND-ALONE BASIS

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2008

**Open to Public
Inspection**

▶ **Attach to Form 990. To be completed by organizations that answer "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.**
▶ **See separate instructions.**

Department of the Treasury
Internal Revenue Service

Name of the organization
Southern Illinois Hospital Services

Employer identification number

37-0618939

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES PO BOX 3988 CARBONDALE, IL62902 37-1136788	LEASING OF MEDICAL SPACE	IL	501(C)(3)	11	
SOUTHERN ILLINOIS MEDICAL SERVICES 1239 EAST MAIN STREET CARBONDALE, IL62901 20-5521741	MEDICAL SERVICES	IL	501(C)(3)	3	

Part III Identification of Related Organizations Taxable as a Partnership

(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, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner?	
							Yes	No		Yes	No
RIC AND SIHS REHABILITATION SERVICES LLC PO BOX 3988 CARBONDALE, IL62902 36-4566925	MEDICAL SERVICES	IL		RELATED	1,535,696	999		No			No
PHYSICIANS' SURGERY CENTER LLC 2601 WEST MAIN STREET CARBONDALE, IL62901 26-0425547	MEDICAL SERVICES	IL		RELATED	-357,206	939,906		No			No
SOUTHERN ILLINOIS ORTHOPEDIC CENTER LLC 510 LINCOLN DRIVE HERRIN, IL62948 37-1377370	MEDICAL SERVICES	IL		RELATED	2,030,803	2,190,996		No			No
PRAIRIE HEART INSTITUTE-CARBONDALE LLC 1239 EAST MAIN STREET CARBONDALE, IL62902 37-1376136	MEDICAL SERVICES	IL		RELATED	761,236			No			No

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership

Part V Transactions with Related Organizations

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

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)

- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)

- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees

- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses

- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

	Yes	No
1a	Yes	
1b		No
1c		No
1d		No
1e		No
1f		No
1g		No
1h		No
1i		No
1j	Yes	
1k	Yes	
1l		No
1m		No
1n		No
1o		No
1p		No
1q		No
1r		No

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

	(A) Name of other organization(s)	(B) Transaction type(a-r)	(C) Amount Involved
(1)	SOUTHERN ILLINOIS MEDICAL SERVICES	A	13,639
(2)	SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES	K	208,937
(3)	SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES	J	371,662
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership

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

(A) Name, address, and EIN of entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Are all partners section 501(c)(3) organizations?		(E) Share of end-of-year assets	(F) Disprortionate allocations?		(G) Code V—UBI amount on Box 20 of K-1	(H) General or managing partner?	
			Yes	No		Yes	No		Yes	No

TY 2008 Category 3 filer statement

Name: Southern Illinois Hospital Services

EIN: 37-0618939

Amount Of Indebtedness	Type Of Indebtedness	Name	Address	Identifying Number	Number Of Shares
	NONE	SOUTHERN IL HOSPITAL SERVICES	PO BOX 3988 CARBONDALE, IL 629023988	37-0618939	

**TY 2008 Earnings and Profits Other
Adjustments Statement****Name:** Southern Illinois Hospital Services**EIN:** 37-0618939

Description	Amount
RELATED PARTY UNDERWRITING EXP	2,847,789
RELATED PARTY PREMIUMS	-3,216,617

Additional Data

Software ID:

Software Version:

EIN: 37-0618939

Name: Southern Illinois Hospital Services

Form 990, Part I, Line 1 - Briefly describe the Organization's mission or most significant activities:

Southern Illinois Hospital Services provides quality health services to people throughout Southern Illinois regardless of race, creed, sex, national origin, handicap, age or ability to pay. The primary service area of Southern Illinois Hospital Services is a seven-county region with a combined population of 240,077. These counties are very rural. Populations per square mile range from 37 to 144 persons per square mile compared to a state average of 223 per square mile. Collectively, the residents of each of these counties have median household incomes that range from 25.47% to 46.46% below the statewide average of \$46,590. More of the residents in these counties live in poverty than the state average of 10.7% with the highest percentage county being 25.2% and the lowest county being 11.3%. Five of these counties also rank among the poorest of Illinois' 102 counties based upon the percentage of children living in poverty.

TY 2008 Itemized Other Current Liabilities Schedule

Name: Southern Illinois Hospital Services

EIN: 37-0618939

Corporation Name	Corporation EIN	Description	Beginning Amount	Ending Amount
Southern Illinois Hospital Services	37-0618939	LOSSES PAYABLE	134,131	98,240

**TY 2008 Itemized Other Current Assets
Schedule**

Name: Southern Illinois Hospital Services

EIN: 37-0618939

Corporation Name	Corporation EIN	Other Current Assets Description	Beginning Amount	Ending Amount
		INTEREST RECEIVABLE	31,831	30,176
		PREMIUMS RECEIVABLE	87	117
		OUTSTANDING LOSSES RECOVERABLE	1,934,984	3,051,951
		RETROSPECTIVE PREMIUM ASSESSMENTS REC	178,672	0
		PREPAID ASSETS	10,298	10,293

Software ID:
Software Version:
EIN: 37-0618939
Name: Southern Illinois Hospital Services

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
THOMAS FIRESTONE MD	(i) (ii)	446,484	455	178,109	175,716	35,778	836,542
REX BUDDE	(i) (ii)	275,382	30	10,732	93,320	22,273	401,737
WILLIAM SHERWOOD	(i) (ii)	226,331	455	103,733	96,307	26,984	453,810
PHILIP SCHAEFER	(i) (ii)	207,285	30	60,527	63,239	25,893	356,974
FRANK SEARS	(i) (ii)	186,468	30	87,105	90,518	21,748	385,869
GEORGE MARONEY	(i) (ii)	150,957	1,417	78,016	42,668	15,612	288,670
BECKY ASHTON	(i) (ii)	230,474	30	25,037	71,597	7,427	334,565
SCOTT SEABORN	(i) (ii)	196,611	30	83,850	80,522	17,910	378,923
MIKE KASSER	(i) (ii)	168,214	30	14,744	18,930	22,158	224,076
LOUISE VAUGHN	(i) (ii)	206,538	4,754	330	7,965	22,942	242,529
CATHERINE PORTER	(i) (ii)	210,271	243	315	8,103	18,907	237,839
RICHARD BOREN	(i) (ii)	185,201	7,439	344	7,844	22,974	223,802
ANN IGNAS	(i) (ii)	159,849	7,804	576	3,165	11,448	182,842
ANTHONY ORSO	(i) (ii)	146,168	30	3,791	6,033	22,374	178,396

Part III Supplemental Information

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

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

TY 2008 Other Deductions Schedule

Name: Southern Illinois Hospital Services

EIN: 37-0618939

Description	Foreign Amount (should only be used when attached to 5471 Schedule C Line 16)	Amount
MANAGEMENT FEES		62,217
AUDIT FEES		42,165
ACTUARY FEES		14,907
GOVERNMENT FEES		13,937
PROFESSIONAL FEES		484
MEETING EXPENSES		42,818
INVESTMENT MGMT & CUSTODY FEES		22,518
MISCELLANEOUS EXPENSES		298
UNDERWRITING EXPENSES		3,243,938
COMMUNICATION EXPENSES		3,010
BANK CHARGES		700

TY 2008 Itemized Other Investments Schedule

Name: Southern Illinois Hospital Services

EIN: 37-0618939

Corporation Name	Corporation EIN	Other Investments Description	Beginning Amount	Ending Amount
		US CORPORATE BONDS	2,968,612	1,012,727
		US GOVERNMENT & AGENCY BONDS	656,594	2,430,891
		EQUITY SECURITIES	373,515	212,915
		P		

TY 2008 Itemized Other Liabilities Schedule

Name: Southern Illinois Hospital Services

EIN: 37-0618939

Corporation Name	Corporation EIN	Other Liabilities Description	Beginning Amount	Ending Amount
		PROVISION FOR OUTSTANDING LOSSES	8,858,644	12,330,232
		RETROSPECTIVE PREMIUM CREDIT	0	294,655