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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2016

Open to Public Inspection

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

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

Information about Form 990 and its instructions is at [www.irs.gov/form990](#)

A For the 2016 calendar year, or tax year beginning 01-01-2016 , and ending 12-31-2016

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final

☒ Return/terminated

☐ Amended return

☐ Application pending

C Name of organization

Health New England Inc

Doing business as

Number and street (or P.O. box if mail is not delivered to street address)

One Monarch Place No 1500

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

Springfield, MA 011441500

F Name and address of principal officer

Maura C McCaffrey

One Monarch Place No 1500

Springfield, MA 011441500

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

☐ Yes ☒ No

H(b) Are all subordinates included?

☐ Yes ☐ No

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

H(c) Group exemption number ▶

D Employer identification number

04-2864973

E Telephone number

(413) 787-4000

G Gross receipts \$ 998,421,725

I Tax-exempt status

☐ 501(c)(3) ☒ 501(c) ( 4 ) ◀ (insert no ) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.HealthNewEngland.Org

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 2013

M State of legal domicile MA

Part I Summary

1 Briefly describe the organization's mission or most significant activities

Health New England, Inc is a part of the Baystate Health System formed by its parent and sole member, Baystate Health, Inc , whose mission is "To improve the health of the people in our communities every day with quality and compassion " The mission of Health New England, Inc based on the mission of our parent, is as follows "To improve the health and life of our communities by providing outstanding service, delivering superior value, and acting as a leading corporate citizen "

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

3 Number of voting members of the governing body (Part VI, line 1a)

4 Number of independent voting members of the governing body (Part VI, line 1b)

5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)

6 Total number of volunteers (estimate if necessary)

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

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

8 Contributions and grants (Part VIII, line 1h)

9 Program service revenue (Part VIII, line 2g)

10 Investment income (Part VIII, column (A), lines 3, 4, and 7d )

11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

13 Grants and similar amounts paid (Part IX, column (A), lines 1–3 )

14 Benefits paid to or for members (Part IX, column (A), line 4)

15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

16a Professional fundraising fees (Part IX, column (A), line 11e)

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

17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)

18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)

19 Revenue less expenses Subtract line 18 from line 12

20 Total assets (Part X, line 16)

21 Total liabilities (Part X, line 26)

22 Net assets or fund balances Subtract line 21 from line 20

Part II Signature Block

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

Signature of officer

Steven J Sigal VP of Finance & CFO

Type or print name and title

Print/Type preparer's name

Christine Kaweck

Preparer's signature

Christine Kaweck

Date

Check ☐ if self-employed

PTIN P00743140

Firm's name ▶ Deloitte Tax LLP

Firm's EIN ▶ 86-1065772

Firm's address ▶ Two Jericho Plaza

Jericho, NY 11753

Phone no (516) 918-7000

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2016)

**Part III Statement of Program Service Accomplishments**

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

**1** Briefly describe the organization's mission

See Schedule OThe mission of Health New England, Inc , as part of Baystate Health, Inc (an integrated health care system), is to improve the overall quality of life and health status of the communities we serve and to contribute to the economic success of our region Health New England, Inc is committed to meeting the identified health and wellness needs of our communities served through the combined efforts of Baystate Health, community organization partners, and affiliated providers

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

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

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

If "Yes," describe these changes on Schedule O

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

|                     |   |
|---------------------|---|
| <b>4a</b>           | (Code ) (Expenses \$ 831,851,406 including grants of \$ 0 ) (Revenue \$ 931,054,978 ) |
| See Additional Data |   |

|           |   |
|-----------|---|
| <b>4b</b> | (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ ) |
|-----------|---|

|           |   |
|-----------|---|
| <b>4c</b> | (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ ) |
|-----------|---|

|           |  |   |
|-----------|--|---|
| <b>4d</b> | Other program services (Describe in Schedule O ) | (Expenses \$ including grants of \$ ) (Revenue \$ ) |
|-----------|--|---|

|           |                                  |             |
|-----------|----------------------------------|-------------|
| <b>4e</b> | Total program service expenses ▶ | 831,851,406 |
|-----------|----------------------------------|-------------|

**Part IV Checklist of Required Schedules**

|   | Yes        | No  |
|---|------------|-----|
| <b>1</b> 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> . . . . .   | <b>1</b>   | No  |
| <b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? . . . . .   | <b>2</b>   | No  |
| <b>3</b> 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> . . . . .  | <b>3</b>   | No  |
| <b>4 Section 501(c)(3) organizations.</b><br>Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year?<br><i>If "Yes," complete Schedule C, Part II</i> . . . . .  | <b>4</b>   |     |
| <b>5</b> 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?<br><i>If "Yes," complete Schedule C, Part III</i> . . . . .  | <b>5</b>   | No  |
| <b>6</b> 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?<br><i>If "Yes," complete Schedule D, Part I</i> 🗑️ . . . . .  | <b>6</b>   | No  |
| <b>7</b> 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> 🗑️ . . . . .   | <b>7</b>   | No  |
| <b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets?<br><i>If "Yes," complete Schedule D, Part III</i> 🗑️ . . . . .   | <b>8</b>   | No  |
| <b>9</b> Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> 🗑️ . . . . .          | <b>9</b>   | No  |
| <b>10</b> 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> 🗑️ . . . . .  | <b>10</b>  | No  |
| <b>11</b> 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  |            |     |
| <b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10?<br><i>If "Yes," complete Schedule D, Part VI</i> 🗑️ . . . . .   | <b>11a</b> | Yes |
| <b>b</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> 🗑️ . . . . .  | <b>11b</b> | Yes |
| <b>c</b> 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> 🗑️ . . . . .  | <b>11c</b> | No  |
| <b>d</b> 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> 🗑️ . . . . .   | <b>11d</b> | Yes |
| <b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> 🗑️ . . . . .  | <b>11e</b> | Yes |
| <b>f</b> 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> 🗑️ . . . . .   | <b>11f</b> | No  |
| <b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year?<br><i>If "Yes," complete Schedule D, Parts XI and XII</i> 🗑️ . . . . .  | <b>12a</b> | Yes |
| <b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year?<br><i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 🗑️ . . . . .   | <b>12b</b> | Yes |
| <b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> . . . . .  | <b>13</b>  | No  |
| <b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .  | <b>14a</b> | No  |
| <b>b</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, Parts I and IV</i> . . . . . | <b>14b</b> | No  |
| <b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i> . . . . .   | <b>15</b>  | No  |
| <b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i> . . . . .   | <b>16</b>  | No  |
| <b>17</b> 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> (see instructions) . . . . .  | <b>17</b>  | No  |
| <b>18</b> 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> . . . . .   | <b>18</b>  | No  |
| <b>19</b> 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> . . . . .   | <b>19</b>  | No  |

**Part IV Checklist of Required Schedules** (continued)

|  | Yes | No |
|--|-----|----|
| <b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H . . . . .</i>  |     | No |
| <b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?  |     |    |
| <b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . . . .</i>   |     | No |
| <b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . . . .</i>   |     | No |
| <b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . . . .</i>  | Yes |    |
| <b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .</i>                           |     | No |
| <b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .   |     |    |
| <b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .  |     |    |
| <b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .   |     |    |
| <b>25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b><br>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>  |     | No |
| <b>b</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?<br><i>If "Yes," complete Schedule L, Part I . . . . .</i>                                     |     | No |
| <b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons?<br><i>If "Yes," complete Schedule L, Part II . . . . .</i>                              |     | No |
| <b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III . . . . .</i> |     | No |
| <b>28</b> 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)   |     |    |
| <b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>  |     | No |
| <b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>   |     | No |
| <b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV . . . . .</i>   |     | No |
| <b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . . . .</i>  |     | No |
| <b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . . . .</i>  |     | No |
| <b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . . . .</i>  |     | No |
| <b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets?<br><i>If "Yes," complete Schedule N, Part II . . . . .</i>   |     | No |
| <b>33</b> 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>  |     | No |
| <b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .</i>  | Yes |    |
| <b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?   | Yes |    |
| <b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>  | Yes |    |
| <b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . . . .</i>  |     |    |
| <b>37</b> 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>   |     | No |
| <b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .  | Yes |    |

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V ☐

|            |  | Yes | No    |
|------------|--|-----|-------|
| <b>1a</b>  | Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . . . . .  | 1a  | 8,555 |
| <b>b</b>   | Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable . . . . .   | 1b  | 0     |
| <b>c</b>   | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .   | 1c  | Yes   |
| <b>2a</b>  | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .  | 2a  | 445   |
| <b>b</b>   | If at least one is reported on line 2a, did the organization file all required federal employment tax returns?<br><b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)                               | 2b  | Yes   |
| <b>3a</b>  | Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .  | 3a  | No    |
| <b>b</b>   | If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O . . . . .  | 3b  |       |
| <b>4a</b>  | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .             | 4a  | No    |
| <b>b</b>   | If "Yes," enter the name of the foreign country <span style="border-bottom: 1px solid black; display: inline-block; width: 200px;"></span><br>See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) |     |       |
| <b>5a</b>  | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .  | 5a  | No    |
| <b>b</b>   | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .   | 5b  | No    |
| <b>c</b>   | If "Yes," to line 5a or 5b, did the organization file Form 8886-T? . . . . .   | 5c  |       |
| <b>6a</b>  | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . . . .  | 6a  | No    |
| <b>b</b>   | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .  | 6b  |       |
| <b>7</b>   | <b>Organizations that may receive deductible contributions under section 170(c).</b>   |     |       |
| <b>a</b>   | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .  | 7a  |       |
| <b>b</b>   | If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .  | 7b  |       |
| <b>c</b>   | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .   | 7c  |       |
| <b>d</b>   | If "Yes," indicate the number of Forms 8282 filed during the year . . . . .  | 7d  |       |
| <b>e</b>   | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .  | 7e  |       |
| <b>f</b>   | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .   | 7f  |       |
| <b>g</b>   | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . . . .   | 7g  |       |
| <b>h</b>   | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . . . .   | 7h  |       |
| <b>8</b>   | <b>Sponsoring organizations maintaining donor advised funds.</b><br>Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? . . . . .  | 8   |       |
| <b>9a</b>  | Did the sponsoring organization make any taxable distributions under section 4966? . . . . .   | 9a  |       |
| <b>b</b>   | Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . . . .  | 9b  |       |
| <b>10</b>  | <b>Section 501(c)(7) organizations.</b> Enter  |     |       |
| <b>a</b>   | Initiation fees and capital contributions included on Part VIII, line 12 . . . . .   | 10a |       |
| <b>b</b>   | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .  | 10b |       |
| <b>11</b>  | <b>Section 501(c)(12) organizations.</b> Enter   |     |       |
| <b>a</b>   | Gross income from members or shareholders . . . . .  | 11a |       |
| <b>b</b>   | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them ) . . . . .   | 11b |       |
| <b>12a</b> | <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . . . .  | 12a |       |
| <b>b</b>   | If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .  | 12b |       |
| <b>13</b>  | <b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>  |     |       |
| <b>a</b>   | Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O . . . . .   | 13a |       |
| <b>b</b>   | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . . . .  | 13b |       |
| <b>c</b>   | Enter the amount of reserves on hand . . . . .   | 13c |       |
| <b>14a</b> | Did the organization receive any payments for indoor tanning services during the tax year? . . . . .   | 14a | No    |
| <b>b</b>   | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . . . .  | 14b |       |

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

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

**Section A. Governing Body and Management**

|           |   | Yes | No |
|-----------|---|-----|----|
| <b>1a</b> | Enter the number of voting members of the governing body at the end of the tax year   |     |    |
|           | If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O    |     |    |
| <b>1b</b> | Enter the number of voting members included in line 1a, above, who are independent  |     |    |
| <b>2</b>  | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?   | Yes |    |
| <b>3</b>  | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? |     | No |
| <b>4</b>  | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?  |     | No |
| <b>5</b>  | Did the organization become aware during the year of a significant diversion of the organization's assets?  |     | No |
| <b>6</b>  | Did the organization have members or stockholders?  | Yes |    |
| <b>7a</b> | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?  | Yes |    |
| <b>7b</b> | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?   | Yes |    |
| <b>8</b>  | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:   |     |    |
| <b>a</b>  | The governing body?   | Yes |    |
| <b>b</b>  | Each committee with authority to act on behalf of the governing body?   | Yes |    |
| <b>9</b>  | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O.       |     | No |

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

|            |  | Yes | No |
|------------|--|-----|----|
| <b>10a</b> | Did the organization have local chapters, branches, or affiliates?   |     | No |
| <b>10b</b> | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?   |     |    |
| <b>11a</b> | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?  | Yes |    |
| <b>11b</b> | Describe in Schedule O the process, if any, used by the organization to review this Form 990.  |     |    |
| <b>12a</b> | Did the organization have a written conflict of interest policy? If "No," go to line 13.   | Yes |    |
| <b>12b</b> | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?  | Yes |    |
| <b>12c</b> | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done.  | Yes |    |
| <b>13</b>  | Did the organization have a written whistleblower policy?  | Yes |    |
| <b>14</b>  | Did the organization have a written document retention and destruction policy?   | Yes |    |
| <b>15</b>  | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?   |     |    |
| <b>15a</b> | The organization's CEO, Executive Director, or top management official   | Yes |    |
| <b>15b</b> | Other officers or key employees of the organization  | Yes |    |
|            | If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).  |     |    |
| <b>16a</b> | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?  |     | No |
| <b>16b</b> | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? |     |    |

**Section C. Disclosure**

**17** List the States with which a copy of this Form 990 is required to be filed: MA

**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 ☒ Upon request ☐ Other (explain in Schedule O)

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

**20** State the name, address, and telephone number of the person who possesses the organization's books and records:  
 ▶ Health New England Inc. One Monarch Place Suite 1500 Springfield, MA 011441500 (413) 787-4000

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

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

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

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

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

[illegible]

[illegible]

|  |           |           |           |
|--|-----------|-----------|-----------|
| <b>1b Sub-Total</b>  |           |           |           |
| <b>c Total from continuation sheets to Part VII, Section A</b> |           |           |           |
| <b>d Total (add lines 1b and 1c)</b>                           | 4,777,781 | 3,507,222 | 1,813,875 |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 83

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

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A)<br>Name and business address   | (B)<br>Description of services | (C)<br>Compensation |
|--|--------------------------------|---------------------|
| OPTUMRX<br>11000 Optum Circle<br>Eden Prairie, MN 55344                                    | Pharmacy Benefits Manager      | 176,199,967         |
| MASSACHUSETTS BEHAVIORAL HEALTH PARTNERS<br>1000 Washington St Ste 310<br>Boston, MA 02118 | Medical Services Mental Health | 53,182,562          |
| BERKSHIRE MEDICAL CENTER<br>PO Box 4999<br>Pittsfield, MA 012024999                        | Medical Services               | 42,688,139          |
| MERCY MEDICAL CENTER<br>175 Carew Street 200<br>Springfield, MA 01104                      | Medical Services               | 30,880,446          |
| COOLEY DICKINSON HOSPITAL<br>PO Box 5001<br>Northampton, MA 01061                          | Medical Services               | 23,647,968          |

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 425



Part VIII

Statement of Revenue

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

|   |   |  | (A)<br>Total revenue | (B)<br>Related or<br>exempt<br>function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue<br>excluded from<br>tax under sections<br>512-514 |
|---|---|--|----------------------|--|---|--|
| Contributions, Gifts, Grants<br>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,<br>and similar amounts not included<br>above   | 1f                   |  |   |  |
|   | g   | Noncash contributions included<br>in lines 1a-1f \$ _____  |                      |  |   |  |
|   | h   | Total. Add lines 1a-1f . . . . .   |                      |  |   |  |
| Program Service Revenue                                   |   |  | Business Code        |  |   |  |
|   | 2a  | Medicaid Premium   | 524114               | 401,286,577  | 401,286,577                             |  |
|   | b   | Premium - Commercial Large Group   | 524114               | 190,674,818  | 190,674,818                             |  |
|   | c   | Premium - Commercial Small Group   | 524114               | 135,810,550  | 135,810,550                             |  |
|   | d   | Massachusetts Group Insurance Com  | 524114               | 112,504,732  | 112,504,732                             |  |
|   | e   | Medicare Advantage Premium   | 524114               | 90,778,301   | 90,778,301                              |  |
|   | f   | All other program service revenue  |                      |  |   |  |
|   | g   | Total. Add lines 2a-2f . . . . .   | 931,054,978          |  |   |  |
| Other Revenue   | 3 Investment income (including dividends, interest, and other<br>similar amounts) . . . . . |  | 2,384,477            |  |   | 2,384,477  |
|   | 4 Income from investment of tax-exempt bond proceeds  |  |                      |  |   |  |
|   | 5 Royalties . . . . .   |  |                      |  |   |  |
|   |   |  | (i) Real             | (ii) Personal                                      |   |  |
|   | 6a  | Gross rents  |                      |  |   |  |
|   | b   | Less rental expenses   |                      |  |   |  |
|   | c   | Rental income or<br>(loss)   |                      |  |   |  |
|   | d   | Net rental income or (loss) . . . . .  |                      |  |   |  |
|   |   |  | (i) Securities       | (ii) Other   |   |  |
|   | 7a  | Gross amount<br>from sales of<br>assets other<br>than inventory  | 64,982,270           |  |   |  |
|   | b   | Less cost or<br>other basis and<br>sales expenses  | 64,541,054           |  |   |  |
|   | c   | Gain or (loss)   | 441,216              |  |   |  |
|   | d   | Net gain or (loss) . . . . .   | 441,216              |  |   | 441,216  |
|   | 8a  | Gross income from fundraising events<br>(not including \$ _____ of<br>contributions reported on line 1c)<br>See Part IV, line 18 . . . . . | a                    |  |   |  |
|   | b   | Less direct expenses . . . . .   | b                    |  |   |  |
|   | c   | Net income or (loss) from fundraising events . . . . .   |                      |  |   |  |
|   | 9a  | Gross income from gaming activities<br>See Part IV, line 19 . . . . .  | a                    |  |   |  |
|   | b   | Less direct expenses . . . . .   | b                    |  |   |  |
| c   | Net income or (loss) from gaming activities . . . . .                                       |  |                      |  |   |  |
| 10a   | Gross sales of inventory, less<br>returns and allowances . . . . .                          | a  |                      |  |   |  |
| b   | Less cost of goods sold . . . . .   | b  |                      |  |   |  |
| c   | Net income or (loss) from sales of inventory . . . . .                                      |  |                      |  |   |  |
| Miscellaneous Revenue                                     |   | Business Code  |                      |  |   |  |
| 11a   |   |  |                      |  |   |  |
| b   |   |  |                      |  |   |  |
| c   |   |  |                      |  |   |  |
| d   | All other revenue . . . . .   |  |                      |  |   |  |
| e   | Total. Add lines 11a-11d . . . . .  |  |                      |  |   |  |
| 12  | Total revenue. See Instructions . . . . .   | 933,880,671  |                      | 931,054,978  | 0                                       | 2,825,693  |

**Part IX Statement of Functional Expenses**

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

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

|   | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| <b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.  |                       |                                 |  |                             |
| <b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22.   |                       |                                 |  |                             |
| <b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.   |                       |                                 |  |                             |
| <b>4</b> Benefits paid to or for members  | 831,851,406           | 831,851,406                     |  |                             |
| <b>5</b> Compensation of current officers, directors, trustees, and key employees . . . . .   | 4,626,726             |                                 | 4,626,726                              |                             |
| <b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .  |                       |                                 |  |                             |
| <b>7</b> Other salaries and wages   | 20,315,245            |                                 | 20,315,245                             |                             |
| <b>8</b> Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions) . . . . .  | 1,583,552             |                                 | 1,583,552                              |                             |
| <b>9</b> Other employee benefits . . . . .  | 6,014,595             |                                 | 6,014,595                              |                             |
| <b>10</b> Payroll taxes . . . . .   | 1,972,419             |                                 | 1,972,419                              |                             |
| <b>11</b> Fees for services (non-employees)   |                       |                                 |  |                             |
| <b>a</b> Management . . . . .   |                       |                                 |  |                             |
| <b>b</b> Legal . . . . .  | 1,195,531             |                                 | 1,195,531                              |                             |
| <b>c</b> Accounting . . . . .   | 1,895,174             |                                 | 1,895,174                              |                             |
| <b>d</b> Lobbying . . . . .   | 73,673                |                                 | 73,673                                 |                             |
| <b>e</b> Professional fundraising services. See Part IV, line 17.   |                       |                                 |  |                             |
| <b>f</b> Investment management fees . . . . .   | 518,588               |                                 | 518,588                                |                             |
| <b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)  | 18,780,853            |                                 | 18,780,853                             |                             |
| <b>12</b> Advertising and promotion . . . . .   | 1,785,497             |                                 | 1,785,497                              |                             |
| <b>13</b> Office expenses . . . . .   | 2,505,018             |                                 | 2,505,018                              |                             |
| <b>14</b> Information technology . . . . .  | 5,257,424             |                                 | 5,257,424                              |                             |
| <b>15</b> Royalties . . . . .   |                       |                                 |  |                             |
| <b>16</b> Occupancy . . . . .   | 968,046               |                                 | 968,046                                |                             |
| <b>17</b> Travel . . . . .  | 185,576               |                                 | 185,576                                |                             |
| <b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .  |                       |                                 |  |                             |
| <b>19</b> Conferences, conventions, and meetings . . . . .  | 52,179                |                                 | 52,179                                 |                             |
| <b>20</b> Interest . . . . .  |                       |                                 |  |                             |
| <b>21</b> Payments to affiliates . . . . .  |                       |                                 |  |                             |
| <b>22</b> Depreciation, depletion, and amortization . . . . .   | 1,601,740             |                                 | 1,601,740                              |                             |
| <b>23</b> Insurance . . . . .   | 131,847               |                                 | 131,847                                |                             |
| <b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)   |                       |                                 |  |                             |
| <b>a</b> ACA and Other Taxes  | 10,575,692            |                                 | 10,575,692                             |                             |
| <b>b</b> Recruiting Fees  | 245,060               |                                 | 245,060                                |                             |
| <b>c</b> Bad Debt Expense   | 226,307               |                                 | 226,307                                |                             |
| <b>d</b> Charitable Fees  | 12,996                |                                 | 12,996                                 |                             |
| <b>e</b> All other expenses   |                       |                                 |  |                             |
| <b>25</b> Total functional expenses. Add lines 1 through 24e.   | 912,375,144           | 831,851,406                     | 80,523,738                             | 0                           |
| <b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.<br>Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) |                       |                                 |  |                             |

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

|                                    |  |  |             | (A)<br>Beginning of year |             | (B)<br>End of year |
|------------------------------------|--|--|-------------|--------------------------|-------------|--------------------|
| <b>Assets</b>                      | <b>1</b>   | Cash—non-interest-bearing . . . . .  |             | 29,472,726               | <b>1</b>    | 28,410,260         |
|                                    | <b>2</b>   | Savings and temporary cash investments . . . . .   |             | 548,851                  | <b>2</b>    | 1,667,768          |
|                                    | <b>3</b>   | Pledges and grants receivable, net . . . . .   |             |                          | <b>3</b>    |                    |
|                                    | <b>4</b>   | Accounts receivable, net . . . . .   |             | 4,428,372                | <b>4</b>    | 25,034,530         |
|                                    | <b>5</b>   | Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.   |             |                          | <b>5</b>    |                    |
|                                    | <b>6</b>   | Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L. |             |                          | <b>6</b>    |                    |
|                                    | <b>7</b>   | Notes and loans receivable, net . . . . .  |             |                          | <b>7</b>    |                    |
|                                    | <b>8</b>   | Inventories for sale or use . . . . .  |             |                          | <b>8</b>    |                    |
|                                    | <b>9</b>   | Prepaid expenses and deferred charges . . . . .  |             |                          | <b>9</b>    |                    |
|                                    | <b>10a</b>   | Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D.  | <b>10a</b>  | 25,764,396               |             |                    |
|                                    | <b>b</b>   | Less: accumulated depreciation   | <b>10b</b>  | 24,780,939               |             |                    |
|                                    |  |  |             | 604,452                  | <b>10c</b>  | 983,457            |
|                                    | <b>11</b>  | Investments—publicly traded securities . . . . .   |             | 109,806,019              | <b>11</b>   | 97,949,642         |
|                                    | <b>12</b>  | Investments—other securities. See Part IV, line 11 . . . . .   |             | 9,603,669                | <b>12</b>   | 9,484,881          |
|                                    | <b>13</b>  | Investments—program-related. See Part IV, line 11 . . . . .  |             |                          | <b>13</b>   |                    |
|                                    | <b>14</b>  | Intangible assets . . . . .  |             |                          | <b>14</b>   |                    |
| <b>15</b>                          | Other assets. See Part IV, line 11 . . . . .   |  | 11,035,401  | <b>15</b>                | 21,664,032  |                    |
| <b>16</b>                          | <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .   |  | 165,499,490 | <b>16</b>                | 185,194,570 |                    |
| <b>Liabilities</b>                 | <b>17</b>  | Accounts payable and accrued expenses . . . . .  |             | 108,608,982              | <b>17</b>   | 103,863,993        |
|                                    | <b>18</b>  | Grants payable . . . . .   |             |                          | <b>18</b>   |                    |
|                                    | <b>19</b>  | Deferred revenue . . . . .   |             |                          | <b>19</b>   |                    |
|                                    | <b>20</b>  | Tax-exempt bond liabilities . . . . .  |             |                          | <b>20</b>   |                    |
|                                    | <b>21</b>  | Escrow or custodial account liability. Complete Part IV of Schedule D.   |             |                          | <b>21</b>   |                    |
|                                    | <b>22</b>  | Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .   |             |                          | <b>22</b>   |                    |
|                                    | <b>23</b>  | Secured mortgages and notes payable to unrelated third parties . . . . .   |             |                          | <b>23</b>   |                    |
|                                    | <b>24</b>  | Unsecured notes and loans payable to unrelated third parties . . . . .   |             |                          | <b>24</b>   |                    |
|                                    | <b>25</b>  | 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.   |             | 16,781,637               | <b>25</b>   | 23,870,623         |
|                                    | <b>26</b>  | <b>Total liabilities.</b> Add lines 17 through 25 . . . . .  |             | 125,390,619              | <b>26</b>   | 127,734,616        |
| <b>Net Assets or Fund Balances</b> | <b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b> |  |             |                          |             |                    |
|                                    | <b>27</b>  | Unrestricted net assets  |             | 40,108,871               | <b>27</b>   | 57,459,954         |
|                                    | <b>28</b>  | Temporarily restricted net assets . . . . .  |             |                          | <b>28</b>   |                    |
|                                    | <b>29</b>  | Permanently restricted net assets  |             |                          | <b>29</b>   |                    |
|                                    | <b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>                          |  |             |                          |             |                    |
|                                    | <b>30</b>  | Capital stock or trust principal, or current funds . . . . .   |             |                          | <b>30</b>   |                    |
|                                    | <b>31</b>  | Paid-in or capital surplus, or land, building or equipment fund . . . . .  |             |                          | <b>31</b>   |                    |
|                                    | <b>32</b>  | Retained earnings, endowment, accumulated income, or other funds   |             |                          | <b>32</b>   |                    |
|                                    | <b>33</b>  | <b>Total net assets or fund balances</b> . . . . .   |             | 40,108,871               | <b>33</b>   | 57,459,954         |
| <b>34</b>                          | <b>Total liabilities and net assets/fund balances</b> . . . . .  |  | 165,499,490 | <b>34</b>                | 185,194,570 |                    |

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI ☒

|           |   |           |             |
|-----------|---|-----------|-------------|
| <b>1</b>  | Total revenue (must equal Part VIII, column (A), line 12)   | <b>1</b>  | 933,880,671 |
| <b>2</b>  | Total expenses (must equal Part IX, column (A), line 25)  | <b>2</b>  | 912,375,144 |
| <b>3</b>  | Revenue less expenses Subtract line 2 from line 1   | <b>3</b>  | 21,505,527  |
| <b>4</b>  | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))                     | <b>4</b>  | 40,108,871  |
| <b>5</b>  | Net unrealized gains (losses) on investments  | <b>5</b>  | 1,444,186   |
| <b>6</b>  | Donated services and use of facilities  | <b>6</b>  |             |
| <b>7</b>  | Investment expenses   | <b>7</b>  |             |
| <b>8</b>  | Prior period adjustments  | <b>8</b>  |             |
| <b>9</b>  | Other changes in net assets or fund balances (explain in Schedule O)  | <b>9</b>  | -5,598,630  |
| <b>10</b> | Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | <b>10</b> | 57,459,954  |

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII ☒

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

Additional Data

Software ID:  
Software Version:  
EIN: 04-2864973  
Name: Health New England Inc

Form 990 (2016)

Form 990, Part III, Line 4a:

Health New England, Inc makes high quality, low cost health care services available through health plans within a service area that comprises more poor, medically underserved and rural communities than any other part of Massachusetts. A federal Health Resources & Services Administration (HRSA) report stated that of the 102 Massachusetts towns designated as medically underserved, 78 are in the four counties that Health New England, Inc serves. Based on that statistic, in all, over 45% of Health New England, Inc 's enrollees live in medically underserved areas. See Schedule O for further information. Health New England, Inc 's service area includes four of the five counties with the highest percentage of poverty and the lowest per capita income in Massachusetts, based on US Census Bureau data. Many residents in western Massachusetts thus struggle with poverty and low levels of income. Across the four counties of western Massachusetts, 16% of residents live in poverty, and the median family income in three of the four counties is more than 20% lower than that of the state. Child poverty rates are high with 23% of children in the region living in poverty. Hampden County has the highest rates of poverty and unemployment in Health New England, Inc 's service area and the lowest median income. Also, lower levels of education contribute to unemployment and the ability to earn a livable wage. Approximately 12% of residents age 25 and older in western Massachusetts do not have a high school diploma, with the highest rates observed in Hampden County (16%). In the communities of Springfield, Holyoke, Chicopee, Ludlow, West Springfield, and Pittsfield, over 20% of eligible individuals do not have a high school diploma, which is nearly double the statewide rate. Health New England, Inc makes health care available in this service area and to this population by offering health plans which serve the following: Individuals and Small Groups. Enrollees at 12/31/2016: 27,813. Revenue \$135,810,550. Program Expenses \$123,173,772. Health New England, Inc offers health plans to individuals and families (both directly and through the Massachusetts Health Connector) and small employer groups (employers with 50 or fewer employees). Health New England, Inc is one of the leading sources of HMO coverage for individuals and small groups in Western Massachusetts. Medicare Enrollees at 12/31/2016: 9,111. Revenue \$90,778,301. Program Expense \$88,409,407. Health New England, Inc serves Medicare enrollees through the Health New England, Inc Medicare Advantage plan. Medicaid Enrollees at 12/31/2016: 66,280. Revenue \$401,286,577. Program Expense \$353,697,040. Health New England, Inc participates in MassHealth, the Massachusetts Medicaid program, through a Medicaid Managed Care plan. The number of Health New England, Inc 's Medicaid plan enrollees has generally increased since 2010 when Health New England, Inc began offering such plans, with more than 66,000 enrollees in 2016. State and Municipal Enrollees at 12/31/2016: 22,369. Revenue \$112,504,732. Program Expense \$96,967,281. Health New England, Inc offers health plans through the Massachusetts Group Insurance Commission (GIC), which provides coverage for Massachusetts state and municipal employees. Health New England, Inc has one of the largest enrollments of GIC covered employees in Western Massachusetts. Other Individuals and Families Enrollees at 12/31/2016: 38,413. Revenue \$190,674,818. Program Expense \$169,604,216. Health New England, Inc also provides coverage to individuals and families through plans offered by employers which have more than 50 employees. This category includes many municipal employees who do not obtain coverage through the GIC, and also includes many employees of health care and nonprofit organizations. Health New England, Inc committed more than \$750,000 in quantifiable community benefit services to the community, with \$450,000 of direct financial support reportable under the Massachusetts Attorney General's specific criteria. Accordingly, Health New England, Inc has aided or worked with a wide variety of community organizations to support programs for health improvement and community benefit. - Feed the Valley. Health New England, Inc dedicated \$100,000 from the Community Benefit budget to 36 regional food resource centers. These agencies include food pantries, soup kitchens and faith-based meal services, and were selected as recipients of aid ranging from \$1,000 to \$10,000. The distribution of dollars was based on demographic and need data reported through a Community Health Needs Assessment, and utilization and financial data reported to Health New England, Inc by the community partners. Four recipient organizations were identified by Health New England, Inc: Medicaid community outreach staff as the result of outreach and interaction with at-risk members. - Farmers Market at Mason Square Health Center and High Street Health in Springfield, MA, and Gardening the Community (GTC Eats!), bringing fresh produce and nutrition education to inner city families. - Food Bank of Western Massachusetts, distributing food to member agencies in Berkshire, Franklin, Hampden and Hampshire counties. - Open Gyms in support of the Springfield, MA Public Schools and Parks and Recreation Department. - Targeted at children between the ages of 12 and 17 living in high risk neighborhoods in the City of Springfield. - Neutral Corner Anti-Bullying Education Program for Springfield students. - Anti-Bullying program offered in Springfield middle schools, promotes fitness, wellness, nutrition and activities to improve self-esteem, respect and cultural understanding for youth. - Project Coach in support of the mission to bridge economic, educational and social divisions facing Springfield's youth by empowering and employing teenagers to become sports coaches and academic mentors to elementary school students. - The Care Center, serving more than 100 pregnant and parenting teens annually who attend The Care Center's education programs. Since 2004, an average of 75% of Care Center students who leave with their High School Equivalency go on to college. - Springfield YMCA Y-AIM Program in support of middle school children with the goal of reducing the high school dropout rate. - Greater Springfield YMCA with a focus on early childhood education programs. - Square One Preschool in support of dental care provided in the preschool environment at Square One and Early Childhood Centers of Springfield. - Link to Libraries underwriting the regional early childhood literacy initiative. - Friends of the Homeless Worthington Street Resource Center supporting the largest emergency center for adults in Western MA, which provides services aimed at ending homelessness and operates 110 low-income housing units. - ServiceNet, serving homeless, addicted, mentally ill and developmentally disabled or brain injured persons. - AIDS Foundation of Western MA in support of community education focusing on the prevention and management of AIDS. - YEAH Network (Youth Empowerment Adolescent Network) supporting research, community education and collaboration to improve the practice and policy related to adolescent sexual health outcomes. - MOCHA (Men of Color Health Awareness), enables men of color to engage in an educational and social experience with the support and motivation from the membership.

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

(A)

(B)

(C)

(D)

(E)

(F)

| Name and Title                                    | Average hours per week (list any hours for related organizations below dotted line) | Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | Reportable compensation from the organization (W- 2/1099-MISC) | Reportable compensation from related organizations (W- 2/1099-MISC) | Estimated amount of other compensation from the organization and related organizations |
|---|---|--|-----------------------|---------|--------------|------------------------------|--------|--|---|--|
|   |   | Individual trustee or director   | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former |  |   |  |
| Dennis Chalke<br>.....<br>Treasurer/Director      | 1 00<br>.....<br>40 00  | X  |                       | X       |              |                              |        | 0  | 935,201   | 89,071   |
| Mark R Tolosky ESQ<br>.....<br>Director           | 1 00<br>.....<br>0 00   | X  |                       |         |              |                              |        | 0  | 136,771   | 5,559  |
| Joel Feinman PhD<br>.....<br>Director             | 1 00<br>.....<br>0 00   | X  |                       |         |              |                              |        | 0  | 0   | 0  |
| Frederic Fuller III<br>.....<br>Director          | 1 00<br>.....<br>0 00   | X  |                       |         |              |                              |        | 0  | 0   | 0  |
| David Southworth Beg 0116<br>.....<br>Director    | 1 00<br>.....<br>0 00   | X  |                       |         |              |                              |        | 0  | 0   | 0  |
| Richard Segool MD<br>.....<br>Vice Chair/Director | 1 00<br>.....<br>0 00   | X  |                       | X       |              |                              |        | 0  | 0   | 0  |
| Richard Shuman MD Beg 0116<br>.....<br>Director   | 1 00<br>.....<br>0 00   | X  |                       |         |              |                              |        | 0  | 0   | 0  |
| Richard Steele Beg 0116<br>.....<br>Director      | 1 00<br>.....<br>0 00   | X  |                       |         |              |                              |        | 0  | 0   | 0  |
| Anne Paradis<br>.....<br>Director                 | 1 00<br>.....<br>0 00   | X  |                       |         |              |                              |        | 0  | 0   | 0  |
| Howard G Trietsch MD<br>.....<br>Director         | 1 00<br>.....<br>0 00   | X  |                       |         |              |                              |        | 0  | 0   | 0  |

| Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors |  |   |                       |         |              |                              |        |   |  |   |
|---|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| (A)<br>Name and Title   | (B)<br>Average hours per week (list any hours for related organizations below dotted line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W- 2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W- 2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|   |  | Individual trustee or director  | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former |   |  |   |
| Carol Campbell<br>.....<br>Director   | 1 00<br>.....<br>0 00  | X   |                       |         |              |                              |        | 0   | 0  | 0   |
| Mark A Keroack MD<br>.....<br>Chair/Director  | 1 00<br>.....<br>40 00   | X   |                       | X       |              |                              |        | 0   | 2,182,220  | 38,487  |
| Tania Barber Beg 0116<br>.....<br>Director  | 1 00<br>.....<br>0 00  | X   |                       |         |              |                              |        | 0   | 0  | 0   |
| Benjamin Liptzin End 1216<br>.....<br>Director  | 1 00<br>.....<br>0 00  | X   |                       | X       |              |                              |        | 0   | 45,533   | 37,399  |
| Maura C McCaffrey<br>.....<br>President & CEO   | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 901,151   | 0  | 415,645   |
| Judith M Danek<br>.....<br>Clerk Of Corporation   | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 108,219   | 0  | 37,610  |
| Thomas J Brown III End 0316<br>.....<br>Interim CFO   | 1 00<br>.....<br>40 00   |   |                       | X       |              |                              |        | 0   | 207,497  | 39,350  |
| Amy Trombley<br>.....<br>VP & Chief Talent Officer  | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 334,820   | 0  | 137,853   |
| James Kessler End 0716<br>.....<br>VP General Counsel   | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 202,219   | 0  | 62,454  |
| Jody Gross<br>.....<br>VP of Operations and Government Programs   | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 369,707   | 0  | 173,616   |

| Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors |  |   |                       |         |              |                              |        |   |  |   |
|---|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| (A)<br>Name and Title   | (B)<br>Average hours per week (list any hours for related organizations below dotted line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W- 2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W- 2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|   |  | Individual trustee or director  | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former |   |  |   |
| Kenneth Bernard<br>.....<br>Security Officer & VP of Information Technology   | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 258,303   | 0  | 134,943   |
| Michael Marrone 716 To 1216<br>.....<br>VP of Finance & CFO   | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 176,711   | 0  | 650   |
| Jason Rio<br>.....<br>Compliance Officer  | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 134,217   | 0  | 49,229  |
| Laurie Gianturco<br>.....<br>VP & Chief Medical Officer   | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 416,177   | 0  | 226,037   |
| Catherine Allen Beg 0616<br>.....<br>VP of Sales & Marketing  | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 186,963   | 0  | 78,963  |
| Steven Shaeffer Beg 1116<br>.....<br>Interim CFO  | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 30,653  | 0  | 0   |
| David Methe End 0116<br>.....<br>Security Officer   | 40 00<br>.....<br>0 00   |   |                       | X       |              |                              |        | 145,509   | 0  | 5,727   |
| Jeffrey Krawczyk<br>.....<br>Director of Sales  | 40 00<br>.....<br>0 00   |   |                       |         |              | X                            |        | 179,917   | 0  | 38,950  |
| Jacqueline Spain<br>.....<br>Medical Director   | 32 00<br>.....<br>0 00   |   |                       |         |              | X                            |        | 213,906   | 0  | 78,934  |
| Andrew Colby<br>.....<br>Director of Pharmacy Services  | 40 00<br>.....<br>0 00   |   |                       |         |              | X                            |        | 188,141   | 0  | 58,212  |



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

| (A)<br>Name and Title   | (B)<br>Average hours per week (list any hours for related organizations below dotted line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W- 2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W- 2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|---|--|---|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
|   |  | Individual trustee or director  | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former |   |  |   |
| Susan Silver O'Connor<br>.....<br>Director & General Counsel    | 40 00<br>.....<br>0 00   |   |                       |         |              | X                            |        | 172,305   | 0  | 65,269  |
| Rebecca Star<br>.....<br>Medical Director                       | 40 00<br>.....<br>0 00   |   |                       |         |              | X                            |        | 161,462   | 0  | 32,278  |
| Robert A Kosior End 1215<br>.....<br>Former VP of Finance & CFO | 40 00<br>.....<br>0 00   |   |                       |         |              |                              | X      | 597,401   | 0  | 7,639   |

|  |  |  |  |  |  |
|--|--|--|--|--|--|
| efile GRAPHIC print - DO NOT PROCESS   |  | As Filed Data -  |  | DLN: 93493318089827                          |  |
| <div>SCHEDULE D<br/>(Form 990)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div>  |  | <div>Supplemental Financial Statements</div> <div>► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.<br/>► Attach to Form 990.</div> <div>Information about Schedule D (Form 990) and its instructions is at <a href="http://www.irs.gov/form990">www.irs.gov/form990</a>.</div> |  |  | <div>OMB No 1545-0047</div> <div>2016</div> <div>Open to Public Inspection</div> |
| Name of the organization<br>Health New England Inc   |  |  |  | Employer identification number<br>04-2864973 |  |
| Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.<br>Complete if the organization answered "Yes" on Form 990, Part IV, line 6.              |  |  |  |  |  |
|  |  | (a) Donor advised funds  |  | (b) Funds and other accounts                 |  |
| 1  | Total number at end of year  |  |  |  |  |
| 2  | Aggregate value of contributions to (during year)  |  |  |  |  |
| 3  | Aggregate value of grants from (during year)   |  |  |  |  |
| 4  | Aggregate value at end of year   |  |  |  |  |
| 5  | Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?   |  |  |  | <input type="checkbox"/> Yes <input type="checkbox"/> No                         |
| 6  | Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  |  |  |  | <input type="checkbox"/> Yes <input type="checkbox"/> No                         |
| Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.  |  |  |  |  |  |
| 1  | Purpose(s) of conservation easements held by the organization (check all that apply)<br><input type="checkbox"/> Preservation of land for public use (e g , recreation or education) <input type="checkbox"/> Preservation of an historically important land area<br><input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure<br><input type="checkbox"/> Preservation of open space |  |  |  |  |
| 2  | Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year   |  |  |  |  |
| a  | Total number of conservation easements   | Held at the End of the Year  |  |  |  |
| b  | Total acreage restricted by conservation easements   | 2a   |  |  |  |
| c  | Number of conservation easements on a certified historic structure included in (a)   | 2b   |  |  |  |
| d  | Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register   | 2c   |  |  |  |
|  |  | 2d   |  |  |  |
| 3  | Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►  |  |  |  |  |
| 4  | Number of states where property subject to conservation easement is located ►  |  |  |  |  |
| 5  | Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?   |  |  |  | <input type="checkbox"/> Yes <input type="checkbox"/> No                         |
| 6  | Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►  |  |  |  |  |
| 7  | Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ► \$   |  |  |  |  |
| 8  | Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  |  |  |  | <input type="checkbox"/> Yes <input type="checkbox"/> No                         |
| 9  | In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements  |  |  |  |  |
| Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.<br>Complete if the organization answered "Yes" on Form 990, Part IV, line 8. |  |  |  |  |  |
| 1a   | If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items   |  |  |  |  |
| b  | If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items  |  |  |  |  |
| (i) Revenue included on Form 990, Part VIII, line 1  |  | ► \$   |  |  |  |
| (ii) Assets included in Form 990, Part X   |  | ► \$   |  |  |  |
| 2  | If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items  |  |  |  |  |
| a  | Revenue included on Form 990, Part VIII, line 1  | ► \$   |  |  |  |
| b  | Assets included in Form 990, Part X  | ► \$   |  |  |  |
| For Paperwork Reduction Act Notice, see the Instructions for Form 990.   |  |  |  |  |  |
|  |  | Cat No 52283D  |  | Schedule D (Form 990) 2016                   |  |

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

|    | Amount |
|----|--------|
| 1c |        |
| 1d |        |
| 1e |        |
| 1f |        |

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

☐

Part V

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

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

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment

b

Permanent endowment

c

Temporarily restricted endowment

The percentages on lines 2a, 2b, and 2c should equal 100%

3a

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

(i)

unrelated organizations

(ii)

related organizations

b

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

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

4

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

Part VI

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

| Description of property   | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land   |                                      |                                 |                              |                |
| b Buildings   |                                      |                                 |                              |                |
| c Leasehold improvements  |                                      | 1,040,301                       | 1,040,301                    | 0              |
| d Equipment   |                                      | 8,851,910                       | 7,868,453                    | 983,457        |
| e Other   |                                      | 15,872,185                      | 15,872,185                   | 0              |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) |                                      |                                 |                              | 983,457        |

Part VII

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

| (a) Description of security or category<br>(including name of security) | (b) Book<br>value | (c) Method of valuation<br>Cost or end-of-year market value |
|---|-------------------|---|
| (1) Financial derivatives . . . . .                                     |                   |   |
| (2) Closely-held equity interests . . . . .                             | 9,484,881         | C   |
| (3) Other   |                   |   |
| (A)   |                   |   |
| (B)   |                   |   |
| (C)   |                   |   |
| (D)   |                   |   |
| (E)   |                   |   |
| (F)   |                   |   |
| (G)   |                   |   |
| (H)   |                   |   |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 12 )       | 9,484,881         |   |

Part VIII

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

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

Part IX

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

| (a) Description   | (b) Book value |
|---|----------------|
| (1) Health Care Receivables                                       | 12,452,836     |
| (2) Receivables from Subsidiaries                                 | 5,053,071      |
| (3) Accrued Investment Receivable                                 | 824,227        |
| (4) Reinsurance Receivable  | 3,286,656      |
| (5) Other Receivables   | 47,242         |
| (5)   |                |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 15 ) | 21,664,032     |

Part X

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

| (a) Description of liability                                      | (b) Book value |
|---|----------------|
| (1) Federal income taxes  |                |
| Premiums Received in advance                                      | 9,195,548      |
| Reimbursements from Providers to be applied                       | 515,710        |
| Amounts due to Subsidiaries                                       | 321,143        |
| ACA Risk Adjustment Payable                                       | 7,681,890      |
| Medical Subsidy Payable   | 4,134,488      |
| Valuation Account   | 347,296        |
| Premium Deficiency Reserve  | 1,674,548      |
| (8)   |                |
| (9)   |                |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 25 ) | 23,870,623     |

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

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

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

|          |   |           |             |
|----------|---|-----------|-------------|
| <b>1</b> | Total revenue, gains, and other support per audited financial statements . . . . .                      | <b>1</b>  | 933,362,083 |
| <b>2</b> | Amounts included on line 1 but not on Form 990, Part VIII, line 12                                      |           |             |
| <b>a</b> | Net unrealized gains (losses) on investments . . . . .  | <b>2a</b> |             |
| <b>b</b> | Donated services and use of facilities . . . . .  | <b>2b</b> |             |
| <b>c</b> | Recoveries of prior year grants . . . . .   | <b>2c</b> |             |
| <b>d</b> | Other (Describe in Part XIII ) . . . . .  | <b>2d</b> |             |
| <b>e</b> | Add lines <b>2a</b> through <b>2d</b> . . . . .   | <b>2e</b> | 0           |
| <b>3</b> | Subtract line <b>2e</b> from line <b>1</b> . . . . .  | <b>3</b>  | 933,362,083 |
| <b>4</b> | Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b>                              |           |             |
| <b>a</b> | Investment expenses not included on Form 990, Part VIII, line 7b . . . . .                              | <b>4a</b> | 518,588     |
| <b>b</b> | Other (Describe in Part XIII ) . . . . .  | <b>4b</b> |             |
| <b>c</b> | Add lines <b>4a</b> and <b>4b</b> . . . . .   | <b>4c</b> | 518,588     |
| <b>5</b> | Total revenue Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12 ) . . . . . | <b>5</b>  | 933,880,671 |

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

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

|          |  |           |             |
|----------|--|-----------|-------------|
| <b>1</b> | Total expenses and losses per audited financial statements . . . . .                                     | <b>1</b>  | 911,856,556 |
| <b>2</b> | Amounts included on line 1 but not on Form 990, Part IX, line 25   |           |             |
| <b>a</b> | Donated services and use of facilities . . . . .   | <b>2a</b> |             |
| <b>b</b> | Prior year adjustments . . . . .   | <b>2b</b> |             |
| <b>c</b> | Other losses . . . . .   | <b>2c</b> |             |
| <b>d</b> | Other (Describe in Part XIII ) . . . . .   | <b>2d</b> |             |
| <b>e</b> | Add lines <b>2a</b> through <b>2d</b> . . . . .  | <b>2e</b> | 0           |
| <b>3</b> | Subtract line <b>2e</b> from line <b>1</b> . . . . .   | <b>3</b>  | 911,856,556 |
| <b>4</b> | Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :                               |           |             |
| <b>a</b> | Investment expenses not included on Form 990, Part VIII, line 7b . . . . .                               | <b>4a</b> | 518,588     |
| <b>b</b> | Other (Describe in Part XIII ) . . . . .   | <b>4b</b> |             |
| <b>c</b> | Add lines <b>4a</b> and <b>4b</b> . . . . .  | <b>4c</b> | 518,588     |
| <b>5</b> | Total expenses Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18 ) . . . . . | <b>5</b>  | 912,375,144 |

**Part XIII Supplemental Information**

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

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

|                  |  |
|------------------|--|
| <b>Part XIII</b> | <b>Supplemental Information <i>(continued)</i></b> |
|------------------|--|

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

Schedule J  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Compensation Information

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

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

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

OMB No 1545-0047

2015

Open to Public Inspection

|  |  |
|--|--|
| Name of the organization<br>Health New England Inc | Employer identification number<br>04-2864973 |
|--|--|

Part I

Questions Regarding Compensation

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

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

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

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

| (A) Name and Title        | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column(B) reported as deferred on prior Form 990 |
|---------------------------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|--|
|                           | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |  |                         |                                 |  |
| See Additional Data Table |  |                                     |                                     |  |                         |                                 |  |



**Part III Supplemental Information**

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

| Return Reference   | Explanation   |
|--------------------|---|
| Part I, Line 3     | Health New England, Inc uses an independent compensation committee, an independent compensation consultant, and appropriate comparability data and approval by the compensation committee to establish the compensation of its key officers, directors, and employees   |
| Part I, Lines 4a-b | Robert Kosior - Severance Payment of \$597,235 is included in column B. The severance was paid in 2016. This amount consists of \$491,126 that was previously reported as deferred compensation in the prior year 990 form and is currently being reported as taxable income. This amount is listed in Column F in accordance with Form 990 reporting requirements. Maura McCaffrey - Supplemental Retirement of \$121,520 is included in column E. This amount was earned and paid in 2016. Dennis Chalke - Deferred non-qualified compensation of \$257,706 is included in column E. This amount was earned and paid in 2016. Mark Keroack, MD - Supplemental Retirement of \$881,458 is included in column E. This amount consists of \$264,321 earned and paid in 2016 and \$562,123 that was previously reported as deferred compensation in prior years Forms 990 and is currently being reported as taxable income. This amount is listed in Column F in accordance with Form 990 reporting requirements. Amy Trombley - Supplemental Retirement of \$33,208 is included in column E. This amount was earned and paid in 2016. Laurie Gianturco - Supplemental Retirement of \$15,969 is included in column E. This amount was earned and paid in 2016. Jody Gross - Supplemental Retirement of \$13,451 is included in column E. This amount was earned and paid in 2016. Kenneth Bernard - Supplemental Retirement of \$10,055 is included in column E. This amount was earned and paid in 2016. |

Additional Data

Software ID:

Software Version:

EIN: 04-2864973

Name: Health New England Inc

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

| (A) Name and Title                                       |      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|--|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
|  |      | (i) Base Compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |  |                         |                                 |   |
| 1Dennis Chalke<br>Treasurer/Director                     | (i)  | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |
|  | (ii) | 489,983  | 162,064                             | 283,154                             | 63,576   | -                       | -                               | 0   |
|  |      |  |                                     |                                     | 25,495   |                         | 1,024,272                       |   |
| 1Mark A Keroack MD<br>Chair/Director                     | (i)  | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |
|  | (ii) | 876,848  | 401,474                             | 903,898                             | 19,875   | -                       | -                               | 562,123   |
|  |      |  |                                     |                                     |  | 18,612                  | 2,220,707                       |   |
| 2Maura C McCaffrey<br>President & CEO                    | (i)  | 527,772  | 249,249                             | 124,130                             | 377,931  | 37,714                  | 1,316,796                       | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 3Thomas J Brown III End 0316<br>Interim CFO              | (i)  | 0  | 0                                   | 0                                   | 0  | 0                       | 0                               | 0   |
|  | (ii) | 184,434  | 20,187                              | 2,876                               | 26,653   | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 12,697                  | 246,847                         |   |
| 4Amy Trombley<br>VP & Chief Talent Officer               | (i)  | 219,803  | 78,246                              | 36,771                              | 113,368  | 24,485                  | 472,673                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 5James Kessler End 0716<br>VP General Counsel            | (i)  | 133,676  | 66,096                              | 2,447                               | 47,519   | 14,935                  | 264,673                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 6Jody Gross<br>VP of Operations and Government Prog      | (i)  | 286,069  | 68,328                              | 15,310                              | 136,233  | 37,383                  | 543,323                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 7Kenneth Bernard<br>Security Officer & VP of Information | (i)  | 191,756  | 53,534                              | 13,013                              | 100,694  | 34,249                  | 393,246                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 8Michael Marrone 716 To 1216<br>VP of Finance & CFO      | (i)  | 176,346  | 0                                   | 365                                 | 0  | 650                     | 177,361                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 9Jason RioCompliance Officer                             | (i)  | 121,562  | 12,513                              | 142                                 | 20,655   | 28,574                  | 183,446                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 10Laune Gianturco<br>VP & Chief Medical Officer          | (i)  | 298,873  | 99,273                              | 18,031                              | 190,123  | 35,914                  | 642,214                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 11Catherine Allen Beg 0616<br>VP of Sales & Marketing    | (i)  | 186,213  | 0                                   | 750                                 | 69,897   | 9,066                   | 265,926                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 12David Methe End 0116<br>Securty Officer                | (i)  | 130,635  | 14,723                              | 151                                 | 0  | 5,727                   | 151,236                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 13Jeffrey Krawczyk<br>Director of Sales                  | (i)  | 165,794  | 13,746                              | 377                                 | 25,354   | 13,596                  | 218,867                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 14Jacqueline Spain<br>Medical Director                   | (i)  | 182,871  | 28,151                              | 2,884                               | 47,207   | 31,727                  | 292,840                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 15Andrew Colby<br>Director of Pharmacy Services          | (i)  | 175,898  | 10,798                              | 1,445                               | 36,628   | 21,584                  | 246,353                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 16Susan Silver O'Connor<br>Director & General Counsel    | (i)  | 150,323  | 19,683                              | 2,299                               | 31,640   | 33,629                  | 237,574                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 17Rebecca Star<br>Medical Director                       | (i)  | 161,105  | 0                                   | 357                                 | 32,066   | 212                     | 193,740                         | 0   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |
| 18Robert A Kosior End 1215<br>Former VP of Finance & CFO | (i)  | 597,235  | 0                                   | 166                                 | 0  | 7,639                   | 605,040                         | 491,126   |
|  | (ii) | 0  | 0                                   | 0                                   | 0  | -                       | -                               | 0   |
|  |      |  |                                     |                                     |  | 0                       | 0                               |   |

|  |  |   |   |
|--|--|---|---|
| efile GRAPHIC print - DO NOT PROCESS   |  | As Filed Data -   | DLN: 93493318089827                             |
| <b>SCHEDULE O</b><br>(Form 990 or 990-EZ)<br><br><div>Department of the Treasury<br/><del>Internal Revenue Service</del><br/>Name of the organization<br/>Health New England Inc</div> | <b>Supplemental Information to Form 990 or 990-EZ</b><br>Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.<br>▶ Attach to Form 990 or 990-EZ.<br>▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at <a href="http://www.irs.gov/form990">www.irs.gov/form990</a> . |   | OMB No 1545-0047                                |
|  |  |   | <b>2016</b><br><b>Open to Public Inspection</b> |
|  |  | <b>Employer identification number</b><br><br>04-2864973 |   |

**990 Schedule O, Supplemental Information**

| <b>Return<br/>Reference</b>   | <b>Explanation</b>   |
|---|--|
| Form 990,<br>Part III, Line<br>4a<br>Description<br>of Program<br>Service | <p>Health New England, Inc. also supports numerous programs sponsored by the Baystate Health Foundation, and has been instrumental in raising hundreds of thousands of dollars for Foundation programs. Examples of the Baystate Health Foundation Programs supported by Health New England, Inc. include, but are not limited to the following - Rays of Hope, funds raised support breast cancer awareness, education, treatment and research - Children's Miracle Network, funds support the Baystate Health Children's Hospital - Walk of Champions, funds support cancer awareness, education and treatment - Walk for Miracles, funds support cancer awareness, education and treatment - Wheeling for Healing, funds support health awareness and education in the community. Health New England, Inc. has also traditionally supported other activities and initiatives of its parent, Baystate Health. Health New England, Inc. has participated in several jointly-sponsored multi-year commitments with the following organizations - National Conference of Community and Justice - Greater Springfield Chapter, Urban League - Baystate Health Department of Psychiatry Educational Funding - Springfield Health and Human Services Annual Community Baby Shower - Greater Springfield Diaper Bank - Safe Passage Hot Chocolate Run, provides a variety of support and advocacy services for women and children who have experienced domestic violence. The Hot Chocolate Run is the major fundraiser for this organization. Health New England, Inc. has a long history of supporting community health education programs and initiatives within our service area either through the provision of funding and/or direct delivery. Following are highlights of such educational program offerings supported by Health New England, Inc. - American Heart Association Walk. The annual walk is the major fundraiser for the local chapter of the Heart Association. Health education, blood pressure screenings, and body fat composition screenings are available at the walk to all who attend without charge. The money raised through this walk helps to support the Heart Association's programming throughout the year - Better Life, Whole Foods - Integrative Health Festival. Community event with a mission of educating the community with natural ways to better health. Features organic food and household product demonstrations and samples, and free introductory sessions to Naturopathic Medicine, Acupuncture, Yoga, and Therapeutic Touch Therapy - Pioneer Valley Riverfront Club. Sponsorship of youth summer programs focused on health, wellness and self-care. Additional program support offers a wide variety of outreach programs aimed at bringing lifelong healthy activities to those who might not otherwise have the opportunity to participate. Health New England funded the Young Parent Program which aims to bring all of the health, education and personal enhancement benefits of rowing specifically to a population of young men and women who are striving to</p> |

## 990 Schedule O, Supplemental Information

| Return Reference  | Explanation   |
|---|---|
| Form 990, Part III, Line 4a<br>Description of Program Service | <p>set a course for life improvement for themselves and their young children - Partners for a Healthier Community Partners for a Healthier Community (PHC) is a nonprofit organization committed to improving the public's health by educating community partners, fostering innovation, leveraging resources, and building partnerships across sectors, including government agencies, communities, the health care delivery system, media, and academia PHC uses a collaborative programming approach to solve pressing community health issues - STCC Diversity Series Springfield Technical Community College Office of Diversity and inclusion hosts a Speaker Series program in which internationally recognized authors and youth advocates from underrepresented backgrounds meet with high school students to learn about diversity, overcoming adversity and achieving personal and professional success The events are free and open to the public - New England Learning Center for Women in Transition NELCWIT's mission is to work within the community to build safety, justice, and dignity for all through counseling, education, advocacy, and community organizing to women and children who have survived domestic violence or sexual abuse NELCWIT also joins with and mobilizes other groups and individuals who are working to end domestic violence and sexual abuse, ensure human rights, and create social change Serving Franklin County and the North Quabbin region of western Massachusetts, NELCWIT offers safety planning, advocacy, education, and support for anyone who has survived domestic or sexual abuse, and prevention education for our community, especially area youth All of these services are free and confidential NELCWIT's services are available for adults and children, for able-bodied and disabled individuals, for straight, lesbian, gay, bisexual, and transgendered people, and for speakers of languages other than English It has special programs for members of our area's Latino and Indigenous communities NELCWIT's newest program, the Franklin County Children's Visitation Program, offers supervised visits for children with non-custodial parents - Top Floor Learning Top Floor Learning's mission is to provide a dynamic, comprehensive program of adult literacy services and lifelong learning opportunities for adult residents of the Quabbin Hills region - Pioneer Valley Asthma Coalition A community partnership that works to improve the quality of life for individuals, families and communities affected by asthma The PVAC was formed to address asthma from a community, holistic perspective, bringing together a variety of groups to address the many factors that impact asthma, including healthcare organizations (e.g. Baystate Health), health plans, local and state public health agencies (e.g. Springfield Health and Human Services), housing organizations, community agencies, academic institutions, community members, and a variety of other types of organizations within the community</p> |

## 990 Schedule O, Supplemental Information

| Return<br>Reference   | Explanation  |
|---|--|
| Form 990,<br>Part III, Line<br>4a<br>Description<br>of Program<br>Service | <p>- YMCA Summer Camp YMCA summer camps provide kids with a variety of imaginative activities that make sure they have fun while making new friends, building self-confidence and discovering the world around them. Carefully selected counselors work with campers on creating masterpieces during arts and crafts, explore science and technology, go on field trips, appreciate nature and discover the world around them. Special programs related to fitness, wellness and nutrition are a focus of these camps.</p> <p>- Diabetes Education at Brightwood Health Center Health New England, Inc. provides for culturally and linguistically appropriate diabetes education to the Latino population at Brightwood Health Center. Spanish is the primary language for the majority of the patients with diabetes at Brightwood.</p> <p>- Senior Population Education Events Health New England, Inc. addressed more than 2,000 Medicare eligible individuals lecture style events on topics including Reducing Your Risk of Falling, Incontinence - When Laughing is No Longer Funny, Weight Loss, What's Your Type - Diabetes, What You Need to Know About Your Lungs, and the Health New England annual Health and Wellness fair. Health New England, Inc. also participated in several regional community health and wellness fairs, offering Bone Density screening in the following towns: Greenfield, Williamstown, Pittsfield, Sheffield, Adams, and Hinsdale. Health New England has also worked with partner agencies and organizations on other programs, including - Motherwoman Mothers' Support Groups. Led by trained facilitators, our groundbreaking support groups offer mothers a chance to talk openly about the challenges of parenting, to gain support and build community, providing a stronger family foundation and healthier home environment for infants and toddlers.</p> <p>- YMCA and YWCA Education sessions covering early childhood parenting classes - Women, Infants, Children (WIC) Centers Community Health Fairs, Pregnancy Prevention, OB/GYN and Well visits, Nutrition and wellness clinics. The Women, Infants and Children (WIC) program is a free nutrition program that provides healthy foods, nutrition education, breastfeeding support, and referrals to healthcare and other services to Massachusetts families who qualify. WIC's goal is to keep pregnant and breastfeeding women and kids under 5 healthy.</p> <p>- Greater Springfield Diaper Bank Addresses the diaper need in Western Massachusetts by providing free diapers and related items to parents in need (reduces illness, allows access to daycare, etc.)</p> <p>- Safe Kids Fairs Educates families on injury prevention, fire prevention, and family safety -Asthma Coalition Participation</p> |

**990 Schedule O, Supplemental Information**

| Return<br>Reference   | Explanation  |
|---|--|
| Form 990,<br>Part III, Line<br>4a<br>Description<br>of Program<br>Service | <p>Health New England, Inc. has also worked with partner agencies and organizations in support of programs related to Chronic Disease Management and other programs including - Diabetes Programming and Support Diabetes Education at Brightwood Health Center Diabetes Education Center, Mercy Medical Center, Riverbend Medical Group "Get Informed About Diabetes and Western Massachusetts Dietetic Association - Cancer Education and Support Cancer Connection, Rays of Hope Outreach, Mercy Medical Sister Caritas Cancer Center, Cancer House of Hope, Baystate Cancer Center - Heart Disease American Heart Association Get to Goal Campaign, American Heart Association Heart Walk, Go Red for Women, La Esperanza Latina Health Fair, Chicopee Chamber of Commerce Health Fair - Nutrition and Anti-Obesity Outreach Boys and Girls Clubs Nutrition Counseling and Healthy Weight clinics, Amherst Survival Center Empty Bowls Awareness and Fundraising event, Gardening the Community, Mason Square and Brightwood Farmers Markets, and Food Bank of Western Massachusetts - Senior Wellness Area Senior Centers, Baystate Health Senior Class Programming Franklin County Home Care, and Town of Adams Council on Aging - Sunshine Village, financial support for adaptive equipment for adults - Make a Wish Foundation, Swish Night Fundraiser - Dress for Success, Common Threads making an impact on the lives of women in our communities by helping them get back to work and rebuild their lives The Common Threads event salutes "Successful Ambassadors selected to be recognized at the gala based on their achievements since joining Dress for Success and the commitment they've shown to progressing in their careers - Women's Fund of Western Massachusetts, Leadership Institute for Political and Public Impact - Franklin/Hampshire/ North Quabbin WIC, Health Fair Family Tent - International Language Institute of Massachusetts, Giving Voice A benefit for the institute's free English program for refugees and immigrants</p> |

# 990 Schedule O, Supplemental Information

| Return<br>Reference                           | Explanation  |
|---|--|
| Form 990,<br>Part VI,<br>Section A,<br>line 2 | Two or more of the persons listed in this Form 990, Part VII have a business relationship with each other by virtue of sitting on one or boards of directors/trustees or by serving in employment relationship one or more entities within the network of affiliated organizations |



# 990 Schedule O, Supplemental Information

| Return<br>Reference                           | Explanation   |
|---|---|
| Form 990,<br>Part VI,<br>Section A,<br>line 6 | As a Massachusetts nonprofit organization, Health New England, Inc has no stockholders and one legal Member - Baystate Health, Inc Health New England, Inc refers to its enrollees as "members," but Health New England, Inc 's organizational documents and Bylaws give enrollees no organizational membership status from a legal perspective |

# 990 Schedule O, Supplemental Information

| Return<br>Reference                            | Explanation   |
|--|---|
| Form 990,<br>Part VI,<br>Section A,<br>line 7a | Baystate Health, Inc is the sole member of Health New England, Inc. Consequently, Baystate Health has final authority on all appointments and elections to the Health New England, Inc Board. |

# 990 Schedule O, Supplemental Information

| Return<br>Reference                            | Explanation  |
|--|--|
| Form 990,<br>Part VI,<br>Section A,<br>line 7b | The functions of a nominating committee are carried out by the Governance Committee of Baystate Health and the Baystate Health Audit and Compliance committee has full audit oversight duties and responsibilities for Health New England, Inc |

## 990 Schedule O, Supplemental Information

| Return Reference                       | Explanation  |
|--|--|
| Form 990, Part VI, Section B, line 11b | Prior to the filing of this return appropriate parts of this Form 990 were reviewed by representatives from the Finance and Legal Departments of Health New England, Inc some of whom are officers of the filing organization The entire return was reviewed by a tax expert from an outside accounting firm The entire return was sent out to the Board of Directors and Officers of Health New England, Inc for comment and review prior to filing |

**990 Schedule O, Supplemental Information**

| Return<br>Reference                             | Explanation  |
|---|--|
| Form 990,<br>Part VI,<br>Section B,<br>line 12c | <p>Health New England, Inc. has a comprehensive conflict of interest policy. All directors, officers, key employees, and highest compensated employees of Health New England and its affiliates are asked to complete an annual "conflict of interest" form. We use an electronic database to receive and manage all conflict of interest submissions. This information is reviewed by the Health New England Director of Compliance and the Health New England Legal Department. Potential conflict of interest transactions are reviewed as appropriate under the policy, which provides for recusal from discussion and deliberation by any party with a potential conflict of interest. Health New England employees also sign an annual statement which affirms that such person (a) has received a copy of the Conflict of Interest Policy, (b) has read and understands the Conflict of Interest Policy, and (c) has agreed to comply with the Conflict of Interest Policy.</p> |

# 990 Schedule O, Supplemental Information

| Return<br>Reference                            | Explanation   |
|--|---|
| Form 990,<br>Part VI,<br>Section B,<br>line 15 | The compensation of the President and CEO and of other key officers and key employees is established based on information provided by independent third party consultants for reasonableness and appropriate comparability data. The compensation is then established, reviewed and approved by the independent compensation committee of Health New England, Inc. and all such deliberations and decisions are documented contemporaneously. |

# 990 Schedule O, Supplemental Information

| Return<br>Reference                            | Explanation   |
|--|---|
| Form 990,<br>Part VI,<br>Section C,<br>line 19 | Available on request and at management's discretion |

# 990 Schedule O, Supplemental Information

| Return<br>Reference             | Explanation                                |
|---------------------------------|--|
| Form 990,<br>Part XI, line<br>9 | Increase in non-admitted assets -5,598,630 |



**990 Schedule O, Supplemental Information**

| <b>Return Reference</b>                      | <b>Explanation</b>  |
|--|---|
| Form 990, Part XII, Line 1 Accounting Method | <p>The audited financial statements are based on Insurance Statutory Accounting Principles (SAP) promulgated by the Accounting practices and Procedures Task Force under the auspices of the National Association Insurance Commissioners (NAIC). This form of accounting is typically looked upon as more conservative than accrual accounting without quite being cash basis. The accompanying statutory-basis financial statements of the Company have been prepared in accordance with the National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual for Statutory Accounting Principles (NAIC SAP), which do not differ from the accounting practices prescribed by the Division of Insurance of the Commonwealth of Massachusetts. NAIC SAP does differ from the accounting principles generally accepted in the United States of America (GAAP). The significant variances from GAAP are as follows:</p> <ul style="list-style-type: none"> <li><b>Investments-Investments in bonds</b> are reported at amortized cost or fair value based on their NAIC rating; for GAAP, such fixed maturity investments would be designated at purchase as held to maturity, trading, or available for sale. Held-to-maturity fixed investments would be reported at amortized cost, and the remaining fixed maturity investments would be reported at fair value.</li> <li><b>For statutory purposes</b>, unrealized gains and losses on investments are excluded from net income, and reported as an increase or decrease in surplus, except that declines in fair value that are determined by management to be other than temporary are reported as realized losses. HNE has elected the fair value option for certain of its investments. For GAAP purposes HNE made this election to reflect changes in fair value of its investments, including both increases and decreases and whether realized or unrealized, in its excess of revenue over expenses.</li> <li><b>All single-class and multiclass mortgage-backed/asset-backed securities</b> (e.g., Collateralized Mortgage Obligation (CMOs)) are adjusted for the effects of changes in prepayment assumptions on the related accretion of discount or amortization of premium of such securities using the prospective method. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the present value of estimated future cash flows using the original effective interest rate inherent in the security.</li> <li><b>Investments in Affiliates</b>-The results of HNE's investments in unconsolidated affiliates are accounted for on the equity method under GAAP, whereas under NAIC SAP the investment is valued at book value with unrealized gains or losses recorded directly to net worth.</li> <li><b>GAAP also requires the consolidation of all wholly owned subsidiaries.</b> As HAS, HIS and HHE are not audited, the investments in these subsidiaries are not admitted in accordance with SSAP No. 97.</li> <li><b>Nonadmitted Assets</b>-Certain assets designated as "nonadmitted," principally certain electronic data processing equipment, prepaid items, certain</li> </ul> |

## 990 Schedule O, Supplemental Information

| Return<br>Reference                                   | Explanation   |
|---|---|
| Form 990,<br>Part XII, Line<br>1 Accounting<br>Method | health care receivables, receivables over 90 days' past due, and the equity value of subsidiaries, are excluded from the accompanying statutory-basis statements of admitted assets, liabilities, and statutory net worth and are charged directly to unassigned surplus. Under GAAP, such assets are included in the balance sheets, to the extent they are not impaired. Surplus Notes-GAAP classifies surplus notes in liabilities, whereas NAIC SAP classifies them in statutory net worth. |

|                                      |   |  |  |                     |  |
|--------------------------------------|---|--|--|---------------------|--|
| efile GRAPHIC print - DO NOT PROCESS |   | As Filed Data -                                    |  | DLN: 93493318089827 |  |
| SCHEDULE R<br>(Form 990)             | Related Organizations and Unrelated Partnerships<br><br>▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.<br><br>▶ Attach to Form 990. ▶ Information about Schedule R (Form 990) and its instructions is at <a href="http://www.irs.gov/form990">www.irs.gov/form990</a> . |  |  |                     | OMB No 1545-0047                                 |
|                                      |   |  |  |                     | 2016   |
|                                      | Department of the Treasury<br>Internal Revenue Service  | Name of the organization<br>Health New England Inc |  |                     | Employer identification number<br><br>04-2864973 |

| Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33. |                         |  |                     |                           |                                  |
|--|-------------------------|--|---------------------|---------------------------|----------------------------------|
| (a)<br>Name, address, and EIN (if applicable) of disregarded entity  | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>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. |                         |  |                            |   |                                  |  |    |
|---|-------------------------|--|----------------------------|---|----------------------------------|--|----|
| See Additional Data Table   |                         |  |                            |   |                                  |  |    |
| (a)<br>Name, address, and EIN of related organization   | (b)<br>Primary activity | (c)<br>Legal domicile (state or foreign country) | (d)<br>Exempt Code section | (e)<br>Public charity status (if section 501(c)(3)) | (f)<br>Direct controlling entity | (g)<br>Section 512(b)(13) controlled entity? |    |
|   |                         |  |                            |   |                                  | Yes  | No |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |
|   |                         |  |                            |   |                                  |  |    |

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

| (a)<br>Name, address, and EIN of<br>related organization | (b)<br>Primary<br>activity | (c)<br>Legal<br>domicile<br>(state<br>or<br>foreign<br>country) | (d)<br>Direct<br>controlling<br>entity | (e)<br>Predominant<br>income(related,<br>unrelated,<br>excluded from<br>tax under<br>sections 512-<br>514) | (f)<br>Share of<br>total income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Disproportionate<br>allocations? |    | (i)<br>Code V-UBI<br>amount in box<br>20 of<br>Schedule K-1<br>(Form 1065) | (j)<br>General or<br>managing<br>partner? |    | (k)<br>Percentage<br>ownership |
|--|----------------------------|---|--|--|---------------------------------|--|---|----|--|---|----|--------------------------------|
|  |                            |   |  |  |                                 |  | Yes                                     | No |  | Yes                                       | No |                                |
|  |                            |   |  |  |                                 |  |   |    |  |   |    |                                |
|  |                            |   |  |  |                                 |  |   |    |  |   |    |                                |
|  |                            |   |  |  |                                 |  |   |    |  |   |    |                                |
|  |                            |   |  |  |                                 |  |   |    |  |   |    |                                |
|  |                            |   |  |  |                                 |  |   |    |  |   |    |                                |
|  |                            |   |  |  |                                 |  |   |    |  |   |    |                                |

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

| (a)<br>Name, address, and EIN of<br>related organization   | (b)<br>Primary activity                                      | (c)<br>Legal<br>domicile<br>(state or foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Type of entity<br>(C corp, S corp,<br>or trust) | (f)<br>Share of total<br>income | (g)<br>Share of end-of-<br>year<br>assets | (h)<br>Percentage<br>ownership | (i)<br>Section 512(b)<br>(13) controlled<br>entity? |    |
|--|--|---|-------------------------------------|--|---------------------------------|---|--------------------------------|---|----|
|  |  |   |                                     |  |                                 |   |                                | Yes   | No |
| <b>(1)</b> Ingraham Corporation<br>759 Chestnut Street<br>Springfield, MA 01199<br>04-3016257                    | Health care and other<br>business activities                 | MA  | N/A                                 | C  |                                 |   |                                |   | No |
| <b>(2)</b> HNE Insurance Services Inc<br>One Monarch Place Suite 1500<br>Springfield, MA 011441500<br>04-3183019 | Collection of services for<br>ancillary services             | MA  | HNE Holding<br>Corporation          | C  |                                 |   | 100 000 %                      | Yes   |    |
| <b>(3)</b> HNE Advisory Services<br>One Monarch Place Suite 1500<br>Springfield, MA 011441500<br>04-3012347      | Administrative Services                                      | MA  | HNE Holding<br>Corporation          | C  |                                 |   | 100 000 %                      | Yes   |    |
| <b>(4)</b> HNE Holding Corporation<br>One Monarch Place Suite 1500<br>Springfield, MA 011441500<br>46-4620480    | Holding Company  | MA  | Health New<br>England Inc           | C  |                                 | 4,945,697                                 | 100 000 %                      | Yes   |    |
| <b>(5)</b> Baystate Health Insurance Company Ltd<br>North Church Street<br>Georgetown<br>CJ 98-0421413           | Offshore Captive Insurance                                   | CJ  | N/A                                 |  |                                 |   |                                |   | No |
| <b>(6)</b> HNE Insurance Company Inc<br>One Monarch Place Suite 1500<br>Springfield, MA 011441500<br>45-4462433  | Provide Health Care for MA<br>Medicare Supplement<br>members | MA  | HNE Holding<br>Corporation          | C  |                                 |   | 100 000 %                      |   | No |
|  |  |   |                                     |  |                                 |   |                                |   |    |

**Part V Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

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

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

See Additional Data Table

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

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

[illegible]

**Part VII**   **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

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

Additional Data

Software ID:  
Software Version:  
EIN: 04-2864973  
Name: Health New England Inc

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

| (a)<br>Name, address, and EIN of related organization                               | (b)<br>Primary activity                                   | (c)<br>Legal domicile (state or foreign country) | (d)<br>Exempt Code section | (e)<br>Public charity status (if section 501(c)(3)) | (f)<br>Direct controlling entity    | (g)<br>Section 512 (b)(13) controlled entity? |    |
|---|---|--|----------------------------|---|-------------------------------------|---|----|
|   |   |  |                            |   |                                     | Yes   | No |
| (1)<br><br>759 Chestnut Street<br>Springfield, MA 01199<br>04-2105941               | Improve the health of people in our communities every day | MA   | 501(c)(3)                  | Line 7  | N/A                                 |   | No |
| (1)<br><br>759 Chestnut Street<br>Springfield, MA 01199<br>04-2790311               | Acute Care Teaching Hospital                              | MA   | 501(c)(3)                  | Line 3  | Baystate Health Inc                 |   | No |
| (2)<br><br>164 High Street<br>Greenfield, MA 01301<br>04-2103575                    | Hospital  | MA   | 501(c)(3)                  | Line 3  | Baystate Health Inc                 |   | No |
| (3)<br><br>50 Maple Street<br>Springfield, MA 01199<br>04-2105803                   | Homehealth and Hospice care                               | MA   | 501(c)(3)                  | Line 9  | Baystate Health Inc                 |   | No |
| (4)<br><br>759 Chestnut Street<br>Springfield, MA 01199<br>04-3549011               | Fundraising   | MA   | 501(c)(3)                  | Line 7  | Baystate Health Inc                 |   | No |
| (5)<br><br>759 Chestnut Street<br>Springfield, MA 01199<br>22-2747685               | Administrative services                                   | MA   | 501(c)(3)                  | 11c, IIIc   | Baystate Health Inc                 |   | No |
| (6)<br><br>50 Maple Street<br>Springfield, MA 01199<br>20-3260764                   | Real Estate and Other                                     | MA   | 501(c)(3)                  | 11b, II   | Baystate Health Inc                 |   | No |
| (7)<br><br>40 Wright Street<br>Palmer, MA 01069<br>22-2519813                       | Hospital  | MA   | 501(c)(3)                  | Line 3  | Baystate Health Inc                 |   | No |
| (8)<br><br>One Monarch Place Suite 1500<br>Springfield, MA 01104<br>45-5190134      | HMO   | CT   | 501(c)(4)                  | 501(c)(4)   | Health New England Inc              |   | No |
| (9)<br><br>115 West Silver Street<br>Westfield, MA 01085<br>22-2537423              | Hospital  | MA   | 501(c)(3)                  | Line 3  | Baystate Health Inc                 |   | No |
| (10)<br><br>77 Mill Street No 207<br>Westfield, MA 01085<br>22-2757446              | Homehealth and Hospice care                               | MA   | 501(c)(3)                  | Line 9  | Baystate Noble Hospital Corporation |   | No |
| (11)<br><br>85 South Street<br>Ware, MA 01082<br>04-2103584                         | Hospital  | MA   | 501(c)(3)                  | Line 3  | Baystate Health Inc                 |   | No |
| (12)<br><br>PO Box 1634 115 West Silver Street<br>Westfield, MA 01085<br>04-3127730 | Physician Medical Services                                | MA   | 501(c)(3)                  | 11a, I  | Baystate Noble Hospital Corporation |   | No |



**Form 990, Schedule R, Part V - Transactions With Related Organizations**

| <b>(a)</b><br>Name of related organization |                                       | <b>(b)</b><br>Transaction<br>type(a-s) | <b>(c)</b><br>Amount Involved | <b>(d)</b><br>Method of determining amount involved |
|--|---------------------------------------|--|-------------------------------|---|
| <b>(1)</b>                                 | HNE Advisory Services Inc             | L                                      | 14,031,747                    | Ledger Activity                                     |
| <b>(1)</b>                                 | HNE Advisory Services Inc             | Q                                      | 15,100,000                    | Ledger Activity                                     |
| <b>(2)</b>                                 | Health New England of Connecticut Inc | R                                      | 1,169,055                     | Ledger Activity                                     |
| <b>(3)</b>                                 | Health New England of Connecticut Inc | L                                      | 580,459                       | Ledger Activity                                     |
| <b>(4)</b>                                 | Health New England of Connecticut Inc | P                                      | 835,166                       | Ledger Activity                                     |
| <b>(5)</b>                                 | HNE Insurance Corporation             | Q                                      | 62,873                        | Ledger Activity                                     |
| <b>(6)</b>                                 | HNE Insurance Corporation             | S                                      | 130,748                       | Ledger Activity                                     |