

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

# Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except 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](http://www.irs.gov/form990)

OMB No 1545-0047  
**2016**  
Open to Public Inspection

### 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  
INDEPENDENT HEALTH ASSOCIATION INC

Doing business as

Number and street (or P O box if mail is not delivered to street address) Room/suite  
511 FARBER LAKES DRIVE

City or town, state or province, country, and ZIP or foreign postal code  
BUFFALO, NY 14221

**D** Employer identification number  
16-1080163

**E** Telephone number  
(716) 631-3001

**G** Gross receipts \$ 1,781,337,070

**F** Name and address of principal officer  
MICHAEL W CROPP MD  
511 FARBER LAKES DRIVE  
BUFFALO, NY 14221

**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 ▶

**I** Tax-exempt status  501(c)(3)  501(c) ( 4 ) ◀ (insert no)  4947(a)(1) or  527

**J** Website: ▶ WWW.INDEPENDENTHEALTH.COM

**K** Form of organization  Corporation  Trust  Association  Other ▶

**L** Year of formation 1980 **M** State of legal domicile NY

### Part I Summary

**1** Briefly describe the organization's mission or most significant activities  
PROVIDE HEALTH-RELATED PRODUCTS AND SERVICES THAT ENABLE AFFORDABLE ACCESS TO QUALITY HEALTH CARE

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

<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	20
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	18
<b>5</b> Total number of individuals employed in calendar year 2016 (Part V, line 2a)	1,356
<b>6</b> Total number of volunteers (estimate if necessary)	257
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	0
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	0

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)	0	0
<b>9</b> Program service revenue (Part VIII, line 2g)	1,514,828,437	1,516,332,353
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,758,182	11,030,461
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	54,641,781	20,027
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,580,228,400	1,527,382,841
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	2,031,552	2,002,372
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	1,400,164,143	1,340,584,630
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	100,019,916	75,119,652
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0	0
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	115,969,033	82,620,917
<b>18</b> Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	1,618,184,644	1,500,327,571
<b>19</b> Revenue less expenses Subtract line 18 from line 12	-37,956,244	27,055,270

	Beginning of Current Year	End of Year
<b>20</b> Total assets (Part X, line 16)	805,443,960	733,259,803
<b>21</b> Total liabilities (Part X, line 26)	390,641,859	290,965,228
<b>22</b> Net assets or fund balances Subtract line 21 from line 20	414,802,101	442,294,575

### Part II Signature Block

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

**Sign Here**  
Signature of officer: \_\_\_\_\_ Date: 2017-11-07  
MICHAEL W CROPP MD PRESIDENT & CEO  
Type or print name and title

**Paid Preparer Use Only**  
Print/Type preparer's name: LORI BOYCE Preparer's signature: LORI BOYCE Date: \_\_\_\_\_  
Check  if self-employed PTIN: P00121981  
Firm's name: DELOITTE TAX LLP Firm's EIN: 86-1065772  
Firm's address: 200 RENAISSANCE CENTER SUITE 3900 Phone no: (313) 396-3000  
DETROIT, MI 482431300

**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

PROVIDE HEALTH-RELATED PRODUCTS AND SERVICES THAT ENABLE AFFORDABLE ACCESS TO QUALITY HEALTH CARE

**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

**4a** (Code ) (Expenses \$ 1,381,160,579 including grants of \$ 2,002,372 ) (Revenue \$ 1,516,332,353 )  
See Additional Data

**4b** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4c** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

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

**4e** Total program service expenses ▶ 1,381,160,579

**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> . . . . .		No
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? . . . . .		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> . . . . .		No
<b>4 Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> . . . . .		
<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? <i>If "Yes," complete Schedule C, Part III</i> . . . . .		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? <i>If "Yes," complete Schedule D, Part I</i> 🗑️ . . . . .		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> 🗑️ . . . . .		No
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 🗑️ . . . . .		No
<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> 🗑️ . . . . .	Yes	
<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> 🗑️ . . . . .		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? <i>If "Yes," complete Schedule D, Part VI</i> 🗑️ . . . . .	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> 🗑️ . . . . .		No
<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> 🗑️ . . . . .		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> 🗑️ . . . . .	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> 🗑️ . . . . .	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> 🗑️ . . . . .	Yes	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> 🗑️ . . . . .	Yes	
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 🗑️ . . . . .	Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> . . . . .		No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		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> . . . . . 🗑️	Yes	
<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> . . . . . 🗑️		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> . . . . . 🗑️		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) . . . . .		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> . . . . .		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> . . . . .		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>	Yes	
<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> 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? <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? <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>	Yes	
<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>	Yes	
<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? <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>	Yes	
<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 . . . . .

Table with columns for question ID, question text, and Yes/No response boxes. Includes sections for backup withholding, employee reporting, foreign accounts, prohibited transactions, charitable contributions, and 501(c)(7), (12), and (29) organizations.

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 . . . . . [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year (20); 1b Enter the number of voting members included in line 1a, above, who are independent (18); 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? (Yes); 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? (No); 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? (No); 5 Did the organization become aware during the year of a significant diversion of the organization's assets? (No); 6 Did the organization have members or stockholders? (No); 7a 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? (No); 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? (No); 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? (Yes); 8b Each committee with authority to act on behalf of the governing body? (Yes); 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (Yes)

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? (No); 10b 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?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? (Yes); 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 (Yes); 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (Yes); 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done (Yes); 13 Did the organization have a written whistleblower policy? (Yes); 14 Did the organization have a written document retention and destruction policy? (Yes); 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official (Yes); 15b Other officers or key employees of the organization (Yes); If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions); 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (Yes); 16b If "Yes," 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? (No)

Section C. Disclosure

Table with 3 columns: Question, Yes, No. Rows include: 17 List the States with which a copy of this Form 990 is required to be filed (NY); 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply: [ ] Own website, [ ] Another's website, [X] Upon request, [ ] 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 (MICHAEL J FASO 511 FARBER LAKES DRIVE BUFFALO, NY 14221 (716) 631-3001)







**Part VIII Statement of Revenue**

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . .	<b>1a</b>					
	<b>b</b> Membership dues . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . .	<b>1c</b>					
	<b>d</b> Related organizations	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>					
	<b>g</b> Noncash contributions included in lines 1a-1f \$ _____						
	<b>h Total.</b> Add lines 1a-1f . . . . .						
<b>Program Service Revenue</b>			Business Code				
	<b>2a</b> PREMIUMS, COB & REINSU		524114	1,516,332,353	1,516,332,353		
	<b>b</b> _____						
	<b>c</b> _____						
	<b>d</b> _____						
	<b>e</b> _____						
	<b>f</b> All other program service revenue						
<b>g Total.</b> Add lines 2a-2f . . . . .			1,516,332,353				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .			10,470,638		10,470,638	
	<b>4</b> Income from investment of tax-exempt bond proceeds						
	<b>5</b> Royalties . . . . .						
	<b>6a</b> Gross rents	(i) Real	(ii) Personal				
			25,573				
		<b>b</b> Less rental expenses		7,099			
		<b>c</b> Rental income or (loss)		18,474			
	<b>d</b> Net rental income or (loss) . . . . .			18,474		18,474	
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			254,496,853	10,100			
		<b>b</b> Less cost or other basis and sales expenses		253,886,738	60,392		
		<b>c</b> Gain or (loss)		610,115	-50,292		
	<b>d</b> Net gain or (loss) . . . . .			559,823		559,823	
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	<b>a</b>					
		<b>b</b> Less direct expenses . . . . .	<b>b</b>				
<b>c</b> Net income or (loss) from fundraising events . . . . .							
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	<b>a</b>						
	<b>b</b> Less direct expenses . . . . .	<b>b</b>					
	<b>c</b> Net income or (loss) from gaming activities . . . . .						
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>						
	<b>b</b> Less cost of goods sold . . . . .	<b>b</b>					
	<b>c</b> Net income or (loss) from sales of inventory . . . . .						
Miscellaneous Revenue	Business Code						
<b>11a</b> CONSULTING	541610		1,553		1,553		
<b>b</b> _____							
<b>c</b> _____							
<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . .			1,553				
<b>12 Total revenue.</b> See Instructions . . . . .			1,527,382,841	1,516,332,353	0	11,050,488	

**Part IX Statement of Functional Expenses**

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	2,002,372	2,002,372		
<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	1,340,584,630	1,340,584,630		
<b>5</b> Compensation of current officers, directors, trustees, and key employees	12,647,571		12,647,571	
<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	38,563,595	10,915,152	27,648,443	
<b>8</b> Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	4,209,808	305,052	3,904,756	
<b>9</b> Other employee benefits	12,981,213	2,552,213	10,429,000	
<b>10</b> Payroll taxes	6,717,465	878,080	5,839,385	
<b>11</b> Fees for services (non-employees)				
<b>a</b> Management				
<b>b</b> Legal	716,408	19	716,389	
<b>c</b> Accounting	302,700		302,700	
<b>d</b> Lobbying	162,420		162,420	
<b>e</b> Professional fundraising services See Part IV, line 17				
<b>f</b> Investment management fees	1,018,496		1,018,496	
<b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	19,683,243	5,101,398	14,581,845	
<b>12</b> Advertising and promotion	3,506,209	31,839	3,474,370	
<b>13</b> Office expenses	7,603,879	83,207	7,520,672	
<b>14</b> Information technology	16,641,439	1,040,608	15,600,831	
<b>15</b> Royalties				
<b>16</b> Occupancy	1,113,524		1,113,524	
<b>17</b> Travel	545,348	39,893	505,455	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	138,692		138,692	
<b>20</b> Interest	186,582		186,582	
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	8,323,887		8,323,887	
<b>23</b> Insurance	701,927		701,927	
<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> GME SURCHARGE	15,241,773	15,241,773		
<b>b</b> FAMILY CHOICE	2,372,843	2,372,843	0	
<b>c</b> NYS ASSESSMENT/ACA FEE	2,099,931		2,099,931	
<b>d</b> REPAIRS AND MAINTENANCE	1,083,604	0	1,083,604	
<b>e</b> All other expenses	1,178,012	11,500	1,166,512	
<b>25</b> Total functional expenses. Add lines 1 through 24e	1,500,327,571	1,381,160,579	119,166,992	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. 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) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .		<b>1</b>	0
	<b>2</b> Savings and temporary cash investments . . . . .	9,906,634	<b>2</b>	11,228,642
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .	229,321,222	<b>4</b>	169,818,087
	<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 . . . . .	28,439,794	<b>9</b>	26,992,553
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	143,378,895		
	<b>b</b> Less accumulated depreciation	106,388,462		
	<b>11</b> Investments—publicly traded securities . . . . .	313,672,162	<b>11</b>	302,360,466
	<b>12</b> Investments—other securities See Part IV, line 11 . . . . .		<b>12</b>	
	<b>13</b> Investments—program-related See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .	2,160,417	<b>14</b>	2,075,426
	<b>15</b> Other assets See Part IV, line 11 . . . . .	181,849,183	<b>15</b>	183,794,196
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	805,443,960	<b>16</b>	733,259,803	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	63,879,304	<b>17</b>	38,804,479
	<b>18</b> Grants payable . . . . .	2,795	<b>18</b>	0
	<b>19</b> Deferred revenue . . . . .	27,797,175	<b>19</b>	28,109,187
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D	1,494,726	<b>21</b>	3,397,777
	<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 . . . . .	25,000,000	<b>24</b>	23,000,000
	<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	272,467,859	<b>25</b>	197,653,785
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	390,641,859	<b>26</b>	290,965,228
<b>Net Assets or Fund Balances</b>	<b>27</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> Unrestricted net assets	246,356,636	<b>27</b>	272,223,859
	<b>28</b> Temporarily restricted net assets . . . . .	168,445,465	<b>28</b>	170,070,716
	<b>29</b> Permanently restricted net assets		<b>29</b>	
	<b>30</b> <b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</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> Total net assets or fund balances . . . . .	414,802,101	<b>33</b>	442,294,575
	<b>34</b> Total liabilities and net assets/fund balances . . . . .	805,443,960	<b>34</b>	733,259,803

**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>	1,527,382,841
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25) . . . . .	<b>2</b>	1,500,327,571
<b>3</b>	Revenue less expenses Subtract line 2 from line 1 . . . . .	<b>3</b>	27,055,270
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .	<b>4</b>	414,802,101
<b>5</b>	Net unrealized gains (losses) on investments . . . . .	<b>5</b>	437,204
<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>	0
<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>	442,294,575

**Part XII Financial Statements and Reporting**

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

		Yes	No
<p><b>1</b> Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____                      If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O</p>			
<p><b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant?                      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  <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p>	<b>2a</b>		No
<p><b>b</b> Were the organization's financial statements audited by an independent accountant?                      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  <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis</p>	<b>2b</b>	Yes	
<p><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?                      If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O</p>	<b>2c</b>	Yes	
<p><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?</p>	<b>3a</b>	Yes	
<p><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</p>	<b>3b</b>	Yes	

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 16-1080163

**Name:** INDEPENDENT HEALTH ASSOCIATION INC

Form 990 (2016)

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**Form 990, Part III, Line 4a:**

INDEPENDENT HEALTH ASSOCIATION (IHA) COORDINATES THE DELIVERY OF QUALITY HEALTH CARE COVERAGE THROUGH CONTRACTS WITH THE INDIVIDUAL PRACTICE ASSOCIATION OF WESTERN NEW YORK (IPAWNY), A TAXABLE NON-PROFIT, FOR ITS COMMERCIAL AND MEDICARE HMO PRODUCTS WITHIN THE EIGHT COUNTIES OF WESTERN NEW YORK (WNY) IHA ALSO PROVIDES COVERAGE AND COORDINATES SERVICES TO ITS MEDICAID HMO PRODUCT (WHICH INCLUDES THE CHILD HEALTH PLUS (CHP) PROGRAM AND TWO NEW STATE PRODUCTS EFFECTIVE DURING 2016 HEALTH AND RECOVERY PLAN (HARP) AND THE ESSENTIAL HEALTH PLAN), FOR THE ARRANGEMENT OF PHYSICIAN, HOSPITAL, MEDICALLY NECESSARY HEALTH SERVICES, DIAGNOSTIC AND PREVENTIVE HEALTH SERVICES TO THE COMMUNITIES LOCATED IN ERIE AND NIAGARA COUNTY SEE SCHEDULE O FOR ADDITIONAL DETAIL

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Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
ANTHONY B MARTINO ..... BOARD MEMBER	5 00 ..... 0 00	X						41,000	0	6,625
ANTHONY J BAYNES ..... BOARD MEMBER	5 00 ..... 0 00	X						34,000	0	6,625
COLLEEN C DIPIRRO ..... BOARD MEMBER	5 00 ..... 0 00	X						34,000	0	6,625
DANIEL B WEINTRAUB CPA ..... BOARD MEMBER	5 00 ..... 0 00	X						34,000	0	5,186
DONALD ROBINSON MD ..... BOARD MEMBER	5 00 ..... 0 00	X						45,500	0	6,625
DONNA M FERNANDES PHD ..... BOARD MEMBER	5 00 ..... 0 00	X						34,000	0	6,625
FAUD SHERIFF MD START 416 ..... BOARD MEMBER	5 00 ..... 0 00	X						46,669	0	3,458
JOHN N WALSH III ..... BOARD MEMBER	5 00 ..... 2 00	X						41,000	0	0
LISA MENDONZA MD ..... BOARD MEMBER	5 00 ..... 0 00	X						38,000	0	6,625
MOISES SUDIT PHD ..... BOARD MEMBER	5 00 ..... 1 00	X						41,000	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
NORA B SULLIVAN JD MBA BOARD MEMBER	5 00 ..... 1 00	X						41,000	0	6,625
PATRICIA SMITH BOARD MEMBER	5 00 ..... 0 00	X						34,000	0	240
RENE F JONES BOARD MEMBER	5 00 ..... 0 00	X						0	0	0
SHAWN COTTON MD BOARD MEMBER	5 00 ..... 0 00	X						38,000	0	6,625
SIDNEY N WEISS CPA BOARD MEMBER	5 00 ..... 0 00	X						49,000	0	6,625
STUART H ANGERT BOARD MEMBER	5 00 ..... 2 00	X						34,000	0	0
YVONNE S MINOR-RAGAN PHD BOARD MEMBER	5 00 ..... 0 00	X						34,000	0	411
JOHN ANTKOWIAK MD CHAIRPERSON	12 00 ..... 2 00	X		X				98,000	0	6,625
MICHAEL HEIMERL MD VICE CHAIRPERSON	5 00 ..... 0 00	X		X				41,300	0	6,625
MICHAEL W CROPP MD PRESIDENT & CEO	43 00 ..... 16 00	X		X				1,576,639	0	386,300

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JOHN MINEO ESQ ..... SECRETARY-EVP GEN COUNSEL	39 00 ..... 10 00			X				693,903	0	160,824
MARK I JOHNSON ..... TREASURER & CFO	44 00 ..... 12 00			X				1,705,808	0	338,299
DAWN C ODRZYWOLSKI ..... CHIEF COMPLIANCE OFFICER	25 00 ..... 14 00			X				102,430	0	28,247
THOMAS J FOELS ..... EVP-CHIEF MEDICAL OFFICER	37 00 ..... 11 00			X				583,221	0	224,404
ANN M PENTKOWSKI ..... SVP-CHIEF ACTUARY & UNDER OFF	37 00 ..... 12 00				X			489,636	0	112,544
ANNE C O'NEILL ..... VP-CHIEF RISK OFFICER	40 00 ..... 10 00				X			174,740	0	35,742
DAVID V NARAMORE ..... VP-ACTUARIAL	36 00 ..... 12 00				X			231,052	0	33,455
ERIC J DECKER ..... SVP-INFORMATION TECHNOLOGY CIO	38 00 ..... 13 00				X			316,002	0	50,123
SCOTT J DWYER ..... VP-CHIEF AUDIT EXECUTIVE	40 00 ..... 11 00				X			211,036	0	32,374
JAMES B WALLESHAUSER ..... VP-OFFICE OF STRATEGY MGMT	37 00 ..... 11 00				X			297,374	0	41,400





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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JUDITH FELD MD ..... MEDICAL DIRECTOR-PROV ENGT	35 00 ..... 14 00					X		273,627	0	70,624
RICHARD M ARGENTIERI ..... VICE PRESIDENT-SALES	28 00 ..... 21 00					X		309,755	0	39,705
JUDITH ANN FELDMAN ..... FORMER KEY EMPLOYEE	0 00 ..... 0 00						X	126,123	0	0

**SCHEDULE D**  
(Form 990)

**Supplemental Financial Statements**

OMB No 1545-0047  
**2016**  
**Open to Public Inspection**

▶ 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.  
▶ Attach to Form 990.

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

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
INDEPENDENT HEALTH ASSOCIATION INC

**Employer identification number**  
16-1080163

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**  
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?  Yes  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?  Yes  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)
- Preservation of land for public use (e g , recreation or education)
  - Preservation of an historically important land area
  - Protection of natural habitat
  - Preservation of a certified historic structure
  - 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

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	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?  Yes  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)?  Yes  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.**  
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 ▶ \$ \_\_\_\_\_

**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
- |  | Amount |
|--|--------|
| <b>c</b> Beginning balance             |        |
| <b>d</b> Additions during the year     |        |
| <b>e</b> Distributions during the year |        |
| <b>f</b> Ending balance                |        |
- 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
<b>1a</b> Beginning of year balance . . . . .					
<b>b</b> Contributions . . . . .					
<b>c</b> Net investment earnings, gains, and losses					
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> 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
- |  |            |           |
|--|------------|-----------|
| <b>(i)</b> unrelated organizations . . . . .   | <b>Yes</b> | <b>No</b> |
| <b>3a(i)</b>   |            |           |
| <b>(ii)</b> related organizations . . . . .  | <b>Yes</b> | <b>No</b> |
| <b>3a(ii)</b>  |            |           |
| <b>b</b> If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? . . . . . |            |           |
| <b>3b</b>  |            |           |
- 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
<b>1a</b> Land . . . . .		542,713		542,713
<b>b</b> Buildings		23,772,167	6,831,605	16,940,562
<b>c</b> Leasehold improvements		13,208,050	4,823,521	8,384,529
<b>d</b> Equipment . . . . .		24,980,424	20,066,282	4,914,142
<b>e</b> Other . . . . .		80,875,541	74,667,054	6,208,487
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c) ) . . . ▶				36,990,433

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

**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 Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (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) INVESTMENTS RESTRICTED AS TO USE	73,403,222
(2) INVESTMENTS IN AFFILIATES	110,390,974
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 15 )	183,794,196

**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.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
BENEFITS PAYABLE	28,955,054
CAPITATION PAYABLE	21,259,383
INTERCOMPANY PAYABLE	147,439,348
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 25 )	197,653,785

**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>	1,520,068,524
<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>		437,204
<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>		-2,754,055
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .		<b>2e</b>	-2,316,851
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .		<b>3</b>	1,522,385,375
<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>		
<b>b</b>	Other (Describe in Part XIII) . . . . .	<b>4b</b>		4,997,466
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .		<b>4c</b>	4,997,466
<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>	1,527,382,841

**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>	1,492,315,559
<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>		-4,997,464
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .		<b>2e</b>	-4,997,464
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .		<b>3</b>	1,497,313,023
<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>		
<b>b</b>	Other (Describe in Part XIII) . . . . .	<b>4b</b>		3,014,548
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .		<b>4c</b>	3,014,548
<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>	1,500,327,571

**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
See Additional Data Table	



## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 16-1080163

**Name:** INDEPENDENT HEALTH ASSOCIATION INC

## Supplemental Information

Return Reference	Explanation
PART IV, LINE 2B	LONG TERM INCENTIVE DEFERRED COMPENSATION PLAN IS OFFERED TO KEY EXECUTIVES FUTURE PAYMENT IS BASED ON PERFORMANCE AND HISTORICAL COMPENSATION ASSETS ARE UNDER CUSTODIAL ARRANGEMENT WITH M&T BANK



## Supplemental Information

Return Reference	Explanation
PART X, LINE 2	INDEPENDENT HEALTH ASSOCIATION & AFFILIATES (THE ASSOCIATION) RECOGNIZED NO LIABILITY FOR UNRECOGNIZED INCOME TAX BENEFITS AT DECEMBER 31, 2016 AND 2015 THE ASSOCIATION DID NOT RECORD INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS IN 2016 AND 2015 THE ASSOCIATION IS SUBJECT TO U S FEDERAL INCOME TAX AND INCOME TAX IN VARIOUS STATE JURISDICTIONS AS OF DECEMBER 31, 2016, THE ASSOCIATION'S TAX YEARS FOR 2014, 2015 AND 2016 ARE SUBJECT TO EXAMINATIONS BY FEDERAL TAX AUTHORITIES

# Supplemental Information

Return Reference	Explanation
PART XI, LINE 2D - OTHER ADJUSTMENTS	BANK CHARGES & INVESTMENT FEES NETTED AGAINST OTHER INCOME -1,501,255 OPERATING GRANT NETTED AGAINST INCOME -1,252,800

# Supplemental Information

Return Reference	Explanation
PART XI, LINE 4B - OTHER ADJUSTMENTS	COB REVENUE 2,156 RENTAL EXPENSE INCLUDED ON PART VIII, LINE 6B -7,099 MASON & NYS REINSURANCE 831,934 RX REBATE 4,170,475

# Supplemental Information

Return Reference	Explanation
PART XII, LINE 2D - OTHER ADJUSTMENTS	COB REVENUE -2,154 RENTAL EXPENSE INCLUDED ON PART VIII, LINE 6B 7,099 MASON & NYS REINSURANCE ADJUSTMENT -831,934 RX REBATE -4,170,475

## Supplemental Information

Return Reference	Explanation
PART XII, LINE 4B - OTHER ADJUSTMENTS	BANK CHARGES & INVESTMENT FEES NETTED AGAINST OTHER INCOME 1,501,255 OPERATING GRANT NETTED AGAINST INCOME 1,252,800 PENSION RELATED CHANGES OTHER THAN NET PERIODIC PENSION COST 260,493

**SCHEDULE F  
(Form 990)**  
  
Department of the Treasury  
Internal Revenue Service

**Statement of Activities Outside the United States**

▶ Complete if the organization answered "Yes" to Form 990,  
Part IV, line 14b, 15, or 16.  
▶ Attach to Form 990. ▶ See separate instructions.  
▶ Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2016**

**Open to Public  
Inspection**

Name of the organization  
INDEPENDENT HEALTH ASSOCIATION INC

**Employer identification number**  
  
16-1080163

**Part I** **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- 1 For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- 2 For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States
- 3** Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
( 1) CENTRAL AMERICA & THE CARIBBEAN			INVESTMENTS		3,810,000
( 2)					
( 3)					
( 4)					
( 5)					
<b>3a</b> Sub-total	0	0			3,810,000
<b>b</b> Total from continuation sheets to Part I	0	0			0
<b>c Totals</b> (add lines 3a and 3b)	0	0			3,810,000

**Part II Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
( 1)								
( 2)								
( 3)								
( 4)								

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . ▶ \_\_\_\_\_

3 Enter total number of other organizations or entities . . . . . ▶ \_\_\_\_\_

**Part III Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
( 1 )							
( 2 )							
( 3 )							
( 4 )							
( 5 )							
( 6 )							
( 7 )							
( 8 )							
( 9 )							
( 10 )							
( 11 )							
( 12 )							
( 13 )							
( 14 )							
( 15 )							
( 16 )							
( 17 )							
( 18 )							



**Part IV Foreign Forms**

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*  Yes  No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A)*  Yes  No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)*  Yes  No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)*  Yes  No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)*  Yes  No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713)*  Yes  No

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 16-1080163

**Name:** INDEPENDENT HEALTH ASSOCIATION INC

### Part V

#### Supplemental Information

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Schedule I (Form 990)

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

OMB No 1545-0047

2016

Open to Public Inspection

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.

Attach to Form 990.

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

Department of the Treasury Internal Revenue Service

Name of the organization INDEPENDENT HEALTH ASSOCIATION INC

Employer identification number

16-1080163

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance...
2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

Table with 8 columns: (a) Name and address of organization or government, (b) EIN, (c) IRC section if applicable, (d) Amount of cash grant, (e) Amount of non-cash assistance, (f) Method of valuation, (g) Description of non-cash assistance, (h) Purpose of grant or assistance. Includes rows for data entry and summary rows at the bottom.

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table.
3 Enter total number of other organizations listed in the line 1 table.

**Part III Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

**Part IV Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
PART I, LINE 2	DONATIONS/CONTRIBUTIONS ONLY REMIT TO COLLABORATING COMMUNITY PARTNERS WHO ALIGN WITH OUR MISSION TO IMPROVE THE HEALTH AND WELL-BEING OF THE WNY COMMUNITY THE GRANTS OR SPONSORSHIPS ARE RECORDED TO THE SAME ACCOUNT NUMBER ON THE GENERAL LEDGER SYSTEM UNDER "COMMUNITY PROGRAMS AND COPIES OF ALL PAYMENTS ARE KEPT ON FILE (PAPER & ELECTRONICALLY)

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 16-1080163  
**Name:** INDEPENDENT HEALTH ASSOCIATION INC

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
CATHOLIC HEALTH 212 MAIN STREET SUITE 300 BUFFALO, NY 14214	22-2565278	501(C)(3)	16,907		FMV		SPONSORSHIP
ECMC LIFELINE FOUNDATION 462 GRIDER STREET NO G-1 BUFFALO, NY 14215	22-3283946	501(C)(3)	8,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
PHARMACISTS ASSOCIATION WNY (PAWNY) PO BOX 1234 TONAWANDA, NY 14151	16-0742611	501(C)(3)	11,300		FMV		SPONSORSHIP
AMHERST CHAMBER OF COMMERCE 400 ESSJAY ROAD SUITE 150 AMHERST, NY 14221	16-0959485	501(C)(6)	50,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
NIAGARA FRONTIER AUTOMOBILE DEALERS ASSOCIATION (NFADA) 1144 WEHRLE DRIVE WILLIAMSVILLE, NY 14221	16-1194880	501(C)(3)	40,000		FMV		SPONSORSHIP
CANISIUS COLLEGE 2001 MAIN STREET BUFFALO, NY 14208	16-0743209	501(C)(3)	32,720		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
ASPIRE OF WNY 2356 NORTH FOREST ROAD GETZVILLE, NY 14068	16-0757756	501(C)(3)	6,500		FMV		SPONSORSHIP
CATHOLIC CHARITIES OF BUFFALO NEW YORK 741 DELAWARE AVENUE BUFFALO, NY 14209	16-0743251	501(C)(3)	15,000		FMV		SPONSORSHIP



**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
HERITAGE CENTERS ERIE COUNTY 101 OAK STREET BUFFALO, NY 14203	16-0769044	501(C)(3)	7,500		BOOK		SPONSORSHIP
GATEWAY-LONGVIEW 10 SYMPHONY CIRCLE BUFFALO, NY 143041798	16-1559402	501(C)(3)	5,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
BROTHERS OF MERCY 4520 RANSOM RD CLARENCE, NY 140312108	16-6074666	501(C)(3)	5,500		FMV		SPONSORSHIP
SUMMIT EDUCATIONAL RESOURCES 150 STAHL RD GETZVILLE, NY 140681231	16-1095750	501(C)(3)	5,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
HOSPICE FOUNDATION OF WNY INC 225 COMO PARK BLVD CHEEKTOWAGA, NY 142271416	22-3137812	501(C)(3)	5,800		FMV		SPONSORSHIP
HILLSIDE WORK SCHOLARSHIP PROGRAM 1183 MONROE AVENUE ROCHESTER, NY 14620	16-1453581	501(C)(3)	100,000		FMV		SPONSORSHIP FOR HEALTHY LIVING

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
BUFFALO NIAGARA ENTERPRISE 665 MAIN STREET BUFFALO, NY 142031425	16-1579523	501(C)(3)	50,000		FMV		SPONSORSHIP FOR HEALTHY LIVING
SENECA DIABETES FOUNDATION PO BOX 309 IRVING, NY 140810309	20-3214056	501(C)(3)	40,000		FMV		SPONSORSHIP & FIOM PROJECT

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
BUFFALO NIAGARA PARTNERSHIP 655 MAIN STREET SUITE 200 BUFFALO, NY 142031425	16-0761958	501(C)(6)	32,050		FMV		SPONSORSHIP
BUFFALO URBAN LEAGUE 15 E GENESEE STREET BUFFALO, NY 14203	16-0743940	501(C)(3)	25,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
TASTE OF BUFFALO INC 276 GREENWOOD COURT EAST AURORA, NY 14052	16-1390601	501(C)(6)	15,500		FMV		SPONSORSHIP FOR HEALTHY LIVING
GREEN OPTIONS BUFFALO (GOBIKE) 640 ELLICOTT ST SUITE 447 BUFFALO, NY 14203	27-2501533	501(C)(3)	70,000		FMV		SPONSORSHIP FOR HEALTHY LIVING

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
NATIONAL FEDERATION OF JUST COMMUNITIES OF WNY 360 DELAWARE AVENUE BUFFALO, NY 14202	20-3185568	501(C)(3)	13,000		FMV		SPONSORSHIP
LEUKEMIA & LYMPHOMA SOCIETY 1311 MAMARONECK AVENUE SUITE 310 WHITE PLAINS, NY 10605	13-5644916	501(C)(3)	10,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
LEADERSHIP BUFFALO 237 MAIN STREET SUITE 1500 BUFFALO, NY 142032720	16-1363536	501(C)(3)	10,000		FMV		SPONSORSHIP
POLICE ATHLETIC LEAGUE 65 NIAGARA SQUARE 21ST FLOOR BUFFALO, NY 14202	16-1468698	501(C)(3)	8,000		FMV		SPONSORSHIP FOR HEALTHY LIVING



**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
INDEPENDENT HEALTH FOUNDATION 777 INTERNATIONAL DRIVE BUFFALO, NY 14221	16-1417199	501(C)(3)	1,252,800		FMV		OPERATING GRANT
KALEIDA HEALTH 726 EXCHANGE ST BUFFALO, NY 14210	16-1533232	501(C)(3)	5,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
SUBURBAN ADULT SERVICES (SASI) 960 WEST MAPLE CT ELMA, NY 14059	16-1115992	501(C)(3)	5,300		FMV		SPONSORSHIP FOR HEALTHY LIVING
BUFFALO HEARING & SPEECH 50 E NORTH ST BUFFALO, NY 14203	16-0776186	501(C)(3)	5,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
BUFFALO PREP PO BOX 1192 BUFFALO, NY 14215	16-1359846	501(C)(3)	5,000		FMV		SPONSORSHIP
P2 COLLABORATIVE 355 HARLEM ROAD BUILDING C WEST SENECA, NY 14224	42-1604185	501(C)(3)	30,000		FMV		SPONSORSHIP

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
LAKESHORE BEHAVIORAL HEALTH 255 DELAWARE AVE STE 300 BUFFALO, NY 14202	16-1004090	501(C)(3)	5,000		FMV		SPONSORSHIP FOR HEALTHY LIVING
LARKIN SQUARE 726 EXCHANGE ST STE 825 BUFFALO, NY 14210	45-4273890	501(C)(3)	10,000		FMV		SPONSORSHIP FOR HEALTHY LIVING

**Schedule J**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

OMB No 1545-0047

**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.**

**2015**  
**Open to Public Inspection**

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

Name of the organization INDEPENDENT HEALTH ASSOCIATION INC	Employer identification number 16-1080163
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**Part I Questions Regarding Compensation**

	Yes	No								
<p><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.</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
<p><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.</p>	1b	Yes								
<p><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?</p>	2	Yes								
<p><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.</p> <table border="0"> <tr> <td><input type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee				
<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract									
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee									
<p><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:</p>										
<p><b>a</b> Receive a severance payment or change-of-control payment?</p>	4a	Yes								
<p><b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p>	4b	Yes								
<p><b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?</p>	4c	No								
<p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p>										
<p><b>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</b></p>										
<p><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:</p>										
<p><b>a</b> The organization?</p>	5a	No								
<p><b>b</b> Any related organization? If "Yes," on line 5a or 5b, describe in Part III.</p>	5b	No								
<p><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:</p>										
<p><b>a</b> The organization?</p>	6a	No								
<p><b>b</b> Any related organization? If "Yes," on line 6a or 6b, describe in Part III.</p>	6b	No								
<p><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.</p>	7	No								
<p><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.</p>	8	No								
<p><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)?</p>	9									

**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 1A	AT THE DISCRETION OF THE CEO, 14 EXECUTIVES (OFFICERS AND KEY EMPLOYEES) RECEIVE A DISCRETIONARY SPENDING ACCOUNT. THESE AMOUNTS ARE A PERCENTAGE OF BASE COMPENSATION AND ARE CAPPED AT SPECIFIC AMOUNTS. ANY REIMBURSEMENT WHICH IS NOT DEDUCTIBLE UNDER IRS REGULATIONS OR ANY UNCLAIMED AMOUNT AT THE END OF THE CALENDAR YEAR IS TREATED AS INCOME AND ADDED TO THE EXECUTIVE'S W-2.
PART I, LINE 4A	THE FOLLOWING LISTED PERSONS FROM PART VII, SECTION A RECEIVED SEVERANCE PAYMENTS AS PART OF A SEPARATION AGREEMENT WITH INDEPENDENT HEALTH DURING 2016: PAMELA S MENARD - \$202,848; JUDITH ANN FELDMAN - \$126,123.
PART I, LINE 4B	ELIGIBLE EMPLOYEES PARTICIPATE IN VARIOUS NON-QUALIFIED DEFERRED COMPENSATION PLANS ORGANIZED UNDER CODE SECTION 457(F). ANY AMOUNT ULTIMATELY PAID UNDER THE PROGRAM TO THE EMPLOYEE IS REPORTED AS COMPENSATION ON FORM 990, SCHEDULE J, PART II, COLUMN B IN THE YEAR PAID. SUPPLEMENTAL NON-QUALIFIED PLAN PAYMENTS WERE MADE DURING THE YEAR TO THE FOLLOWING LISTED PERSONS IN PART VII: MARK I JOHNSON - \$637,334; JOHN MINEO, ESQ - \$250,571.





**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				
<b>1</b> JUDITH FELD MD MEDICAL DIRECTOR-PROV ENGT	(i)	259,926	9,356	4,345	47,604	23,020	344,251	0
	(ii)	0	0	0	0	0	0	0
<b>1</b> RICHARD M ARGENTIERI VICE PRESIDENT-SALES	(i)	193,621	111,291	4,843	21,712	17,993	349,460	0
	(ii)	0	0	0	0	0	0	0
<b>2</b> JUDITH ANN FELDMAN FORMER KEY EMPLOYEE	(i)	0	0	126,123	0	0	126,123	0
	(ii)	0	0	0	0	0	0	0

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

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

Attach to Form 990 or Form 990-EZ.

Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

2016

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Name of the organization INDEPENDENT HEALTH ASSOCIATION INC

Employer identification number 16-1080163

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only) Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

Table with 5 columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 \$
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$

Part II Loans to and/or From Interested Persons. Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

Table with 9 columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization? (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Total \$

Part III Grants or Assistance Benefiting Interested Persons. Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

Table with 5 columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance

**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) SEE PART V	SEE PART V	1,207,141	SEE PART V		No
(2) SEE PART V	SEE PART V	655,036	SEE PART V		No
(3) SEE PART V	SEE PART V	671,302	SEE PART V		No

**Part V Supplemental Information**

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

Return Reference	Explanation
SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS	(A) NAME OF INTERESTED PERSON ALDEN PHARMACY, INC (B) RELATIONSHIP BETWEEN INTERESTED PERSON AND THE ORGANIZATION GREATER THAN 35% CONTROLLED ENTITY BY JOHN RODGERS, CURRENT KEY EMPLOYEE(D) DESCRIPTION OF TRANSACTION INDEPENDENT CONTRACTOR ARRANGEMENT, DELIVERY OF HEALTH CARE SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS (A) NAME OF INTERESTED PERSON NORTHTOWNS MEDICAL GROUP(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND THE ORGANIZATION GREATER THAN 35% CONTROLLED ENTITY BY EDWARD STEHLIK, FORMER BOARD MEMBER(D) DESCRIPTION OF TRANSACTION INDEPENDENT CONTRACTOR ARRANGEMENT, DELIVERY OF HEALTH CARE SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS (A) NAME OF INTERESTED PERSON DONALD W ROBINSON, MD (SOLE PRACTITIONER)(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND THE ORGANIZATION GREATER THAN 35% CONTROLLED ENTITY BY DONALD W ROBINSON, MD, CURRENT BOARD MEMBER (D) DESCRIPTION OF TRANSACTION INDEPENDENT CONTRACTOR ARRANGEMENT, DELIVERY OF HEALTH CARE

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

Department of the Treasury  
Internal Revenue Service

Name of the organization  
INDEPENDENT HEALTH ASSOCIATION INC

**Supplemental Information to Form 990 or 990-EZ**

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

**2016**

**Open to Public Inspection**

**Employer identification number**

16-1080163

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
<p>FORM 990, PART III, LINE 4A PROGRAM SERVICE ACCOMPLISHMENTS</p>	<p>HEADQUARTERED IN BUFFALO, INDEPENDENT HEALTH BEGAN OPERATIONS IN 1980 AND HAS CONSISTENTLY BEEN RATED AMONG THE TOP HEALTH PLANS IN THE COUNTRY FOR CUSTOMER SERVICE AND MEMBER SATISFACTION. INDEPENDENT HEALTH'S COMPREHENSIVE PORTFOLIO OF PROGRESSIVE PRODUCTS INCLUDES HMO, POS, PPO AND EPO PRODUCTS, MEDICARE AND MEDICAID PLANS, TRADITIONAL INDEMNITY INSURANCE, INDIVIDUAL AND SMALL GROUP EXCHANGE PRODUCTS, AND CONSUMER-DIRECTED PLANS, PLUS COVERAGE FOR SELF-FUNDED EMPLOYERS. INDEPENDENT HEALTH'S SUBSIDIARY COMPANIES INCLUDE PHARMACY BENEFIT DIMENSIONS, RELIANCE RX, DXID, NOVA HEALTHCARE ADMINISTRATORS, INC., AND EVOLVE PRACTICE PARTNERS. IHA OFFERS ITS MEMBERS HEALTH RISK MANAGEMENT TOOLS INCLUDING AN ONLINE HEALTH RISK ASSESSMENT AND THE USE OF A DATA WAREHOUSE TO ANALYZE AND PREDICT POTENTIAL RISK AND DEVELOP SOLUTIONS TO HELP CONTROL CURRENT AND PREVENT FUTURE PROBLEMS. PROGRAMS FOR COVERED EMPLOYEES, AS WELL AS FOR EMPLOYERS, HELP THEM MAKE GOOD HEALTH A PART OF THEIR CULTURE. IHA OFFERS A 24-HOUR MEDICAL HELP LINE WITH ACCESS TO A REGISTERED NURSE, CASE MANAGEMENT, DISEASE MANAGEMENT AND HEALTH COACHES. IHA ALSO ESTABLISHED AN ADVANCED PATIENT-CENTERED MEDICAL HOME (PCMH) PILOT PROGRAM IN JANUARY 2009. THE PCMH PROGRAM INCLUDED 18 DIVERSE PRIMARY CARE PRACTICES ACROSS WNY, 130 PHYSICIANS AND NEARLY 50,000 IHA MEMBERS. THE PRACTICES WORKED TOWARD IMPROVED QUALITY OF CARE WITH EXPANDED ACCESS TO ALLOW SAME-DAY APPOINTMENTS AND AFTER-HOURS CARE, ENHANCED TECHNOLOGY TO INCLUDE ELECTRONIC MEDICAL RECORDS AND EMAILS WITH PATIENTS, AND A COMPREHENSIVE CARE TEAM FOR THOSE WITH OR AT RISK OF HAVING A CHRONIC CONDITION. ADMINISTRATIVE ASSISTANCE WAS ALSO PROVIDED TO HELP IMPLEMENT NEW OFFICE PROCEDURES. ANOTHER IMPORTANT ASPECT OF THE PCMH MODEL WAS THAT IT ALSO INCLUDED MANY OF THE FEDERAL HEALTH CARE REFORM EFFORTS, INCLUDING PREVENTION AND WELLNESS THROUGH COORDINATED CARE, EVIDENCE-BASED GUIDELINES TO GAUGE OUTCOMES AND REFORM OF PHYSICIAN PAYMENT TO IMPROVE QUALITY AND EFFICIENCY. IHA DEVOTED TIME AND FINANCIAL RESOURCES THAT ENABLED THE 130 PHYSICIANS IN THIS PROGRAM TO REDESIGN THEIR PRACTICES. IHA ALSO PROVIDED DETAILED MEMBER INFORMATION TO ENABLE OUR PHYSICIANS TO MANAGE CARE OPPORTUNITIES FOR IHA MEMBERS. AT THE END OF THE PILOT IN DECEMBER, 2011, THE 18 PRIMARY CARE PRACTICES INVOLVED IN THE PILOT PROGRAM ACHIEVED THE HIGHEST RECOGNITION BY THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE (NCQA). IN 2012, INDEPENDENT HEALTH EVOLVED ITS SUCCESSFUL PATIENT-CENTERED MEDICAL HOME (PCMH) CARE MODEL FOR PRIMARY CARE INTO A MORE COMPREHENSIVE PROGRAM CALLED THE PRIMARY CONNECTION, WHICH OFFICIALLY BEGAN JULY 1, 2012. AN INNOVATIVE, PHYSICIAN-LED INITIATIVE, THE PRIMARY CONNECTION TAKES A COORDINATED APPROACH TO ENHANCE QUALITY, ACCESS AND AFFORDABILITY. USING PCMH PRINCIPLES AS THE FOUNDATION, THIS INNOVATIVE ALLIANCE PROMOTES BETTER CARE COORDINATION AND A COLLABORATIVE, SHARED RESPONSIBILITY AMONG PRIMARY CARE AND SPECIALTY PHYSICIANS, AS WELL AS HOS.</p>

**990 Schedule O, Other Information**

Return Reference	Explanation
<p>FORM 990, PART III, LINE 4A PROGRAM SERVICE ACCOMPLISHMENTS</p>	<p>PITALS, HEALTH PLANS, MEMBERS AND OTHER KEY STAKEHOLDERS TO ACHIEVE THE GOALS OF THE QUADRUPLE AIM BETTER HEALTH, BETTER CARE, LOWER COSTS AND PROVIDER VITALITY HEALTH CARE REFORM INITIATIVES ENCOURAGE THIS TYPE OF CARE DELIVERY, AND INDEPENDENT HEALTH AND THESE PROGRESSIVE PRIMARY CARE PHYSICIAN PRACTICES HAVE BEEN AT THE FOREFRONT OF WHAT THE NATION WILL BE DOING THE PRIMARY CONNECTION FOSTERS INTERDEPENDENCY AND INTENSE COLLABORATION AMONG THE PRACTICES TO CREATE AND IMPLEMENT SPECIFIC CARE COORDINATION PROGRAMS, SUCH AS HOSPITAL ALTERNATIVE PROGRAMS AND CARE TRANSITION PROGRAMS FROM HOSPITAL TO HOME OTHER RESOURCES INCLUDE PHARMACISTS PROVIDING MEDICATION THERAPY MANAGEMENT, EMBEDDED BEHAVIORAL COUNSELORS WITHIN PRACTICES, AND CARE COORDINATION CONTRACTS BETWEEN PRIMARY AND SPECIALTY CARE PHYSICIANS THE PRIMARY CONNECTION PRACTICES' CLINICAL AND OPERATIONAL PERFORMANCES ARE TRACKED FOR QUALITY IMPROVEMENT AND ADHERENCE TO THE TENETS OF THE QUADRUPLE AIM THESE PRACTICES ARE REIMBURSED UNDER AN INNOVATIVE HYBRID REIMBURSEMENT METHODOLOGY THAT RETAINS ELEMENTS OF FEE-FOR-SERVICE PAYMENT, BUT INCLUDES A RISK-ADJUSTED POPULATION-BASED CARE COORDINATION FEE AND A SHARED SAVINGS COMPONENT THE HYBRID PAYMENT SYSTEM ALLOWS PRIMARY CARE PRACTICES TO MORE FULLY UTILIZE ANCILLARY NURSING AND MID-LEVEL STAFF, RECOGNIZES THE PRACTICES' EFFORTS TO IMPLEMENT E-COMMUNICATION STRATEGIES, AND REWARDS EFFORTS TO WORK COOPERATIVELY AND EFFECTIVELY WITH HOSPITALS AND SPECIALTY PHYSICIANS TO REDUCE MEDICALLY UNNECESSARY SERVICES AND POTENTIALLY AVOIDABLE ADMISSIONS THE PRIMARY CONNECTION INITIALLY INVOLVED 21 PRACTICES, THEIR 140 PHYSICIANS AND MORE THAN 54,000 PATIENTS, AND HAS SINCE GROWN TO 32 PRACTICES AND 189 PHYSICIANS, IMPACTING 121,000 INDEPENDENT HEALTH MEMBERS THIS PROGRESSIVE ALLIANCE HAS LED TO IMPROVED CARE COORDINATION, AND REDUCING THE REDUNDANCIES AND INEFFICIENT CARE THAT CAUSE HEALTH CARE COSTS TO INCREASE UNNECESSARILY A SAMPLE OF RESULTS FOLLOWS - FROM 2013 TO 2016, THE PRIMARY CONNECTION PHYSICIANS DECREASED UNNECESSARY REFERRALS TO SPECIALIST PHYSICIANS BY 19 PERCENT - THEY ALSO INCREASED REFERRALS TO HIGH-PERFORMING SPECIALISTS BY 7 PERCENT DURING THAT TIME - THE PRIMARY CONNECTION PRACTICES DECREASED PRESCRIPTIONS TO COSTLY BRAND-NAME MEDICATIONS BY 23 PERCENT - THE PRIMARY CONNECTION REDUCED THE AMOUNT OF POTENTIALLY PREVENTABLE HOSPITAL ADMISSIONS BY 17 PERCENT AND READMISSION RATES BY 25 PERCENT BY TREATING PATIENTS IN MORE APPROPRIATE CARE SETTINGS AT LOWER COSTS - PRIMARY CONNECTION PATIENTS RECEIVED 10,000 MORE PREVENTIVE AND WELLNESS SERVICES THAN OTHER MEMBERS IN JUST ONE YEAR OTHER MEMBERSHIP SERVICES INCLUDE PREVENTIVE CARE WITH ACTIVE PARTICIPATION BY COMMUNITY ORGANIZATIONS IN INITIATIVES SUCH AS THE P2 COLLABORATIVE OF WESTERN NEW YORK (P2), A NOT-FOR-PROFIT DEDICATED TO IMPROVING THE HEALTH OF PEOPLE IN WESTERN NEW YORK IT DEPENDS ON UNPRECEDENTED COLLABORATION AMONG KEY STAKEHOLDERS AND THE SHARING OF CLINICAL</p>

**990 Schedule O, Organizational Information**

Return Reference	Explanation
<p>FORM 990, PART III, LINE 4A PROGRAM SERVICE ACCOMPLISHMENTS</p>	<p>INFORMATION, AS WELL AS THE ADOPTION OF HEALTH INFORMATION TECHNOLOGY AND ELECTRONIC MEDICAL RECORDS, THROUGH ORGANIZATIONS SUCH AS HEALTHELINK THE IHA HEALTH COACH PROGRAM OFFERS A BROAD RANGE OF SERVICES, INCLUDING EDUCATION AND CARE COORDINATION, TO IMPROVE THE HEALTH OF IHA MEMBERS AND EMPLOYEES HEALTH COACHES ARE LICENSED REGISTERED NURSES, DIETITIANS, RESPIRATORY THERAPISTS, SOCIAL WORKERS, AND OTHER CERTIFIED HEALTH PROFESSIONALS WHO ENCOURAGE SELF-MANAGEMENT AND EDUCATE MEMBERS ON LIVING A HEALTHY LIFE THEY PROVIDE PERSONALIZED SERVICES TO HELP MEMBERS MAKE LASTING CHANGES TO ACHIEVE BETTER HEALTH AND WELL-BEING EXAMPLES OF THEIR SUPPORT INCLUDE HELPING DEVELOP A DIET PLAN TO ASSIST WITH WEIGHT LOSS, ASSISTANCE WITH A SPECIFIC MEDICAL CONDITION OR COMPILING A LIST OF QUESTIONS FOR THE MEMBER TO ASK HIS/HER DOCTOR OUR HEALTH COACHES AND DISEASE MANAGERS FREQUENTLY ENGAGE IN ON-SITE WORKPLACE WELLNESS ACTIVITIES, SUCH AS EMPLOYEE HEALTH FAIRS THEY ALSO REGULARLY REACH OUT TO SUPPORT MEMBERS IDENTIFIED AS HAVING A CHRONIC DISEASE OR CARE OPPORTUNITY IHA IS COMMITTED TO IMPROVING THE QUALITY, ACCESS AND AFFORDABILITY OF HEALTH CARE THROUGH MANY COMMUNITY OUTREACH PROGRAMS INDEPENDENT HEALTH HAS A TEAM OF FOUR COMMUNITY HEALTH OUTREACH WORKERS (CHOWS) BASED IN THE COMMUNITY, WHO MAKE HOME VISITS TO MEDISOURCE MEMBERS IN NEED TO BUILD RELATIONSHIPS IN TARGETED NEIGHBORHOODS TO PROMOTE HEALTH AND WELLNESS BEHAVIORS AND BELIEFS CHOWS SPECIFICALLY WORK WITH MEMBERS WHO INAPPROPRIATELY UTILIZE SERVICES THEY FOCUS ON GETTING MEMBERS IN NEED OF CARE TO A VISIT, SCHEDULING APPOINTMENTS, COORDINATING TRANSPORTATION AND BRIDGING LANGUAGE BARRIERS THESE DEDICATED WORKERS, WHO ARE ALL CERTIFIED DIABETES AND CHRONIC DISEASE PEER EDUCATORS, PROVIDE CARE COORDINATION SERVICES TO MEMBERS IN NEED OF PREVENTIVE SERVICES, SCREENINGS OR A PRIMARY CARE PROVIDER CHOWS COLLABORATE WITH IHA'S CASE MANAGEMENT DEPARTMENT TO BRING MEMBERS HOPE AND AN UNDERSTANDING OF COMPLEX ISSUES SOME OF THE SERVICES THE CHOWS PROVIDE INCLUDE - TEACHING DIABETES AND CHRONIC DISEASE SELF-MANAGEMENT GROUP CLASSES IN COMMUNITY CENTERS, - ONE-ON-ONE DIABETES EDUCATION TO MEMBERS WHO ARE UNABLE TO LEAVE THEIR HOMES, - HELP RUN A GRANT-FUNDED PROGRAM CALLED "BABY AND ME, TOBACCO FREE," A SMOKING CESSATION PROGRAM FOR PREGNANT WOMEN, - PROVIDING NEW MEMBER ORIENTATION TO HELP MEMBERS UNDERSTAND HOW TO USE THEIR BENEFITS, ALIGN THEM WITH A PRIMARY CARE PHYSICIAN, CLOSE GAPS IN CARE, AND APPROPRIATE EMERGENCY ROOM USE IHA'S MEDICARE FAMILY CHOICE PLAN IS A MEDICARE ADVANTAGE SPECIAL NEEDS PLAN OFFERED IN NURSING FACILITIES IN WESTERN NEW YORK FAMILY CHOICE OF NEW YORK IS A CARE MANAGEMENT COMPANY THAT WORKS IN PARTNERSHIP WITH AREA NURSING HOMES, PHYSICIANS AND HOSPITALS TO BRING ADDITIONAL CARE - INCLUDING ENHANCED HEALTH CARE AND SOCIAL SERVICES - TO THE PATIENTS WHO NEED SPECIALIZED MEDICAL AND NURSE MANAGEMENT THE PROGRAM ACCOMPLISHES THIS BY ASSIGNING A NURSE PRACTITIONER</p>

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
<p>YMCA BUFFALO NIAGARA AND IHA ALSO TEAMED UP WITH LOCAL PARKS</p>	<p>THIS SUMMER TO PROMOTE THE VALUE OF A HEALTHY LIFESTYLE AND ENCOURAGE WESTERN NEW YORK RESIDENTS TO PARTICIPATE IN PHYSICAL ACTIVITY BETWEEN JUNE AND AUGUST 2016 THE WNY COMMUNITY WAS ABLE TO PARTICIPATE IN FREE 60-MINUTE FITNESS CLASSES WITH YMCA-CERTIFIED INSTRUCTORS IN 2016 THE PROGRAM EXPANDED TO 18 AREA PARKS AND INCLUDED 30 SESSIONS WEEKLY, COMPARED TO 2015 WHICH HAD 16 AREA PARKS AND 25 WEEKLY CLASSES IN AN EFFORT TO FURTHER PROMOTE HEALTHIER LIFESTYLES IN OUR COMMUNITY, IHA JOINED FORCES WITH SNYDER CORPORATION AND FITNESS RIDGE WORLDWIDE TO BRING THE BIGGEST LOSER RESORT NIAGARA TO WNY AT THE BEAVER HOLLOW CONFERENCE CENTER IN WYOMING COUNTY THE RESORT FOCUSES ON EXERCISE, HEALTH NUTRITION AND EDUCATION THE PROGRAM ENGAGES PARTICIPANTS IN THEIR OWN HEALTH AND GIVES THEM THE TOOLS THEY NEED TO ADOPT LIFESTYLE CHANGES TO STAY HEALTHY AND REDUCE THEIR RISK OF CHRONIC DISEASE LIKE DIABETES AND HEART DISEASE IHA IS EXPECTED TO PROVIDE \$3 MILLION TOWARDS THIS INITIATIVE IHA HAS ALSO JOINED TOGETHER WITH THE BUFFALO MUSEUM OF SCIENCE TO OPEN THE FIRST OF EIGHT PERMANENT SCIENCE STUDIOS AT THE MUSEUM CALLED "EXPLORE YOU PRESENTED BY INDEPENDENT HEALTH," THE THEMED STUDIO ALLOWS VISITORS TO EXPLORE ANATOMY AND LEARN ABOUT IMPORTANT CHOICES THEY CAN MAKE TO IMPROVE AND MAINTAIN THEIR HEALTH THE EXHIBIT OPENED IN MARCH OF 2012 AND WILL BE OPEN FOR 10 YEARS IN CONNECTION TO THE EXHIBIT, IN FEBRUARY 2013, 2014, 2015 AND 2016, IHA HOSTED AN "EXPLORE TOGETHER" FREE EVENT FOR PARENTS AND CHILDREN TO LEARN ABOUT HEALTH TOPICS THROUGH INTERACTIVE ACTIVITIES AND PRESENTATIONS IHA IS ALSO PROUD TO PARTNER WITH LARKIN SQUARE TO SPONSOR MANY COMMUNITY EVENTS AND HELP BRING HEALTHY INITIATIVES TO THIS NEWLY REVITALIZED PUBLIC GATHERING SPACE ALL YEAR LONG IHA COLLABORATED WITH FOOD TRUCKS PARTICIPATING IN LARKIN SQUARE'S FOOD TRUCK TUESDAYS EVENTS FROM MAY THROUGH OCTOBER 2016 TO HELP THEM OFFER HEALTHY MENU ITEMS THAT ARE CONSIDERED TO BE LOWER IN FAT, SATURATED FAT, CHOLESTEROL AND SODIUM IHA AND THE BUFFALO BILLS ARE WORKING TOGETHER TO IMPROVE THE HEALTH AND WELL-BEING OF THE WESTERN NEW YORK COMMUNITY THROUGH A VARIETY OF INITIATIVES, INCLUDING THE INDEPENDENT HEALTH AND BUFFALO BILLS HEALTH &amp; WELLNESS CHALLENGE, A COMMUNITY-WIDE FITNESS AND NUTRITION PROGRAM TO ENCOURAGE HEALTHY LIVING OVERALL, IN 2016 MORE THAN 15,700 INDIVIDUALS IN THE REGION PARTICIPATED IN THE SPRING AND FALL CHALLENGE, WHICH RAN FROM APRIL 18 MAY 29 AND OCTOBER 3 THROUGH NOVEMBER 13, 2016 THE BUFFALO BILLS AND IHA ALSO WORKED TOGETHER TO ENCOURAGE PHYSICAL ACTIVITY AND HEALTHY EATING AMONG OUR COMMUNITY'S YOUTH IN SCHOOL AND AT HOME THROUGH THE INDEPENDENT HEALTH FOUNDATION'S FITNESS FOR KIDS CHALLENGE AND THE BUFFALO BILLS PLAY 60 CHALLENGE IN ADDITION, IHA SPONSORS THE HILLSIDE WORK-SCHOLARSHIP CONNECTION TO HELP ENSURE OUR COMMUNITY'S YOUTH HAVE THE OPPORTUNITY TO REACH THEIR FULL POTENTIAL BY ENGAGING OUR YOUTH THROUGH EVIDENCE-BASED PROGRAMS SUCH AS HILLSIDE'S,</p>



**990 Schedule O, Supplemental Information**

Return Reference	Explanation
<p>YMCA BUFFALO NIAGARA AND IHA ALSO TEAMED UP WITH LOCAL PARKS</p>	<p>IHA CAN MAKE A SUSTAINABLE IMPACT IN THE COMMUNITY'S FUTURE AS AN EMPLOYMENT PARTNER, IHA NOT ONLY RECOGNIZES THE IMPORTANCE OF HELPING STUDENTS STAY IN SCHOOL AND ACHIEVE ACADEMIC SUCCESS, BUT GRADUATE WITH THE SKILLS AND CONFIDENCE THEY NEED FOR LIFELONG SUCCESS. IHA FURTHER COLLABORATES WITH THE WESTERN NEW YORK COMMUNITY IN ITS AFFILIATION WITH THE HEALTH SCIENCES CHARTER SCHOOL THAT WAS DEVELOPED TO PROVIDE OPPORTUNITIES FOR HIGH SCHOOL STUDENTS FOR CAREERS IN THE MEDICAL FIELD. WNYHEALTHENET FURTHERS IHA'S COMMITMENT TO REDUCING THE COST OF AND IMPROVING THE QUALITY OF HEALTH CARE IN THE WESTERN NEW YORK COMMUNITY. WNYHEALTHENET OPTIMIZES THE DELIVERY OF PATIENT INFORMATION THAT SPEEDS THE DELIVERY AND ACCURACY OF VITAL ELIGIBILITY, CLAIM STATUS, REFERRAL AND AUTHORIZATION INFORMATION TO THE PROVIDER COMMUNITY, AND WESTERN NEW YORK'S CLINICAL INFORMATION EXCHANGE ("HEALTHELINK") - A 501(C)(3) ORGANIZATION THAT OPERATES AN INFORMATION EXCHANGE TO FACILITATE ACCESS TO CLINICAL INFORMATION AMONG HEALTH CARE PROVIDERS AND HEALTH INSURERS. HEALTHELINK IS PART OF THE STATEWIDE HEALTH INFORMATION NETWORK OF NEW YORK (SHIN-NY), A TECHNOLOGY FRAMEWORK SPANNING THE ENTIRE STATE THAT ALLOWS HEALTH CARE PROVIDERS EFFICIENT ACCESS TO THEIR PATIENTS' DATA. HEALTHELINK HAS BEEN RECOGNIZED FOR ITS WORK IN BUILDING A REGIONAL HEALTH INFORMATION TECHNOLOGY INFRASTRUCTURE AND FOR TESTING INNOVATIVE APPROACHES BY BOTH STATE AND FEDERAL AGENCIES, INCLUDING BEING NAMED A BEACON COMMUNITY, AN EFFORT FUNDED BY THE OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY AS OF JUNE 2016, APPROXIMATELY 84 PERCENT OF WESTERN NEW YORK PRACTICES PARTICIPATE WITH HEALTHELINK, 89 DATA SOURCES ARE CONNECTED, MORE THAN 200 MILLION RESULTS (LAB, RADIOLOGY AND TRANSCRIBED REPORTS), AND MORE THAN 960,000 COMMUNITY-WIDE CONSENTS HAVE BEEN SIGNED BY PATIENTS AUTHORIZING TREATING PHYSICIANS TO ACCESS THEIR ELECTRONIC MEDICAL RECORDS THROUGH HEALTHELINK. IHA COORDINATES THE DELIVERY OF HEALTH CARE SERVICES FOR APPROXIMATELY 171,353 MEMBERS OF IHA'S COMMERCIAL PRODUCTS UNDER ARTICLE 44 OF THE NEW YORK PUBLIC HEALTH LAW, MEDICAID MANAGED CARE PRODUCTS AS ADMINISTERED BY THE STATE OF NEW YORK, AND MEDICARE MANAGED CARE PRODUCTS AS ADMINISTERED BY CMS AS OF JUNE 2016. INDEPENDENT HEALTH PROVIDES HEALTH BENEFITS AND SERVICES TO INDIVIDUALS IN WESTERN NEW YORK AND THROUGHOUT THE COUNTRY. THE COMPANY HAS CONSISTENTLY BEEN RATED AMONG THE TOP HEALTH PLANS IN THE COUNTRY FOR CUSTOMER SERVICE AND MEMBER SATISFACTION. INDEPENDENT HEALTH HAS RECEIVED THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE'S (NCQA) HIGHEST ACCREDITATION STATUS OF "EXCELLENT" FOR ITS COMMERCIAL HMO/POS AND MEDICARE LINES OF BUSINESS FOR 18 CONSECUTIVE YEARS. "EXCELLENT" ACCREDITATION IS GRANTED ONLY TO THOSE HEALTH PLANS THAT EXHIBIT LEVELS OF SERVICE AND CLINICAL QUALITY THAT MEET OR EXCEED NCQA'S RIGOROUS REQUIREMENTS FOR CONSUMER PROTECTION AND QUALITY IMPROVEMENT. INDEPENDENT HEALTH WAS ALSO RANKED AS</p>

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
<p>YMCA BUFFALO NIAGARA AND IHA ALSO TEAMED UP WITH LOCAL PARKS</p>	<p>THE TOP HEALTH INSURANCE PLAN IN THE NEW YORK/NEW JERSEY REGION, ACCORDING TO J.D. POWER'S 2010, 2011, 2012, 2013, AND 2016 U.S. MEMBER HEALTH INSURANCE PLAN STUDIES, AND RANKED SECOND IN THE NEW YORK/NEW JERSEY REGION IN THE J.D. POWER 2014 AND 2015 U.S. MEMBER HEALTH PLAN STUDIES. IN ADDITION, INDEPENDENT HEALTH WAS RANKED AMONG THE HIGHEST-RANKED HEALTH PLANS IN THE NATION FOR ALL LINES OF BUSINESS - COMMERCIAL, MEDICARE AND MEDICAID - ACCORDING TO THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE (NCQA) IN ITS HEALTH INSURANCE PLAN RANKINGS 2016-2017. THE RANKINGS ARE BASED ON CLINICAL QUALITY, MEMBER SATISFACTION AND NCQA ACCREDITATION STANDARDS LONG BEFORE THE ENACTMENT OF THE AFFORDABLE CARE ACT (ACA). IHA WAS TAKING STEPS TO TRANSFORM HEALTH CARE IN WESTERN NEW YORK, PROVIDING OUR MEMBERS WITH MANY OF THE QUALITY COVERAGE AND MARKET REFORM PROVISIONS CONTAINED IN THE LAW (\$0 COPAY FOR PREVENTIVE SERVICES, AGE-EXTENSION RIDERS UP TO AGE 26, NO LIFETIME LIMITS ON MEMBERS' COVERAGE, AND COMPREHENSIVE INTERNAL AND EXTERNAL REVIEW PROCESSES TO ENSURE OUR MEMBERS RECEIVED NEEDED HEALTH CARE SERVICES). IHA CONTINUES TO LOOK FOR OPPORTUNITIES TO IMPROVE THE QUALITY AND AFFORDABILITY OF HEALTH CARE FOR OUR REGION, AS ACHIEVING HEALTH CARE REFORM WILL REQUIRE COMMUNITY OWNERSHIP, WIDE-RANGING PARTNERSHIPS AND RENEWED COLLABORATION AMONG DIVERSE STAKEHOLDERS. BY FOCUSING ON COLLABORATION AND HEALTH ENGAGEMENT, IHA CAN HELP BUILD A CULTURE OF HEALTH IN OUR REGION. AS A COMMUNITY, WE MUST CONTINUE TO DEVELOP PROGRAMS THAT ENHANCE FITNESS, FOSTER PREVENTION AND ENGAGE PEOPLE IN BETTER HEALTH. THESE EFFORTS WILL HELP PEOPLE MAKE POSITIVE LIFESTYLE CHANGES AND REDUCE CHRONIC DISEASE - ESSENTIAL ELEMENTS FOR LOWERING HEALTH CARE COSTS AND IMPROVING THE OVERALL HEALTH STATUS OF OUR COMMUNITY. IHA'S COLLABORATIVE EFFORTS ARE HAVING AN IMPACT. THE COMMONWEALTH FUND REPORT RANKED BUFFALO 54TH BEST AMONG 306 MEDICARE SERVICE AREAS FOR QUALITY, ACCESSIBILITY AND AFFORDABILITY OF CARE. IHA WAS IN THE TOP 10 PERCENT FOR ACCESS AND AFFORDABILITY AND IN THE TOP QUARTILE FOR PREVENTION, TREATMENT AND OVERALL PERFORMANCE. THIS RANKING IS EVEN MORE IMPRESSIVE GIVEN THAT BUFFALO IS CITED AS THE THIRD-POOREST CITY IN THE U.S. AND THE STUDY REVEALED A STRONG CORRELATION BETWEEN POVERTY AND A POOR SCORE AMONG THE RANKED AREAS. ADDITIONALLY, THE COLLABORATIVE WORK UNDERWAY IN WESTERN NEW YORK WAS RECOGNIZED IN A RECENTLY RELEASED CASE STUDY ON REGIONAL HEALTH CARE IMPROVEMENT BY THE COMMONWEALTH FUND, BUFFALO AND WESTERN NEW YORK COLLABORATING TO IMPROVE HEALTH SYSTEM PERFORMANCE BY LEVERAGING SOCIAL CAPITAL, WHICH TAKES A CLOSER LOOK AT THE REASONS FOR OUR REGION'S SUCCESS. THESE REPORTS EMPHASIZE THE NEED FOR LOCAL SOLUTIONS AND WIDESPREAD ENGAGEMENT AND COLLABORATION TO ACHIEVE THE QUADRUPLE AIM OF BETTER HEALTH, BETTER CARE, LOWER COSTS AND PROVIDER VITALITY.</p>

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION A, LINE 2	MICHAEL W CROPP, MARK I JOHNSON, JOHN R RODGERS, THOMAS J FOELS, JOHN MINEO, ESQ , AND MICHAEL J FASO HAVE A BUSINESS RELATIONSHIP (BOARD MEMBERS OF A RELATED TAXABLE ENTITY) SIDNEY N WEISS, STUART H ANGERT, MICHAEL W CROPP, MOISES SUDIT, NORA B SULLIVAN, MARK I JOHNSON, AND JOHN MINEO, ESQ HAVE A BUSINESS RELATIONSHIP (BOARD MEMBERS OF A RELATED TAXABLE ENTITY) THOMAS J FOELS AND MICHAEL HEIMERL HAVE A BUSINESS RELATIONSHIP (PRIVATE ENTERPRISE)

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 11B	FORM 990 WAS REVIEWED WITH THE CHAIRMANS OF THE FINANCE AND AUDIT COMMITTEE AND CERTAIN MEMBERS OF THE EXECUTIVE COMMITTEE OF IHA'S BOARD OF DIRECTORS THE FINAL FORM 990 WAS DISTRIBUTED TO THE BOARD OF DIRECTORS AT A MEETING PRIOR TO THE FILING OF THIS RETURN

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	INDEPENDENT HEALTH ASSOCIATION, INC 'S (IHA) CONFLICT OF INTEREST REPORTING POLICY ENCOMPASSES ALL CURRENT IHA OFFICERS AND EMPLOYEES (INCLUDING KEY EMPLOYEES) OF THE ORGANIZATION EMPLOYEES ARE REQUIRED AS PART OF THEIR EMPLOYMENT WITH IHA TO IMMEDIATELY REPORT CONFLICTS OF INTEREST THAT THEY ARE PARTY TO OR THAT THEY OBSERVED, TO A MANAGEMENT OR INDEPENDENT HEALTH'S CHIEF COMPLIANCE OFFICER FOR REVIEW BY THE CONFLICT OF INTEREST COMMITTEE OF INDEPENDENT HEALTH CONFLICTS ARE ALSO IDENTIFIED ANNUALLY WHEN THE SIGNED EMPLOYEE ATTESTATIONS, CONFIDENTIAL QUESTIONNAIRES & PLEDGE OF CONFIDENTIALITY AND CONTINUING DISCLOSURE FORM (FOR KEY EMPLOYEES, OFFICERS, DIRECTORS AND MEMBERS OF THE BOARD) ARE RECEIVED IF A CONFLICT OF INTEREST IS IDENTIFIED, THE INDIVIDUAL IS PROHIBITED FROM PARTICIPATING IN THE DELIBERATIONS OR DECISIONS RELATED TO THIS TRANSACTION THE RESOLUTION OF THE CONFLICT REVIEW WILL BE DOCUMENTED IN MEETING MINUTES MAINTAINED BY THE CONFLICT OF INTEREST COMMITTEE

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 15	THE GOVERNING BOARD OF DIRECTORS OF INDEPENDENT HEALTH ASSOCIATION, INC (IHA) APPOINTED A GROUP OF BOARD MEMBERS TO ACT AS THE COMPENSATION COMMITTEE. COMPENSATION OF THE CEO IS SUBJECT TO REVIEW AND APPROVAL BY THE COMPENSATION COMMITTEE AND THE BOD ANNUALLY. ADDITIONALLY, THE RECOMMENDATIONS OF THE CEO PERTAINING TO THE COMPENSATION OF HIS/HER DIRECT REPORTS ARE SUBJECT TO REVIEW AND ADVISEMENT BY THE COMPENSATION COMMITTEE. TO DETERMINE EXECUTIVE COMPENSATION AND INCENTIVE ELIGIBILITY OF THE CEO AND HIS/HER DIRECT REPORTS, THE COMPENSATION COMMITTEE ENGAGES AN INDEPENDENT COMPENSATION CONSULTANT TO REVIEW THE RECOMMENDATIONS AND ANY COMPARABLE DATA (COMPENSATION OF SIMILARLY QUALIFIED PERSONS IN FUNCTIONALLY COMPARABLE POSITIONS AT SIMILARLY SIZED ORGANIZATIONS). COMPARABILITY DATA MAY BE OBTAINED VIA THE FORM 990 OF OTHER ORGANIZATIONS AND/OR COMPENSATION SURVEYS OR STUDIES. THE COMPENSATION COMMITTEE, IN DELIBERATIONS WITH THE INDEPENDENT CONSULTANT, DETERMINES THE COMPENSATION AND INCENTIVE FOR THE CEO. THE COMPENSATION COMMITTEE WILL DOCUMENT THE DELIBERATIONS AND DECISIONS REGARDING THE COMPENSATION ARRANGEMENTS. THE BOD WILL THEN RATIFY ALL DECISIONS OF THE COMPENSATION COMMITTEE AT ITS REGULARLY SCHEDULED BOARD MEETING. IHA'S EXECUTIVE COMPENSATION POLICY/PROCESS IS AN ANNUAL PROCESS (LAST PERFORMED IN 2016) AND WAS USED TO ESTABLISH COMPENSATION FOR THE FOLLOWING POSITIONS: EXECUTIVE VICE PRESIDENT - CHIEF FINANCIAL OFFICER, EXECUTIVE VICE PRESIDENT - CHIEF ENGAGEMENT & SERVICING OFFICER, EXECUTIVE VICE PRESIDENT - CHIEF OPERATING OFFICER, EXECUTIVE VICE PRESIDENT - CHIEF MEDICAL OFFICER, EXECUTIVE VICE PRESIDENT - GENERAL COUNSEL, EXECUTIVE VICE PRESIDENT - CHIEF HR OFFICER, SVP - NETWORK & PERFORMANCE MANAGEMENT, AND VICE PRESIDENT - CHIEF AUDIT EXECUTIVE. THE CEO EXCLUDES HIMSELF/HERSELF FROM DELIBERATIONS WHEN DISCUSSING HIS/HER COMPENSATION.

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	UPON REQUEST, THE ORGANIZATION WILL MAKE AVAILABLE A COPY OF ITS 990, ITS AUDITED FINANCIAL STATEMENTS, AND ANY OTHER DOCUMENTS AS REQUIRED

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VII CONTACT ADDRESSES FOR OFFICERS, DIRECTORS, ETC	JUDITH ANN FELDMAN - 8421 LAKEWOOD CT , EAST AMHERST, NY 14051



**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2016**

**Open to Public  
Inspection**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

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

Name of the organization  
INDEPENDENT HEALTH ASSOCIATION INC

Employer identification number

16-1080163

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
<b>(1)</b> THE PRIMARY CONNECTION LLC 511 FARBER LAKES DRIVE BUFFALO, NY 14221 47-2349293	HEALTH CARE MANAGEMENT SERVICES	NY	0	0	INDEPENDENT HEALTH ASSOCIATION INC
<b>(2)</b> THE PRIMARY CONNECTION 2 LLC 511 FARBER LAKES DRIVE BUFFALO, NY 14221 81-2770810	HEALTH CARE MANAGEMENT SERVICES	NY	0	0	INDEPENDENT HEALTH ASSOCIATION INC

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
<b>(1)</b> INDEPENDENT HEALTH FOUNDATION 777 INTERNATIONAL DRIVE BUFFALO, NY 14221 16-1417199	TO PROMOTE GOOD HEALTH IN WESTERN NEW YORK & SUPPORT THE ACTIVITIES OF IHA	NY	501(C)3	11A, I	INDEPENDENT HEALTH ASSOCIATION INC	Yes	

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
<b>(1)</b> INDEPENDENT HEALTH CORPORATION AND SUBSIDIARY 511 FARBER LAKES DRIVE BUFFALO, NY 14221 16-1237733	THIRD PARTY CLAIMS ADMINISTRATION	NY	INDEPENDENT HEALTH ASSOCIATION INC	C	6,599,498	183,109,414	100 000 %	Yes	
<b>(2)</b> INDEPENDENT HEALTH BENEFITS CORPORATION 511 FARBER LAKES DRIVE BUFFALO, NY 14221 16-1483784	POS AND INDEMNITY PRODUCT ADMINISTRATION	NY	INDEPENDENT HEALTH ASSOCIATION INC	C	-888,261	239,543,093	100 000 %	Yes	
<b>(3)</b> MASON INSURANCE COMPANY LTD 16 CHURCH STREET HAMILTON BD	REINSURANCE	BD	INDEPENDENT HEALTH ASSOCIATION INC	C	826,000	13,134,000	100 000 %	Yes	

**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

	Yes	No
<b>1</b> 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?		
<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> Yes	
<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>	No
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) . . . . .	<b>1m</b> Yes	
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .	<b>1n</b> Yes	
<b>o</b> Sharing of paid employees with related organization(s) . . . . .	<b>1o</b> Yes	
<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) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved



**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:** 16-1080163  
**Name:** INDEPENDENT HEALTH ASSOCIATION INC

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

<b>(a)</b> Name of related organization	<b>(b)</b> Transaction type(a-s)	<b>(c)</b> Amount Involved	<b>(d)</b> Method of determining amount involved
<b>(1)</b> INDEPENDENT HEALTH FOUNDATION	B	1,258,800	FMV
<b>(1)</b> INDEPENDENT HEALTH CORPORATION AND SUBSIDIARY	M	6,102,399	FMV
<b>(2)</b> INDEPENDENT HEALTH FOUNDATION	N	380,017	FMV
<b>(3)</b> INDEPENDENT HEALTH BENEFITS CORPORATION	N	2,374,854	FMV
<b>(4)</b> INDEPENDENT HEALTH CORPORATION AND SUBSIDIARY	N	21,421,848	FMV
<b>(5)</b> INDEPENDENT HEALTH BENEFITS CORPORATION	O	30,979,813	FMV
<b>(6)</b> INDEPENDENT HEALTH CORPORATION AND SUBSIDIARY	O	7,880,566	FMV
<b>(7)</b> INDEPENDENT HEALTH FOUNDATION	P	168,890	FMV
<b>(8)</b> INDEPENDENT HEALTH BENEFITS CORPORATION	P	1,879,853	FMV
<b>(9)</b> INDEPENDENT HEALTH CORPORATION AND SUBSIDIARY	P	29,163,145	FMV
<b>(10)</b> INDEPENDENT HEALTH FOUNDATION	Q	162,986	FMV
<b>(11)</b> INDEPENDENT HEALTH BENEFITS CORPORATION	Q	609,636,391	FMV
<b>(12)</b> INDEPENDENT HEALTH CORPORATION AND SUBSIDIARY	Q	327,258,146	FMV
<b>(13)</b> INDEPENDENT HEALTH FOUNDATION	R	943,947	FMV
<b>(14)</b> INDEPENDENT HEALTH CORPORATION AND SUBSIDIARY	S	34,138	FMV
<b>(15)</b> INDEPENDENT HEALTH BENEFITS CORPORATION	S	13,918,463	FMV
<b>(16)</b> INDEPENDENT HEALTH BENEFITS CORPORATION	M	542,011,182	FMV