

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)

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

OMB No 1545-0047
2011
Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 04-01-2011 and ending 03-31-2012

- B** Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization
 SOUTHERN ILLINOIS MEDICAL SERVICES NFP

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
 1239 EAST MAIN STREET

City or town, state or country, and ZIP + 4
 CARBONDALE, IL 62901

D Employer identification number
 20-5521741

E Telephone number
 (618) 457-5200

G Gross receipts \$ 34,653,557

F Name and address of principal officer
 REX BUDDE
 1239 EAST MAIN STREET
 CARBONDALE, IL 62901

H(a) Is this a group return for affiliates? Yes No

H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status 501(c)(3) 501(c) () (insert no) 4947(a)(1) or 527

J Website: ▶ WWW.SIH.NET

K Form of organization Corporation Trust Association Other ▶

L Year of formation 2006 **M** State of legal domicile IL

Part I Summary

1 Briefly describe the organization's mission or most significant activities
 SOUTHERN ILLINOIS MEDICAL SERVICES IS DEDICATED TO IMPROVING THE HEALTH AND WELL-BEING OF ALL OF THE PEOPLE IN THE COMMUNITIES IT SERVES

2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets

3 Number of voting members of the governing body (Part VI, line 1a)	3	6
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	4
5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	447
6 Total number of volunteers (estimate if necessary)	6	4
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	24,137
b Net unrelated business taxable income from Form 990-T, line 34	7b	-3,604

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	0	0
9 Program service revenue (Part VIII, line 2g)	30,743,772	34,555,309
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,584	-15,857
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	43,147	69,797
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	30,789,503	34,609,249

13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	12,392,755	20,804,336
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ▶ ⁰		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	21,999,765	17,025,828
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	34,392,520	37,830,164
19 Revenue less expenses Subtract line 18 from line 12	-3,603,017	-3,220,915

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	11,417,438	34,132,873
21 Total liabilities (Part X, line 26)	6,364,856	12,362,668
22 Net assets or fund balances Subtract line 21 from line 20	5,052,582	21,770,205

Part II Signature Block

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

Sign Here
 Signature of officer: *****
 Date: 2013-01-30
 Type or print name and title: MIKE KASSER CFO

Paid Preparer's Use Only
 Preparer's signature: Rachel Spurlock
 Date: _____
 Check if self-employed
 Preparer's taxpayer identification number (see instructions): P00520729
 Firm's name (or yours if self-employed), address, and ZIP + 4: CROWE HORWATH LLP, 9600 Brownsboro Road, Suite 400, Louisville, KY 402411122
 EIN: _____
 Phone no: (502) 326-3996

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

SOUTHERN ILLINOIS MEDICAL SERVICES NFP (SIMS) EMPLOYS PHYSICIANS AND OPERATES PHYSICIAN PRACTICES TO PROVIDE CARE AND TREATMENT OF THE MEDICALLY SICK, INJURED, OR AFFLICTED ON A NOT-FOR-PROFIT BASIS (CONTINUED IN SCHEDULE O)

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses \$ 16,688,313 including grants of \$ 0) (Revenue \$ 15,528,387)

SOUTHERN ILLINOIS MEDICAL SERVICES, NFP (SIMS) OPERATES TWO PHYSICIAN CLINICS - THE CENTER FOR MEDICAL ARTS (CMA) IN CARBONDALE, IL AND LOGAN PRIMARY CARE (LPC) IN HERRIN, IL AND WEST FRANKFORT, IL THESE PHYSICIAN CLINICS PROVIDE CARE AND TREATMENT OF THE MEDICALLY SICK, INJURED OR AFFLICTED ON A NOT-FOR PROFIT BASIS QUALITY HEALTH SERVICES ARE PROVIDED TO PEOPLE THROUGHOUT SOUTHERN ILLINOIS REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY DURING THIS REPORTING PERIOD, THE PRACTICES OF THE PHYSICIAN CLINICS RECORDED A COMBINED TOTAL OF 147,789 ENCOUNTERS IN TREATING THIS POPULATION (CONTINUED IN SCHEDULE O)

4b (Code) (Expenses \$ 9,456,702 including grants of \$ 0) (Revenue \$ 9,605,678)

SOUTHERN ILLINOIS MEDICAL SERVICES, NFP (SIMS) OPERATES HOSPITAL PHYSICIAN PRACTICES TO PROVIDE CARE AND TREATMENT OF THE MEDICALLY SICK, INJURED OR AFFLICTED ON A NOT-FOR PROFIT BASIS AT THE THREE HOSPITALS OPERATED BY OUR SOLE MEMBER SOUTHERN ILLINOIS HOSPITAL SERVICES (SIHS) THESE HOSPITAL PHYSICIANS PROVIDE TWO DISTINCT SERVICES ONE GROUP STAFFS THE EMERGENCY ROOMS AT EACH OF THE THREE HOSPITALS AND THE SECOND GROUP PROVIDES CARE DURING A HOSPITAL STAY AT THESE SAME HOSPITALS TO THOSE PATIENTS THAT DO NOT HAVE A PRIMARY CARE PHYSICIAN BOTH GROUPS OF PHYSICIANS ARE VITAL TO PROVIDING HEALTHCARE TO THE POPULATION OF OUR SERVICE AREAS, AS MANY OF THE RESIDENTS DO NOT HAVE A PRIMARY CARE PHYSICIAN THE HOSPITAL PHYSICIANS PROVIDE QUALITY HEALTH SERVICES TO PEOPLE THROUGHOUT SOUTHERN ILLINOIS REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY DURING THE YEAR ENDED MARCH 31, 2012, THE HOSPITAL PHYSICIANS OF SIMS RECORDED 97,959 ENCOUNTERS IN TREATING THIS POPULATION OF THESE ENCOUNTERS 63,924 OCCURRED IN THE EMERGENCY ROOMS AND 34,035 WERE ENCOUNTERS WITH HOSPITAL INPATIENTS (CONTINUED IN SCHEDULE O)

4c (Code) (Expenses \$ 8,782,791 including grants of \$ 0) (Revenue \$ 7,847,817)

SOUTHERN ILLINOIS MEDICAL SERVICES, NFP (SIMS) OPERATES COMMUNITY PHYSICIAN PRACTICES TO PROVIDE CARE AND TREATMENT OF THE MEDICALLY SICK, INJURED OR AFFLICTED ON A NOT-FOR PROFIT BASIS THESE PRACTICES ARE LOCATED IN VARIOUS COMMUNITIES IN OUR CENTRAL SERVICE AREA BOTH PRIMARY CARE AND SPECIALIZED MEDICAL CARE ARE PROVIDED INCLUDING FAMILY MEDICINE, GENERAL SURGERY, BREAST SURGERY, PULMONOLOGIST, BARIATRIC, ONCOLOGY, AND NEUROLOGY THESE PRACTICES PROVIDE THE ONLY ACCESS TO SEVERAL OF THESE SPECIALTIES WITHIN OUR SERVICE AREA THESE COMMUNITY PHYSICIAN PRACTICES PROVIDE QUALITY HEALTH SERVICES TO PEOPLE THROUGHOUT SOUTHERN ILLINOIS REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY DURING THE YEAR ENDED MARCH 31, 2012, THE COMMUNITY PHYSICIAN PRACTICES OF SIMS RECORDED 56,805 ENCOUNTERS IN TREATING THIS POPULATION (CONTINUED IN SCHEDULE O)

(Code) (Expenses \$ 660,173 including grants of \$ 0) (Revenue \$ 1,619,087)

SOUTHERN ILLINOIS MEDICAL SERVICES, NFP (SIMS) ALSO PROVIDES OTHER ADMINISTRATIVE SERVICES AND LEASES SPACE TO ITS RELATED ORGANIZATIONS

4d Other program services (Describe in Schedule O)

(Expenses \$ 660,173 including grants of \$ 0) (Revenue \$ 1,619,087)

4e Total program service expenses \$ 35,587,979

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)? <i>If "Yes," complete Schedule A.</i>	Yes	
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I.</i>		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II.</i>		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III.</i>		
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I.</i>		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? <i>If "Yes," complete Schedule D, Part II.</i>		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III.</i>		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? <i>If "Yes," complete Schedule D, Part IV.</i>		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V.</i>		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i>		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i>		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i>		No
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X.</i>	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i>		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional.</i>	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E.</i>		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Part I.</i>		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 U S? <i>If "Yes," complete Schedule F, Part II and IV.</i>		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 U S? <i>If "Yes," complete Schedule F, Part III and IV.</i>		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i>		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II.</i>		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III.</i>		No
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H.</i>		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements.		
20b			

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 73		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 0		
1c	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. 447		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	Yes	
3b	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 or securities account)?		No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		No
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		No
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
7d	If "Yes," indicate the number of Forms 8282 filed during the year.		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12.		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter		
11a	Gross income from members or shareholders.		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.		
13b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		
13c	Enter the aggregate amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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

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

Section A. Governing Body and Management

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

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

Table with 3 columns: Question, Yes, No. Rows include: 10a (No), 10b, 11a (Yes), 11b, 12a (Yes), 12b (Yes), 12c (Yes), 13 (Yes), 14 (Yes), 15a (Yes), 15b (Yes), 16a (No), 16b.

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 made these available. Check all that apply. [] Own website [] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. 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 East Main Street, Carbondale, IL 62901, (618) 457-5200

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

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

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

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

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid

• List all of the organization's **current** key employees, if any See instructions for definition of "key employee "

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

• List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) MIKE KASSER VP/CFO	10 00	X		X				0	300,355	129,174
(2) REX BUDDE PRESIDENT	4 00	X		X				0	503,464	239,332
(3) GEORGE O'NEILL TRUSTEE	1 00	X						0	0	0
(4) HAROLD BARDO TRUSTEE	1 00	X						0	0	0
(5) KATHLEEN FRALISH TRUSTEE	1 00	X						0	0	0
(6) STEVE SABENS TRUSTEE	1 00	X						0	0	0
(7) DAVE HOLLAND VP/INFO SYSTEMS	8 00			X				0	293,591	101,579
(8) JAMES MILLER MD VP/CMO	7 00			X				0	397,538	49,127
(9) PHILIP SCHAEFER VP/PHYSICIAN SERVICES	30 00			X				0	352,293	153,005
(10) WILLIAM SHERWOOD VP/GENERAL COUNSEL	10 00			X				0	267,818	168,029
(11) GERSON CRISTE MD PHYSICIAN	40 00					X		420,584	0	40,657
(12) JEFFREY JONES MD PHYSICIAN	40 00					X		648,707	0	66,070
(13) JON W TAVEAU MD PHYSICIAN	40 00					X		644,453	0	56,070
(14) JOSEPH HAAKE PHYSICIAN	40 00					X		411,605	0	14,236
(15) UDAYA LIYANAGE MD PHYSICIAN	40 00					X		418,235	0	43,961

Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . . . 1a _____					
	b Membership dues 1b _____					
	c Fundraising events 1c _____					
	d Related organizations 1d _____					
	e Government grants (contributions) 1e _____					
	f All other contributions, gifts, grants, and similar amounts not included above 1f _____					
	g Noncash contributions included in lines 1a-1f \$ _____					
	h Total. Add lines 1a-1f ▶		0			
Program Service Revenue	2a NET PATIENT REVENUE	Business Code 621110	34,031,341	34,031,341		
	b LEASEHOLD REVENUE FROM RELATED ORGANIZATIONS	531120	523,968	523,968		
	c _____					
	d _____					
	e _____					
	f All other program service revenue		0	0	0	0
	g Total. Add lines 2a-2f ▶		34,555,309			
Other Revenue	3 Investment income (including dividends, interest and other similar amounts) ▶		4,699		4,699	
	4 Income from investment of tax-exempt bond proceeds ▶		0			
	5 Royalties ▶		0			
	6a Gross rents	(i) Real				
		(ii) Personal				
		b Less rental expenses				
		c Rental income or (loss)	0	0		
	d Net rental income or (loss) ▶		0			
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less cost or other basis and sales expenses		20,556		
		c Gain or (loss)	0	-20,556		
	d Net gain or (loss) ▶		-20,556		-20,556	
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a					
		b Less direct expenses b				
c Net income or (loss) from fundraising events ▶			0			
9a Gross income from gaming activities See Part IV, line 19 a						
	b Less direct expenses b					
	c Net income or (loss) from gaming activities ▶		0			
10a Gross sales of inventory, less returns and allowances a						
	b Less cost of goods sold b		32,662			
	c Net income or (loss) from sales of inventory ▶		23,752	8,910	7,327	1,583
Miscellaneous Revenue	Business Code					
11a TRANSCRIPTION FEES	561000	9,109		9,109		
b RECEPTION SERVICE FEES	561000	13,445		13,445		
c MEDICAL RECORD FEES	561000	25,953	25,953			
d All other revenue		12,380	12,380	0	0	
e Total. Add lines 11a-11d ▶		60,887				
12 Total revenue. See Instructions ▶		34,609,249	34,600,969	24,137	-15,857	

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)

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	0			
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	0			
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	16,042,733	15,255,397	787,336	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	665,127	645,914	19,213	
9	Other employee benefits	2,614,986	2,506,734	108,252	
10	Payroll taxes	1,481,490	1,393,341	88,149	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	151,713		151,713	
c	Accounting	1,530		1,530	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	9,243,903	8,873,985	369,918	
12	Advertising and promotion	97,069		97,069	
13	Office expenses	412,814	366,717	46,097	
14	Information technology	77,600	67,640	9,960	
15	Royalties	0			
16	Occupancy	1,372,914	1,277,517	95,397	
17	Travel	70,013	61,539	8,474	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	176,073	160,781	15,292	
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	894,367	782,520	111,847	
23	Insurance	2,548,326	2,331,173	217,153	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MEDICAL SUPPLIES	1,011,547	1,011,547		
b	EQUIPMENT RENTAL	474,962	468,910	6,052	
c	DUES/SUBSCRIPTIONS/LICENSES	344,495	340,260	4,235	
d	BANK FEES	91,096		91,096	
e					
f	All other expenses	57,406	44,004	13,402	0
25	Total functional expenses. Add lines 1 through 24f	37,830,164	35,587,979	2,242,185	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	0			

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	-408,842	1	5,978
	2 Savings and temporary cash investments	0	2	1,223,669
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	4,724,847	4	7,220,692
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	16,654	5	21,646
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	132,453
	8 Inventories for sale or use	12,004	8	47,791
	9 Prepaid expenses and deferred charges	776,060	9	1,027,596
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	16,192,993		
	b Less accumulated depreciation	2,809,806	10c	13,383,187
	11 Investments—publicly traded securities		11	
	12 Investments—other securities See Part IV, line 11	0	12	0
	13 Investments—program-related See Part IV, line 11	0	13	0
	14 Intangible assets		14	10,614,660
	15 Other assets See Part IV, line 11	341,040	15	455,201
16 Total assets. Add lines 1 through 15 (must equal line 34)	11,417,438	16	34,132,873	
Liabilities	17 Accounts payable and accrued expenses	2,965,026	17	6,216,155
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	3,399,830	25	6,146,513
	26 Total liabilities. Add lines 17 through 25	6,364,856	26	12,362,668
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	5,052,582	27	21,770,205
	28 Temporarily restricted net assets		28	
	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	5,052,582	33	21,770,205	
34 Total liabilities and net assets/fund balances	11,417,438	34	34,132,873	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	34,609,249
2	Total expenses (must equal Part IX, column (A), line 25)	2	37,830,164
3	Revenue less expenses Subtract line 2 from line 1	3	-3,220,915
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	5,052,582
5	Other changes in net assets or fund balances (explain in Schedule O)	5	19,938,538
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	21,770,205

Part XII Financial Statements and Reporting

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

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

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2011

Open to Public Inspection

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

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

Department of the Treasury
Internal Revenue Service

Name of the organization
SOUTHERN ILLINOIS MEDICAL SERVICES NFP

Employer identification number
20-5521741

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

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

- 1 A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8 A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h
 a Type I b Type II c Type III - Functionally integrated d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
 (ii) a family member of a person described in (i) above?
 (iii) a 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

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

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

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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 (Explain in Part IV.) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					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** **Section C. Computation of Public Support Percentage**

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2010 Schedule A, Part II, line 14	15	

16a 33 1/3% support test—2011. 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 **b 33 1/3% support test—2010.** 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 **17a 10%-facts-and-circumstances test—2011.** 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 **b 10%-facts-and-circumstances test—2010.** 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 **18 Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part 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"/>						

Section C. Computation of Public Support Percentage

15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	

- 19a 33 1/3% support tests—2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization
- b 33 1/3% support tests—2010.** 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.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2011

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization SOUTHERN ILLINOIS MEDICAL SERVICES NFP

Employer identification number 20-5521741

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4: Total number at end of year, Aggregate contributions to (during year), Aggregate grants from (during year), Aggregate value at end of year.

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

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply): Preservation of land for public use, Protection of natural habitat, Preservation of open space, Preservation of an historically importantly land area, Preservation of a certified historic structure.

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: Description, Held at the End of the Year. Rows 2a-2d: Total number of conservation easements, Total acreage restricted by conservation easements, Number of conservation easements on a certified historic structure included in (a), Number of conservation easements included in (c) acquired after 8/17/06.

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, handling of violations, and enforcement of the conservation easements it holds?

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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

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

b 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

(i) Revenues included in Form 990, Part VIII, line 1
(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1
b Assets included in Form 990, Part X

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

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

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

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

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

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

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

b If "Yes," explain the arrangement in Part 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 Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (Investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		825,895		825,895
b Buildings		8,826,299	834,616	7,991,683
c Leasehold improvements		459,359	189,893	269,466
d Equipment		5,683,106	1,785,297	3,897,809
e Other		398,334		398,334
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				13,383,187

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	34,629,805
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	37,850,720
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-3,220,915
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	0
9	Total adjustments (net) Add lines 4 - 8	9	0
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-3,220,915

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	35,659,610
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	1,068,568
e	Add lines 2a through 2d	2e	1,068,568
3	Subtract line 2e from line 1	3	34,591,042
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	38,763
c	Add lines 4a and 4b	4c	38,763
5	Total Revenue Add lines 3 and 4c . (This should equal Form 990, Part I, line 12)	5	34,629,805

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

1	Total expenses and losses per audited financial statements	1	38,880,525
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	1,068,568
e	Add lines 2a through 2d	2e	1,068,568
3	Subtract line 2e from line 1	3	37,811,957
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	38,763
c	Add lines 4a and 4b	4c	38,763
5	Total expenses Add lines 3 and 4c . (This should equal Form 990, Part I, line 18)	5	37,850,720

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
FIN 48 (ASC 740) footnote	Schedule D, Part X, Line 2	THE CORPORATION IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE THE CORPORATION REALIZED CERTAIN INCOME WHICH THE INTERNAL REVENUE SERVICE CONSIDERS TO BE UNRELATED BUSINESS INCOME SUBJECT TO INCOME TAX FOR THE YEARS ENDED MARCH 31, 2012 AND 2011, NO TAX WAS DUE RELATED TO THESE OPERATIONS WHEN TAX RETURNS ARE FILED, IT IS HIGHLY CERTAIN THAT SOME POSITIONS TAKEN WOULD BE SUSTAINED UPON EXAMINATION BY THE TAXING AUTHORITIES, WHILE OTHERS ARE SUBJECT TO UNCERTAINTY ABOUT THE MERITS OF THE POSITION TAKEN OR THE AMOUNT OF THE POSITION THAT WOULD BE ULTIMATELY SUSTAINED EXAMPLES OF TAX POSITIONS COMMON TO HEALTH SYSTEMS INCLUDE MATTERS SUCH AS THE TAX EXEMPT ENTITY TAKING A TAX POSITION THAT AN ORGANIZATION IS TAX EXEMPT WITHOUT OBSERVING CORRESPONDING PROOF OF TAX EXEMPTION FROM FEDERAL AND STATE TAXING AUTHORITIES AND THERE IS MATERIAL NET INCOME GENERATED BY THE ENTITY OR EGREGIOUS COMPENSATION PAID TO INSIDERS THAT COULD RESULT IN REVOCATION OF EXEMPT STATUS (OUTSIDE THE SCOPE OF INTERMEDIATE SANCTIONS EXCISE TAX PENALTIES) THE TAX POSITION IS TO CONSIDER THAT THESE COMPENSATORY ARRANGEMENTS DO NOT JEOPARDIZE TAX EXEMPTION THE BENEFIT OF A TAX POSITION IS RECOGNIZED IN THE CONSOLIDATED FINANCIAL STATEMENTS IN THE PERIOD DURING WHICH, BASED ON ALL AVAILABLE EVIDENCE, MANAGEMENT BELIEVES IT IS MORE LIKELY THAN NOT THAT THE POSITION WILL BE SUSTAINED UPON EXAMINATION, INCLUDING THE RESOLUTION OF APPEALS OR LITIGATION PROCESSES, IF ANY TAX POSITIONS TAKEN ARE NOT OFFSET OR AGGREGATED WITH OTHER POSITIONS TAX POSITIONS THAT MEET THE "MORE- LIKELY-THAN-NOT" RECOGNITION THRESHOLD ARE MEASURED AS THE LARGEST AMOUNT OF TAX BENEFIT THAT IS MORE THAN 50 PERCENT LIKELY OF BEING REALIZED UPON SETTLEMENT WITH THE APPLICABLE TAXING AUTHORITY THE PORTION OF THE BENEFITS ASSOCIATED WITH TAX POSITIONS TAKEN THAT EXCEEDS THE AMOUNT MEASURED AS DESCRIBED ABOVE IS REFLECTED AS A LIABILITY FOR UNCERTAIN TAX BENEFITS IN THE ACCOMPANYING CONSOLIDATED BALANCE SHEETS ALONG WITH ANY ASSOCIATED INTEREST AND PENALTIES THAT WOULD BE PAYABLE TO THE TAXING AUTHORITIES UPON EXAMINATION THERE WERE NO UNCERTAIN TAX BENEFITS IDENTIFIED AND RECORDED AS A LIABILITY UPON THE ADOPTION OF ASC 740 OR AT MARCH 31, 2012 AND 2011 THE CORPORATION DOES NOT EXPECT THE TOTAL AMOUNT OF UNRECOGNIZED TAX BENEFITS TO SIGNIFICANTLY CHANGE IN THE NEXT 12 MONTHS THE CORPORATION WOULD RECOGNIZE INTEREST AND/OR PENALTIES RELATED TO INCOME TAX MATTERS IN MISCELLANEOUS EXPENSES TAX RETURNS FILED BY THE CORPORATION ARE SUBJECT TO EXAMINATION BY THE INTERNAL REVENUE SERVICE (IRS) UP TO THREE YEARS FROM THE EXTENDED DUE DATE OF EACH RETURN TAX RETURNS FILED BY THE CORPORATION ARE NO LONGER SUBJECT TO EXAMINATION FOR THE YEARS ENDED MARCH 31, 2008 AND PRIOR

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization
SOUTHERN ILLINOIS MEDICAL SERVICES NFP

Employer identification number
20-5521741

Part I Questions Regarding Compensation

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

b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain

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

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

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

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization

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

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

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

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

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

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

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

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?

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

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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) JAMES MILLER MD	(i)	0	0	0	0	0	0	0
	(ii)	292,613	39	104,886	9,800	39,327	446,665	93,900
(2) DAVE HOLLAND	(i)	0	0	0	0	0	0	0
	(ii)	208,368	39	85,184	81,321	20,258	395,170	74,807
(3) PHILIP SCHAEFER	(i)	0	0	0	0	0	0	0
	(ii)	264,656	695	86,942	107,331	45,674	505,298	76,856
(4) WILLIAM SHERWOOD	(i)	0	0	0	0	0	0	0
	(ii)	240,142	39	27,637	126,273	41,756	435,847	0
(5) JEFFREY JONES MD	(i)	642,350	184	6,173	34,167	31,903	714,777	0
	(ii)	0	0	0	0	0	0	0
(6) MIKE KASSER	(i)	0	0	0	0	0	0	0
	(ii)	276,009	39	24,307	94,757	34,417	429,529	0
(7) REX BUDDE	(i)	0	0	0	0	0	0	0
	(ii)	431,948	39	71,477	180,538	58,794	742,796	33,959
(8) JON W TAVEAU MD	(i)	642,288	185	1,980	29,300	26,770	700,523	0
	(ii)	0	0	0	0	0	0	0
(9) GERSON CRISTE MD	(i)	420,133	39	412	12,659	27,998	461,241	0
	(ii)	0	0	0	0	0	0	0
(10) UDAYA LIYANAGE MD	(i)	352,931	64,739	565	0	43,961	462,196	0
	(ii)	0	0	0	0	0	0	0
(11) JOSEPH HAAKE	(i)	409,457	893	1,255	5,460	8,776	425,841	0
	(ii)	0	0	0	0	0	0	0

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
Arrangement used to establish the top management official's compensation	Schedule J, Part I, Line 3	COMPENSATION FOR THE ORGANIZATION'S PRESIDENT IS PAID BY SOUTHERN ILLINOIS HOSPITAL SERVICES, INC (SIHS), A RELATED TAX-EXEMPT ORGANIZATION. SIHS USES THE FOLLOWING METHODS TO DETERMINE THE PRESIDENT'S COMPENSATION: -COMPENSATION COMMITTEE -INDEPENDENT COMPENSATION CONSULTANT -WRITTEN EMPLOYMENT CONTRACT -COMPENSATION SURVEY OR STUDY - APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE
Supplemental nonqualified retirement plan	Schedule J, Part I, Line 4b	COMPENSATION FOR THE ORGANIZATION'S OFFICERS IS PAID BY SOUTHERN ILLINOIS HOSPITAL SERVICES, INC (SIHS), A RELATED TAX-EXEMPT ORGANIZATION. SIHS MADE THE FOLLOWING SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN PAYMENTS/CONTRIBUTIONS: REX BUDDE - \$33,959 PAYMENT RECEIVED, \$170,738 DEFERRED COMPENSATION; MIKE KASSER - NO PAYMENT RECEIVED, \$94,957 DEFERRED COMPENSATION; WILLIAM SHERWOOD - NO PAYMENT RECEIVED, \$116,473 DEFERRED COMPENSATION; PHIL SCHAEFER - \$76,856 PAYMENT RECEIVED, \$97,531 DEFERRED COMPENSATION; DAVE HOLLAND - \$74,807 PAYMENT RECEIVED, \$72,869 DEFERRED COMPENSATION; JAMES MILLER - \$93,900 PAYMENT RECEIVED, NO DEFERRED COMPENSATION; JEFFREY JONES - NO PAYMENT RECEIVED, \$24,367 DEFERRED COMPENSATION; JON W TAVEAU - NO PAYMENT RECEIVED, \$19,500 DEFERRED COMPENSATION; GERSON CRISTE - NO PAYMENT RECEIVED, \$5,375 DEFERRED COMPENSATION; UDAYA LIYANAGE - NO PAYMENT RECEIVED, NO DEFERRED COMPENSATION; JOSEPH HAAKE - NO PAYMENT RECEIVED, NO DEFERRED COMPENSATION.

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2011

Open to Public Inspection

Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b. Attach to Form 990 or Form 990-EZ. See separate instructions.

Department of the Treasury Internal Revenue Service

Name of the organization SOUTHERN ILLINOIS MEDICAL SERVICES NFP

Employer identification number 20-5521741

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

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

Table with 4 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.

Complete if the organization 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?

Part III Grants or Assistance Benefitting Interested Persons.

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

Table with 3 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.

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

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

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
SOUTHERN ILLINOIS MEDICAL SERVICES NFP

Employer identification number

20-5521741

Identifier	Return Reference	Explanation
ORGANIZATION'S MISSION	FORM 990, PART III, LINE 1	<p>(CONTINUED FROM PART III) THESE PHYSICIANS AND PRACTICES PROVIDE QUALITY HEALTH SERVICES TO PEOPLE THROUGHOUT SOUTHERN ILLINOIS REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY SIMS CONDUCTS ITS BEHAVIORS BY SHOWING THE ORGANIZATION'S VALUES OF RESPECT, INTEGRITY, COMPASSION, COLLABORATION, STEWARDSHIP, ACCOUNTABILITY AND QUALITY THE PRIMARY SERVICE AREA OF SIMS IS A VERY RURAL SEVEN-COUNTY REGION WITH A COMBINED POPULATION OF APPROXIMATELY 240,000 THESE COUNTIES ARE CHARACTERIZED BY - THE RESIDENTS OF EACH OF THESE COUNTIES HAVE MEDIAN HOUSEHOLD INCOMES THAT ARE SUBSTANTIALLY LESS THAN THE STATEWIDE AVERAGE OF \$46,590 - MORE OF THE RESIDENTS IN THESE COUNTIES LIVE IN POVERTY THAN THE STATE AVERAGE OF 10.7% - THE PERCENTAGES OF CHILDREN LIVING IN POVERTY IN THESE COUNTIES ARE SOME OF THE HIGHEST IN THE STATE SIMS PROVIDES SERVICES THROUGH THE FOLLOWING PHYSICIAN CLINICS - SIMS OPERATES TWO PHYSICIAN CLINICS - THE CENTER FOR MEDICAL ARTS (CMA) AND LOGAN PRIMARY CARE (LPC) THE CENTER FOR MEDICAL ARTS HAS A LONG-STANDING TRADITION OF CARING FOR SOUTHERN ILLINOIS RESIDENTS, WITH A HISTORY DATING BACK TO THE 1930S ORIGINALLY OPERATED AS THE CARBONDALE CLINIC, THE CENTER FOR MEDICAL ARTS WAS PURCHASED IN 2006 TODAY IT IS A GROWING HEALTH FACILITY THAT INCLUDES A PROMPT CARE CLINIC, AMBULATORY SURGERY CENTER AND A RETAIL PHARMACY BASIC LAB AND RADIOLOGY SERVICES ARE ALSO PROVIDED ON-SITE PRACTITIONERS INCLUDE FAMILY MEDICINE, INTERNAL MEDICINE, PEDIATRICS, AND SPECIALISTS SUCH AS GASTROENTEROLOGY, GENERAL SURGERY AND UROLOGY LOGAN PRIMARY CARE PROVIDES GENERAL FAMILY PRACTICE MEDICINE AND ACUTE NON-EMERGENCY CARE ORIGINALLY ESTABLISHED IN 1993, LPC WAS ACQUIRED BY SOUTHERN ILLINOIS MEDICAL SERVICES IN NOVEMBER 2011 COMMUNITY PHYSICIANS ANOTHER GROUP OF PHYSICIANS ARE THE COMMUNITY PHYSICIANS THESE PHYSICIANS ARE LOCATED AT VARIOUS LOCATIONS WITHIN OUR CENTRAL SERVICE AREA THESE PRACTITIONERS PROVIDE A VARIETY OF SPECIALTIES, INCLUDING GENERAL SURGERY, BREAST SURGERY, PULMONOLOGIST AND NEUROLOGY THESE PRACTICES PROVIDE THE ONLY ACCESS TO SEVERAL OF THESE SPECIALTIES WITHIN OUR SERVICE AREA HOSPITAL PHYSICIANS ANOTHER GROUP OF PHYSICIANS ARE LOCATED AND WORK WITHIN THE HOSPITALS OPERATED BY OUR SOLE MEMBER, SOUTHERN ILLINOIS HOSPITAL SERVICES THESE PHYSICIANS STAFF THE EMERGENCY ROOMS AND PROVIDE HOSPITALIST CARE AT THESE HOSPITALS THESE PHYSICIANS ARE VITAL TO PROVIDING HEALTHCARE TO THE POPULATION OF OUR SERVICE AREA AS MANY OF THE RESIDENTS DO NOT HAVE A PRIMARY CARE PHYSICIAN SERVICES PROVIDED DURING THE YEAR ENDED MARCH 31, 2012, SIMS' PHYSICIANS RECORDED 302,553 ENCOUNTERS IN TREATING THE POPULATION AREA THE PHYSICIAN CLINICS (CMA AND LPC) ACCOUNTED FOR 147,789 OF THESE ENCOUNTERS, COMMUNITY PHYSICIANS ACCOUNTED FOR 56,805 ENCOUNTERS AND HOSPITAL PHYSICIANS PROVIDED THE REMAINING 97,959 ENCOUNTERS APPROXIMATELY 55.34% OF THESE ENCOUNTERS PROVIDED CARE THAT WAS CLASSIFIED AS EITHER UNCOMPENSATED CHARITY CARE OR UNCOMPENSATED GOVERNMENT-SPONSORED HEALTH CARE AN ADDITIONAL 6.52% OF THE TOTAL CARE PROVIDED IN THESE ENCOUNTERS WAS WRITTEN OFF AS BAD DEBT COMMUNITY BENEFITS THE ORGANIZATION'S SOLE MEMBER, SOUTHERN ILLINOIS HOSPITAL SERVICES, HAS EXTENDED ITS SERVICES BEYOND HOSPITAL WALLS AND INTO THE NEIGHBORHOODS WHERE PEOPLE LIVE AND WORK THESE PROGRAMS EXTEND TO THE PATIENTS OF SIMS THE FOLLOWING COMMUNITIES AND POPULATIONS ARE TARGETED THROUGH THESE PROGRAMS - 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, AND - POPULATIONS AT RISK OF EXPERIENCING ADVERSE HEALTH CONDITIONS OR OUTCOMES</p>

Identifier	Return Reference	Explanation
PHYSICIAN CLINICS	FORM 990, PART III, LINE 4A	<p>(CONTINUED FROM PART III) CMA ENCOMPASSES NEARLY 60,000 SQUARE FEET OF SPACE, MAKING IT ONE OF THE AREA'S LARGEST HEALTHCARE FACILITIES. A PROMPT CARE CLINIC IS AVAILABLE WITHIN THE CENTER TO MEET THE IMMEDIATE MEDICAL NEEDS OF PATIENTS ALONG WITH AN IMAGING CENTER AND LABORATORY SERVICES. BOTH PRIMARY CARE AND SPECIALIZED MEDICAL CARE ARE PROVIDED INCLUDING FAMILY MEDICINE, INTERNAL MEDICINE, PEDIATRICS, GENERAL SURGERY, AND UROLOGY, AMONG OTHERS. LPC HAS OPERATIONS IN TWO LOCATIONS AND ENCOMPASSES 40,000 SQUARE FEET. LPC BEGAN OPERATIONS IN DECEMBER 1993 AND WAS ACQUIRED BY SOUTHERN ILLINOIS MEDICAL SERVICES IN NOVEMBER, 2011. LPC PROVIDES A VARIETY OF SERVICES INCLUDING GENERAL FAMILY PRACTICE MEDICINE, RADIOLOGY, AND LAB. TWO MED STATIONS FOR ACUTE NON-EMERGENCY CARE ARE ALSO OPERATED. THROUGH DAILY OPERATIONS, THE PHYSICIAN CLINICS OF CMA AND LPC PROVIDE SIGNIFICANT AMOUNTS OF UNCOMPENSATED CHARITY CARE AND UNCOMPENSATED GOVERNMENT-SPONSORED HEALTH CARE. THE PATIENT POPULATION OF THE PHYSICIAN CLINICS IS COMPRISED OF 18% MEDICARE, 29% MEDICAID, 4% SELF-PAY/CHARITY AND 49% COMMERCIAL/MANAGED CARE. UNCOMPENSATED HEALTH CARE. CMA AND LPC HAVE PROVIDED \$1,970,619 OF UNCOMPENSATED HEALTH CARE THROUGH PARTICIPATION IN THE GOVERNMENT-SPONSORED MEDICARE HEALTH PROGRAM. INDIGENT HEALTH CARE. CMA AND LPC HAVE PROVIDED \$1,330,987 OF INDIGENT HEALTH CARE THROUGH PARTICIPATION IN THE GOVERNMENT-SPONSORED MEDICAID HEALTH CARE PROGRAM AND \$394,798 OF INDIGENT CHARITY HEALTH CARE. BAD DEBTS. CMA AND LPC WROTE OFF \$583,226 OF PRIVATE PAY ACCOUNTS THAT WERE UNCOLLECTIBLE, BUT DID NOT MEET THE CRITERIA TO BE CONSIDERED CHARITY CARE. THE CENTER FOR MEDICAL ARTS HAS DETERMINED THAT 19.5% OR \$113,729 OF THE AMOUNTS WRITTEN OFF AS BAD DEBT WOULD HAVE QUALIFIED AS CHARITY CARE IF THE PATIENTS WOULD HAVE SUBMITTED THE REQUIRED DOCUMENTATION. COMMUNITY BENEFIT. EACH MONTH, THE CENTER FOR MEDICAL ARTS PROVIDES CLINIC SPACE TO THE DIVISION OF SPECIALIZED CARE FOR CHILDREN AT NO CHARGE. THREE EXAM ROOMS PLUS A DEDICATED WAITING ROOM AREA FOR THIS CLINIC ARE PROVIDED. THIS CLINIC IS SPONSORED BY THE UNIVERSITY OF ILLINOIS TO PROVIDE SPECIALTY CARE TO CHILDREN UNABLE TO AFFORD CARE. SOME OF THE CHILDREN, EVEN THOUGH COVERED BY INSURANCE, ARE SEEN FOR CASE MANAGEMENT BY SPECIALTY SERVICES. A SPECIALIST, USUALLY AN ORTHOPEDIST, EXAMINES CHILDREN WHO MAY OTHERWISE HAVE HAD TO MAKE A TRIP TO AN URBAN AREA FOR SPECIALTY CARE. THE CHILDREN THAT ARE SEEN RANGE IN AGE FROM INFANT TO 19 YEARS. THESE CHILDREN ARE RESIDENTS OF THE SERVICE REGION THAT THE CENTER FOR MEDICAL ARTS IS WITHIN. THE VALUE OF THIS SPACE IS ESTIMATED TO BE \$2,200 ANNUALLY.</p>

Identifier	Return Reference	Explanation
HOSPITAL PHYSICIAN PRACTICES	FORM 990, PART III, LINE 4B	<p>(CONTINUED FROM PART III) THROUGH DAILY OPERATIONS, THE HOSPITAL PHYSICIAN PRACTICES OF SIMS PROVIDE SIGNIFICANT AMOUNTS OF UNCOMPENSATED CHARITY CARE AND UNCOMPENSATED GOVERNMENT-SPONSORED HEALTH CARE. THE PATIENT POPULATION OF THE HOSPITAL PHYSICIAN PRACTICES OF SIMS IS COMPRISED OF 39% MEDICARE, 29% MEDICAID, 9% SELF-PAY/CHARITY AND 23% COMMERCIAL/MANAGED CARE. UNCOMPENSATED HEALTH CARE. THE HOSPITAL PHYSICIANS OF SIMS PROVIDED \$1,052,296 OF UNCOMPENSATED HEALTH CARE THROUGH PARTICIPATION IN THE GOVERNMENT-SPONSORED MEDICARE HEALTH CARE PROGRAM. INDIGENT HEALTH CARE. THE HOSPITAL PHYSICIANS OF SIMS HAVE PROVIDED \$3,038,912 OF INDIGENT HEALTH CARE THROUGH PARTICIPATION IN THE GOVERNMENT-SPONSORED MEDICAID HEALTH CARE PROGRAM AND \$392,969 OF INDIGENT CHARITY HEALTH CARE. BAD DEBTS. THE HOSPITAL PHYSICIAN PRACTICES OF SIMS WROTE OFF \$1,669,523 FROM PRIVATE PAY ACCOUNTS THAT WERE UNCOLLECTIBLE, BUT DID NOT MEET THE CRITERIA TO BE CONSIDERED CHARITY CARE. SIMS HAS DETERMINED THAT 19.5% OR \$325,557 OF THE AMOUNTS WRITTEN OFF AS BAD DEBT WOULD HAVE QUALIFIED AS CHARITY CARE IF THE PATIENTS WOULD HAVE SUBMITTED THE REQUIRED DOCUMENTATION.</p>

Identifier	Return Reference	Explanation
COMMUNITY PHYSICIAN PRACTICES	FORM 990, PART III, LINE 4C	<p>(CONTINUED FROM PART III) THROUGH DAILY OPERATIONS, THE COMMUNITY PHYSICIAN PRACTICES OF SIMS PROVIDE SIGNIFICANT AMOUNTS OF UNCOMPENSATED CHARITY CARE AND UNCOMPENSATED GOVERNMENT-SPONSORED HEALTH CARE. THE PATIENT POPULATION OF THE COMMUNITY PHYSICIAN PRACTICES OF SIMS IS COMPRISED OF 40% MEDICARE, 17% MEDICAID, 53% SELF-PAY/CHARITY AND 38% COMMERCIAL/MANAGED CARE. UNCOMPENSATED HEALTH CARE. THE COMMUNITY PHYSICIAN PRACTICES OF SIMS HAVE PROVIDED \$1,572,718 OF UNCOMPENSATED HEALTH CARE THROUGH PARTICIPATION IN THE GOVERNMENT-SPONSORED MEDICARE HEALTH CARE PROGRAM. INDIGENT HEALTH CARE. THE COMMUNITY PHYSICIAN PRACTICES OF SIMS HAVE PROVIDED \$812,751 OF INDIGENT HEALTH CARE THROUGH PARTICIPATION IN THE GOVERNMENT-SPONSORED MEDICAID HEALTH CARE PROGRAM AND \$219,659 OF INDIGENT CHARITY HEALTH CARE. BAD DEBTS. THE COMMUNITY PHYSICIAN PRACTICES OF SIMS WROTE OFF \$395,072 FROM PRIVATE PAY ACCOUNTS THAT WERE UNCOLLECTIBLE, BUT DID NOT MEET THE CRITERIA TO BE CONSIDERED CHARITY CARE. SIMS HAS DETERMINED THAT 19.5% OR \$77,039 OF THE AMOUNTS WRITTEN OFF AS BAD DEBT WOULD HAVE QUALIFIED AS CHARITY CARE IF THE PATIENTS WOULD HAVE SUBMITTED THE REQUIRED DOCUMENTATION.</p>

Identifier	Return Reference	Explanation
Description of other program services	Form 990, Part III, Line 4d	SOUTHERN ILLINOIS MEDICAL SERVICES, NFP (SIMS) ALSO PROVIDES OTHER ADMINISTRATIVE SERVICES AND LEASES SPACE TO ITS RELATED ORGANIZATIONS

Identifier	Return Reference	Explanation
Delegate broad authority to a committee	Form 990, Part VI, Section A, Line 1a	THE MEMBERS OF THE GOVERNANCE COMMITTEE ARE THE PRESIDENT, THE SECRETARY, THE TREASURER AND ONE OTHER TRUSTEE APPOINTED BY THE PRESIDENT THE GOVERNANCE COMMITTEE IS AUTHORIZED TO ACT FOR THE BOARD OF TRUSTEES IN ALL MATTERS AS SPECIFICALLY AUTHORIZED BY RESOLUTION OF THE BOARD OR WHEN THE BOARD OF TRUSTEES IS NOT IN SESSION

Identifier	Return Reference	Explanation
Classes of members or stockholders	Form 990, Part VI, Section A, Line 6	THE ORGANIZATION'S SOLE MEMBER IS SOUTHERN ILLINOIS HOSPITAL SERVICES, A RELATED TAX-EXEMPT ORGANIZATION THE MEMBER HAS THE RIGHT TO ELECT MEMBERS TO THE BOARD OF TRUSTEES AND APPROVE SOME DECISIONS OF THE BOARD

Identifier	Return Reference	Explanation
Members or stockholders electing members of governing body	Form 990, Part VI, Section A, Line 7a	THE ORGANIZATION'S SOLE MEMBER, SOUTHERN ILLINOIS HOSPITAL SERVICES, INC , HAS THE EXCLUSIVE RIGHT TO ELECT TRUSTEES TO THE ORGANIZATION'S BOARD OF TRUSTEES

Identifier	Return Reference	Explanation
Decisions requiring approval by members or stockholders	Form 990, Part VI, Section A, Line 7b	<p>THE ORGANIZATION'S SOLE MEMBER, SOUTHERN ILLINOIS HOSPITAL SERVICES (CORPORATE MEMBER), HAS RESERVED POWERS FOUND IN THE ORGANIZATION'S BYLAWS 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 HAS THE RIGHT TO REQUIRE THE ORGANIZATION TO TRANSFER ASSETS TO THE EXTENT NECESSARY TO ACCOMPLISH THE CORPORATE MEMBER'S GOALS AND OBJECTIVES. THE CORPORATE MEMBER ALSO HAS THE RIGHT TO REQUIRE THE ORGANIZATION TO PROVIDE FOR THE PAYMENT OF ALL INDEBTEDNESS OF THE CORPORATE MEMBER OR A CORPORATE MEMBER AFFILIATE. THE ORGANIZATION CANNOT 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 OR 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 BYLAWS TO BE SUBMITTED TO THE CORPORATE MEMBER, 10. DELEGATION OF THE FUNCTIONS, POWERS, DUTIES AND RESPONSIBILITIES OF ANY OFFICER OF THE CORPORATION, AND, 11. ANY OTHER MATTER WHICH MAY BE SPECIFIED FROM TIME TO TIME BY THE CORPORATE MEMBER. IN ADDITION, THE CORPORATE MEMBER RETAINS THE RIGHT TO APPROVE ALL CHANGES TO THE ORGANIZATION'S BYLAWS.</p>

Identifier	Return Reference	Explanation
Review of form 990 by governing body	Form 990, Part VI, Section B, Line 11b	A DRAFT OF THE FORM 990 AND SUPPLEMENTAL SCHEDULES WAS DISTRIBUTED TO THE CEO, CFO AND CERTAIN VICE-PRESIDENTS OF THE CORPORATION FOR THEIR REVIEW AND COMMENTS THIS DRAFT COPY WAS PRESENTED TO THE FINANCE COMMITTEE BY THE CFO AND THE ORGANIZATION'S TAX ADVISORS FOR REVIEW AND COMMENTS ON JANUARY 16, 2013 AFTER THIS REVIEW AND COMMENT PERIOD, ALL SUGGESTIONS AND COMMENTS WERE CONSIDERED AND THE FORM 990 WAS UPDATED AS APPROPRIATE THE FINALIZED FORM 990 AND SUPPLEMENTAL SCHEDULES WAS THEN PRESENTED TO THE BOARD OF TRUSTEES AND A COPY OF THE RETURN WAS POSTED TO THE BOARD PORTAL BEFORE IT WAS FILED WITH THE IRS

Identifier	Return Reference	Explanation
Conflict of interest policy	Form 990, Part VI, Section B, Line 12c	ANNUALLY, THE GENERAL COUNSEL SENDS OUT A CONFLICT OF INTEREST QUESTIONNAIRE TO EACH TRUSTEE, DIRECTOR, OFFICER, AND MANAGER TO COMPLETE AND RETURN THE GENERAL COUNSEL THEN REVIEWS THESE QUESTIONNAIRES TO DETERMINE WHAT CONFLICTS, REAL OR PERCEIVED, EXIST DURING EVERY BOARD MEETING, 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, 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 TRUSTEE MAY NEED TO ANSWER AND THEN THE CONFLICTED TRUSTEE IS EXCUSED FROM THE MEETING THE REMAINING TRUSTEES THEN DISCUSS THE MATTER FURTHER AND ACTION IS TAKEN ON THE MATTER FINALLY, THE CONFLICTED TRUSTEE IS THEN INVITED BACK INTO THE MEETING

Identifier	Return Reference	Explanation
<p>Process used to establish compensation of top management official</p>	<p>Form 990, Part VI, Section B, Line 15a</p>	<p>COMPENSATION FOR THE ORGANIZATION'S PRESIDENT AND OTHER OFFICERS IS PAID BY SOUTHERN ILLINOIS HOSPITAL SERVICES, INC (SIHS), A RELATED TAX-EXEMPT ORGANIZATION THE BOARD OF TRUSTEES SETS THE EXECUTIVE COMPENSATION POLICY AND IS RESPONSIBLE FOR APPROVAL OF THE COMPENSATION THE GOVERNANCE COMMITTEE IS DESIGNATED BY THE BOARD TO ACT AS THE COMPENSATION COMMITTEE FOR MATTERS CONCERNING EXECUTIVE COMPENSATION EACH MEMBER OF THE COMMITTEE, WHILE CONSIDERING EXECUTIVE COMPENSATION ISSUES, MUST BE AN INDEPENDENT DIRECTOR, FREE FROM ANY CONFLICT OF INTEREST THE COMMITTEE SEEKS OUT AND CONTRACTS THE SERVICES OF AN OUTSIDE, INDEPENDENT EXECUTIVE COMPENSATION CONSULTANT TO ADVISE THE COMMITTEE IN MATTERS OF MARKET VALUES OF COMPARABLE EXECUTIVE POSITIONS THE COMMITTEE ANNUALLY REVIEWS ALL COMPARABILITY DATA 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 DECISIONS AND DELIBERATIONS ARE DOCUMENTED IN THE GOVERNANCE COMMITTEE MINUTES THIS PROCESS WAS LAST UNDERTAKEN IN JUNE 2011</p>

Identifier	Return Reference	Explanation
Process used to establish compensation of other officers/key employees	Form 990, Part VI, Section B, Line 15b	COMPENSATION FOR THE ORGANIZATION'S PRESIDENT AND OTHER OFFICERS IS PAID BY SOUTHERN ILLINOIS HOSPITAL SERVICES, INC (SIHS), A RELATED TAX-EXEMPT ORGANIZATION THE BOARD OF TRUSTEES SETS THE EXECUTIVE COMPENSATION POLICY AND IS RESPONSIBLE FOR APPROVAL OF THE COMPENSATION THE GOVERNANCE COMMITTEE IS DESIGNATED BY THE BOARD TO ACT AS THE COMPENSATION COMMITTEE FOR MATTERS CONCERNING EXECUTIVE COMPENSATION EACH MEMBER OF THE COMMITTEE, WHILE CONSIDERING EXECUTIVE COMPENSATION ISSUES, MUST BE AN INDEPENDENT DIRECTOR, FREE FROM ANY CONFLICT OF INTEREST THE COMMITTEE SEEKS OUT AND CONTRACTS THE SERVICES OF AN OUTSIDE, INDEPENDENT EXECUTIVE COMPENSATION CONSULTANT TO ADVISE THE COMMITTEE IN MATTERS OF MARKET VALUES OF COMPARABLE EXECUTIVE POSITIONS THE COMMITTEE ANNUALLY REVIEWS ALL COMPARABILITY DATA AND PREPARES A RECOMMENDATION AS TO THE COMPENSATION PACKAGE OF ALL OFFICERS FOR THE FULL BOARD ONLY THE COMMITTEE WILL HAVE THE AUTHORITY TO APPROVE THE COMPENSATION OF THE SENIOR MANAGEMENT TEAM AND WILL REPORT ITS ACTIONS TO THE BOARD THE DECISIONS AND DELIBERATIONS ARE DOCUMENTED IN THE GOVERNANCE COMMITTEE MINUTES THIS PROCESS WAS LAST UNDERTAKEN IN JUNE 2011

Identifier	Return Reference	Explanation
Governing documents, conflict of interest policy and financial statements available to the public	Form 990, Part VI, Section C, Line 19	THE ORGANIZATION MAKES ITS CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC UPON REQUEST GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS ARE NOT REQUIRED DISCLOSURES PURSUANT TO INTERNAL REVENUE CODE (IRC) SECTION 6104 THESE DOCUMENTS ARE NOT AVAILABLE TO THE PUBLIC AT THIS TIME

Identifier	Return Reference	Explanation
Average number of hours devoted per week to related organization	Form 990, Part VII, Section A, Column B	<p>JAMES MILLER MD - SOUTHERN ILLINOIS HOSPITAL SERVICES, 28 HOURS PER WEEK DAVE HOLLAND - SOUTHERN ILLINOIS HOSPITAL SERVICES, 32 HOURS PER WEEK PHILIP SCHAEFER - SOUTHERN ILLINOIS HOSPITAL SERVICES, 10 HOURS PER WEEK WILLIAM SHERWOOD - SOUTHERN ILLINOIS HOSPITAL SERVICES, 29 HOURS PER WEEK SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, 1 HOUR PER WEEK STEVE SABENS - SOUTHERN ILLINOIS HOSPITAL SERVICES, 2 HOURS PER WEEK SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, 1 HOUR PER WEEK KATHLEEN FRALISH - SOUTHERN ILLINOIS HOSPITAL SERVICES, 2 HOURS PER WEEK SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, 1 HOUR PER WEEK HAROLD BARDO - SOUTHERN ILLINOIS HOSPITAL SERVICES, 2 HOURS PER WEEK SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, 1 HOUR PER WEEK MIKE KASSER - SOUTHERN ILLINOIS HOSPITAL SERVICES, 29 HOURS PER WEEK SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, 1 HOUR PER WEEK REX BUDD - SOUTHERN ILLINOIS HOSPITAL SERVICES, 35 HOURS PER WEEK SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, 1 HOUR PER WEEK GEORGE O'NEILL - SOUTHERN ILLINOIS HOSPITAL SERVICES, 2 HOURS PER WEEK SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES, 1 HOUR PER WEEK</p>

Identifier	Return Reference	Explanation
Other changes in net assets or fund balances	Form 990, Part XI, Line 5	EQUITY TRANSFER FROM SIHS - 19938538,

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2011

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization

SOUTHERN ILLINOIS MEDICAL SERVICES NFP

Employer identification number

20-5521741

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) SOUTHERN ILLINOIS HOSPITAL SERVICES PO BOX 3988 CARBONDALE, IL 62902 37-0618939	HEALTHCARE	IL	501(C)(3)	3	SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES		No
(2) SOUTHERN ILLINOIS HEALTHCARE ENTERPRISES INC PO BOX 3988 CARBONDALE, IL 62902 37-1136788	LEASING OF MEDICAL SPACE	IL	501(C)(3)	11 - Type II	NA		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) RIC AND SIHS REHABILITATION SERVICES LLC PO BOX 3988 CARBONDALE, IL 629023988 36-4566925	MEDICAL SERVICES	IL	NA	N/A								
(2) PHYSICIANS' SURGERY CENTER LLC 2601 WEST MAIN STREET CARBONDALE, IL 62901 26-0425547	MEDICAL SERVICES	IL	NA	N/A								

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) SIH CAYMAN SPC GROUP LTD PO BOX 1051 GRAND CAYMAN, CJ KY1-1102 CJ 98-0611605	FINANCING	CJ	SIHS	C CORPORATION			

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

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

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 related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Sale of assets to related organization(s)
- g** Purchase of assets from related organization(s)
- h** Exchange of assets with related organization(s)
- i** Lease of facilities, equipment, or other assets to related organization(s)
- j** Lease of facilities, equipment, or other assets from related organization(s)
- k** Performance of services or membership or fundraising solicitations for related organization(s)
- l** Performance of services or membership or fundraising solicitations by related organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- n** Sharing of paid employees with related organization(s)

- o** Reimbursement paid to related organization(s) for expenses
- p** Reimbursement paid by related organization(s) for expenses

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

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

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VII Supplemental Information

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

Identifier**Return Reference****Explanation****Schedule R (Form 990) 2011**

Additional Data

Software ID: 11000230

Software Version: v2011.1.0

EIN: 20-5521741

Name: SOUTHERN ILLINOIS MEDICAL SERVICES NFP

Form 990, Special Condition Description:

Special Condition Description

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code) (Expenses \$	660,173	including grants of \$	0) (Revenue \$	1,619,087)
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SOUTHERN ILLINOIS MEDICAL SERVICES, NFP (SIMS) ALSO PROVIDES OTHER ADMINISTRATIVE SERVICES AND LEASES SPACE TO ITS RELATED ORGANIZATIONS