

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

Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No 1545-0047  
**2018**  
Open to Public Inspection

**A For the 2019 calendar year, or tax year beginning 01-01-2018, and ending 12-31-2018**

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return/terminated  
 Amended return  
 Application pending

**C** Name of organization: **PHYSICIANS HEALTH PLAN**  
 Doing business as: \_\_\_\_\_  
 Number and street (or P O box if mail is not delivered to street address) Room/suite: **PO BOX 30377**  
 City or town, state or province, country, and ZIP or foreign postal code: **LANSING, MI 48909**

**D** Employer identification number: **38-2356288**  
**E** Telephone number: **(517) 364-8400**  
**G** Gross receipts \$ **207,770,735**

**F** Name and address of principal officer:  
**JAMES F DOVER**  
**1215 E MICHIGAN AVENUE**  
**LANSING, MI 48912**

**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.PHPMICHIGAN.COM**

**K** Form of organization:  Corporation  Trust  Association  Other ▶ \_\_\_\_\_  
**L** Year of formation: **1980** **M** State of legal domicile: **MI**

**Part I Summary**

**1** Briefly describe the organization's mission or most significant activities:  
**PHYSICIANS HEALTH PLAN'S MISSION IS TO IMPROVE THE HEALTH STATUS OF ITS MEMBERS BY FACILITATING QUALITY, COMPASSIONATE, ACCESSIBLE, COST EFFECTIVE HEALTHCARE**

**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)	<b>3</b>	11
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	8
<b>5</b> Total number of individuals employed in calendar year 2018 (Part V, line 2a)	<b>5</b>	122
<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	0
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	

	Prior Year	Current Year
<b>8</b> Contributions and grants (Part VIII, line 1h)		0
<b>9</b> Program service revenue (Part VIII, line 2g)	192,156,736	201,613,791
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	7,491,045	4,385,644
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	19,107	58,701
<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	199,666,888	206,058,136
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)		0
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	170,435,625	177,567,791
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	7,182,541	8,790,113
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		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)	11,459,399	13,076,720
<b>18</b> Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	189,077,565	199,434,624
<b>19</b> Revenue less expenses Subtract line 18 from line 12	10,589,323	6,623,512

	Beginning of Current Year	End of Year
<b>20</b> Total assets (Part X, line 16)	92,056,926	95,848,627
<b>21</b> Total liabilities (Part X, line 26)	33,134,026	34,784,726
<b>22</b> Net assets or fund balances Subtract line 21 from line 20	58,922,900	61,063,901

**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: 2019-11-04  
 DENNIS REESE PRESIDENT & CEO  
 Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name: \_\_\_\_\_ Preparer's signature: \_\_\_\_\_ Date: 2019-11-04  
 Check  if self-employed PTIN: P00751307  
 Firm's name: ▶ ANDREWS HOOPER PAVLIK PLC Firm's EIN: ▶ 38-3133790  
 Firm's address: ▶ 4295 OKEMOS RD STE 200 Phone no: (517) 706-0800  
 OKEMOS, MI 488646201

**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

PHYSICIANS HEALTH PLAN'S MISSION IS TO IMPROVE THE HEALTH STATUS OF ITS MEMBERS BY FACILITATING QUALITY, COMPASSIONATE, ACCESSIBLE, COST EFFECTIVE HEALTHCARE

**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 \$ 192,038,322 including grants of \$ ) (Revenue \$ 201,672,492 )  
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 ▶ 192,038,322

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows include questions 1 through 22 regarding organizational requirements and reporting.

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

		Yes	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</b>	<b>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> . . . . .		No
<b>b</b>	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		No
<b>c</b>	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		No
<b>29</b>	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .		No
<b>30</b>	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .		No
<b>31</b>	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .		No
<b>32</b>	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .		No
<b>33</b>	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .		No
<b>34</b>	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .	Yes	
<b>35a</b>	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	Yes	
<b>b</b>	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	Yes	
<b>36</b>	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .		
<b>37</b>	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .		No
<b>38</b>	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	Yes	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

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

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable . . . . .		
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .		
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	Yes	

<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .		<b>2a</b>	122		
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<b>2b</b>	Yes		
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .	<b>3a</b>		No	
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O . . . . .</i>	<b>3b</b>			
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .	<b>4a</b>		No	
<b>b</b>	If "Yes," enter the name of the foreign country <b>▶</b> _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	<b>5a</b>		No	
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>		No	
<b>c</b>	If "Yes," to line 5a or 5b, did the organization file Form 8886-T? . . . . .	<b>5c</b>			
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . . . .	<b>6a</b>		No	
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>6b</b>			
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>					
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .	<b>7a</b>			
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	<b>7b</b>			
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	<b>7c</b>			
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year . . . . .	<b>7d</b>			
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>			
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	<b>7f</b>			
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	<b>7g</b>			
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . . . .	<b>7h</b>			
<b>8 Sponsoring organizations maintaining donor advised funds.</b>					
	Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? . . . . .	<b>8</b>			
<b>9a</b>	Did the sponsoring organization make any taxable distributions under section 4966? . . . . .	<b>9a</b>			
<b>b</b>	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . . . .	<b>9b</b>			
<b>10 Section 501(c)(7) organizations.</b> Enter					
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .	<b>10a</b>			
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>			
<b>11 Section 501(c)(12) organizations.</b> Enter					
<b>a</b>	Gross income from members or shareholders . . . . .	<b>11a</b>			
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them ) . . . . .	<b>11b</b>			
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?					
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>			
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>					
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O	<b>13a</b>			
<b>b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . . . .	<b>13b</b>			
<b>c</b>	Enter the amount of reserves on hand . . . . .	<b>13c</b>			
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year? . . . . .	<b>14a</b>		No	
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O . . . . .</i>	<b>14b</b>			
<b>15</b>	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N . . . . .	<b>15</b>		No	
<b>16</b>	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O . . . . .	<b>16</b>		No	

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



Section A. Governing Body and Management

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 (11); 1b Enter the number of voting members included in line 1a, above, who are independent (8); 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? (No); 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? (Yes); 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? (Yes); 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? (Yes); 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? (Yes); b 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 (No)

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

Table with 3 columns: Question, Yes, No. Rows include: 10a 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? a The organization's CEO, Executive Director, or top management official (Yes); b Other officers or key employees of the organization (Yes); If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions); 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? (No); 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?

Section C. Disclosure

Table with 2 columns: Question, Answer. Rows include: 17 List the States with which a copy of this Form 990 is required to be filed (MI); 18 Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply: Own website, Another's website, Upon request, Other (explain in Schedule O); 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year; 20 State the name, address, and telephone number of the person who possesses the organization's books and records (DENNIS REESE 1400 E MICHIGAN AVENUE LANSING, MI 48909 (517) 364-8400)

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DENNIS SWAN PRES/CEO - S	1 00 40 00	X						0 979,797	221,221	
(2) PAULA REICHLER DIRECTOR	1 00 40 00	X						0 512,290	102,116	
(3) DENNIS REESE PRESIDENT &	40 00 5 00	X		X				0 334,297	48,604	
(4) DAVID KAUFMAN DO DIRECTOR	1 00 40 00	X						0 1,392	0	
(5) JAMES BUTLER III BOARD CHAIR	1 00 1 00	X		X				0 1,392	0	
(6) TIMOTHY HODGE DO DIRECTOR	1 00 3 00	X						0 0	0	
(7) DIANA RODRIGUEZ ALGRA BOARD VICE C	1 00 1 00	X						0 0	0	
(8) THOMAS HOFMAN PHD TREASURER/SE	1 00 1 00	X		X				0 0	0	
(9) DEBORAH MUCHMORE DIRECTOR	1 00 1 00	X						0 0	0	
(10) MERRITTA PROCTOR DIRECTOR	1 00 2 00	X						0 0	0	
(11) SHALIMAR MAYNARD DIRECTOR	1 00 1 00	X						0 0	0	
(12) JAMES TISCHLER DIRECTOR	1 00 1 00	X						0 0	0	
(13) BRITTANY BOGAN DIRECTOR	1 00 3 00	X						0 0	0	
(14) APRIL CLOBES DIRECTOR (PA)	1 00 1 00	X						0 0	0	
(15) PETER GRAHAM MD MEDICAL DIRE	5 00 40 00			X				0 306,968	59,136	
(16) GEORGE SCHNEIDER CFO/COO	40 00 5 00			X				0 291,518	36,499	
(17) SCOTT NORMAN VP OF SALES	40 00 5 00				X			0 274,762	40,735	

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) SUSAN ARMBRUSTER ..... DIRECTOR OF	40 00 5 00					X		213,471	0	28,740
(19) PAULA HOWARD ..... SENIOR SALES	40 00 5 00					X		159,316	0	33,408
(20) ANN HUNT-FUGATE RPH ..... MGR CLINICAL	40 00 5 00					X		150,764	0	13,064
(21) NICHOLAS D'ISA ..... DIR LEGAL/CO	40 00 5 00					X		144,084	0	22,712
(22) JOY WAHAWISAN ..... CLINICAL ANA	40 00 5 00					X		126,154	0	30,471
(23) MARK BRETT ..... FORMER DIREC	0 00 40 00						X	0	544,977	123,034
(24) DAWN SPRINGER MD ..... FORMER DIREC	0 00 40 00						X	0	230,796	33,945
<b>1b Sub-Total</b> . . . . .										
<b>1c Total from continuation sheets to Part VII, Section A</b> . . . . .										
<b>1d Total (add lines 1b and 1c)</b> . . . . .								793,789	3,478,189	793,685

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 16

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
TRIZETTO 1085 MORRIS AVENUE UNION, NJ 07083	HEALTHCARE IT	4,354,026
ZELIS HEALTHCARE 6875 SHILOH RD E ALPHARETTA, GA 300058403	COST CONT & CIR	1,042,457
CHANGE HEALTHCARE INC 3055 LEBANON PIKE NASHVILLE, TN 37214	COST CONT & CIR	835,068
MILLIMAN 15800 BLUEMOUND RD SUITE 100 BROOKFIELD, WI 53005	MGMT CONSULTING	794,351
SOFTHEON 1500 STONY BROOK RD CEWITT RD PARK STONY BROOK, NY 117944600	HEALTHCARE IT	263,377

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 13



Part VIII Statement of Revenue

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

Table with 5 main columns: (A) Total revenue, (B) Related or exempt function revenue, (C) Unrelated business revenue, (D) Revenue excluded from tax under sections 512 - 514. Rows include 1a-1f (Federated campaigns, Membership dues, Fundraising events, etc.) and 1g (Noncash contributions).

Table for Program Service Revenue with columns for Business Code and revenue amounts. Rows include 2a PREPAID HEALTHCARE (621990) and 2f All other program service revenue.

Main revenue table with 5 main columns. Rows include 3 Investment income, 4 Income from investment of tax-exempt bond proceeds, 5 Royalties, 6a-6d Rental income, 7a-7d Net gain from sales of assets, 8a-8c Net income from fundraising events, 9a-9c Net income from gaming activities, 10a-10c Net income from sales of inventory, 11a-11d OTHER REVENUE (900099), and 12 Total revenue.

**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

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>				
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.				
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22.				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.				
<b>4</b> Benefits paid to or for members	177,567,791	177,567,791		
<b>5</b> Compensation of current officers, directors, trustees, and key employees	1,077,022	815,306	261,716	
<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	6,154,760	4,659,153	1,495,607	
<b>8</b> Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	344,286	260,625	83,661	
<b>9</b> Other employee benefits	774,733	586,473	188,260	
<b>10</b> Payroll taxes	439,312	332,559	106,753	
<b>11</b> Fees for services (non-employees)				
<b>a</b> Management	3,616,158		3,616,158	
<b>b</b> Legal	69,592	52,681	16,911	
<b>c</b> Accounting	152,787	152,787		
<b>d</b> Lobbying				
<b>e</b> Professional fundraising services. See Part IV, line 17.				
<b>f</b> Investment management fees	102,092		102,092	
<b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,957,146	1,957,146		
<b>12</b> Advertising and promotion	597,400	452,232	145,168	
<b>13</b> Office expenses	475,778	360,164	115,614	
<b>14</b> Information technology	497,298	376,455	120,843	
<b>15</b> Royalties				
<b>16</b> Occupancy	137,338		137,338	
<b>17</b> Travel	89,358		89,358	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	2,752		2,752	
<b>20</b> Interest				
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	1,706,904	1,706,904		
<b>23</b> Insurance	68,860	68,860		
<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> BROKER COMMISSONS	2,022,613	2,022,613		
<b>b</b> MISCELLANEOUS	880,546	666,573	213,973	
<b>c</b> ADMINISTRATIVE EXPENSES	700,098		700,098	
<b>d</b>				
<b>e</b> All other expenses				
<b>25</b> Total functional expenses. Add lines 1 through 24e	199,434,624	192,038,322	7,396,302	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>	
	<b>2</b> Savings and temporary cash investments . . . . .	46,765,765	<b>2</b>	49,545,947
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .	5,177,591	<b>4</b>	8,671,065
	<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 . . . . .	1,604,841	<b>9</b>	1,760,497
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	17,862,454		
	<b>b</b> Less accumulated depreciation	11,801,272		
	<b>11</b> Investments—publicly traded securities . . . . .	17,241,788	<b>11</b>	13,920,530
	<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 . . . . .	14,083,852	<b>13</b>	14,743,721
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets See Part IV, line 11 . . . . .	240,880	<b>15</b>	1,145,685
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	92,056,926	<b>16</b>	95,848,627	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	28,827,629	<b>17</b>	30,319,683
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	3,240,998	<b>19</b>	1,707,393
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24) Complete Part X of Schedule D	1,065,399	<b>25</b>	2,757,650
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	33,134,026	<b>26</b>	34,784,726
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets	58,922,900	<b>27</b>	61,063,901
	<b>28</b> Temporarily restricted net assets . . . . .		<b>28</b>	
	<b>29</b> Permanently restricted net assets		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	58,922,900	<b>33</b>	61,063,901	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	92,056,926	<b>34</b>	95,848,627	

**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>	206,058,136
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	199,434,624
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	6,623,512
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	58,922,900
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	-4,482,511
<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>	
<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>	61,063,901

**Part XII Financial Statements and Reporting**

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

- 1** Accounting method used to prepare the Form 990  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?  
 If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant?  
 If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c** If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?  
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
<b>2a</b>		No
<b>2b</b>	Yes	
<b>2c</b>	Yes	
<b>3a</b>		No
<b>3b</b>		

# Additional Data

**Software ID:**

**Software Version:**

**EIN:** 38-2356288

**Name:** PHYSICIANS HEALTH PLAN

Form 990 (2018)

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

PHYSICIANS HEALTH PLAN (PHP) IS OWNED BY SPARROW HEALTH SYSTEM (SPARROW) AND HOLDS A CERTIFICATE OF AUTHORITY AS AN HMO IN THE STATE OF MICHIGAN PHP IS PRIMARILY A COMMERCIAL HMO AND ALSO OPERATES THREE SUBSIDIARIES, PHP INSURANCE COMPANY (PHPIC), A COMMERCIAL INSURANCE COMPANY, PHP MEDICARE (PHPMA), A MICHIGAN MEDICARE PLAN, AND PHP SERVICE COMPANY A THIRD PARTY ADMINISTRATOR ALL STAFFING FUNCTIONS AND REPORTING ARE ACCOMPLISHED THROUGH THE USE OF THE SAME STAFF AS PHP UNLESS SPECIFICALLY NOTED, ALL REFERENCES TO PHP APPLY TO PHP, PHPIC, AND PHPMA PHPS SERVICE AREA INCLUDES THE MICHIGAN COUNTIES OF INGHAM, EATON, CLINTON, SHIAWASSEE, MONTCALM, GRATIOT, IONIA, JACKSON, HILLSDALE AND PORTIONS OF ISABELLA, SAGINAW, WASHTENAW, AND LENAWEЕ PHIC OFFERS PRODUCTS ACROSS MICHIGAN AS OF DECEMBER 31, 2018, THERE WERE APPROXIMATELY 34,300 ENROLLEES IN PHPS COMMERCIAL HMO, 16,500 IN TPA, 4,700 IN PHPIC, AND 0 ENROLLEES IN PHPMA PHP CONTRACTS DIRECTLY WITH PHYSICIANS HEALTH NETWORK (PHN), A WHOLLY-OWNED SUBSIDIARY OF SHS THE PHP NETWORK IS APPROXIMATELY 792 PRIMARY CARE PHYSICIANS, 1,314 SPECIALTY CARE PHYSICIANS, 568 ALLIED HEALTH PROFESSIONALS, AND 506 ORGANIZATIONAL PROVIDERS THAT INCLUDE 31 HOSPITALS PHP CONTRACTS WITH VARIOUS HDNS WHO PROVIDE HEALTHCARE SERVICES TO MEMBERS PHPS COMMITMENT IS TO DEVELOP AND DELIVER QUALITY MANAGED CARE PRODUCTS AT REASONABLE COSTS FOR ITS MEMBERS PHPS SUCCESS IN MANAGING HEALTH CARE IS DUE IN PART TO THE EXTENSIVE NETWORK OF PARTICIPATING PROVIDERS IN THE HDN NETWORK THE HMO/HDN CONTRACTUAL ARRANGEMENTS ALLOW PHP TO ARRANGE FOR HEALTHCARE TO PATIENTS COVERED BY THE STATE OF MICHIGAN MEDICAID BENEFIT PLAN THIS ARRANGEMENT ALLOWS THE MEMBERS TO ACCESS A WIDE VARIETY OF INDEPENDENT PROVIDERS WITHIN EACH HDN INCLUDING PHYSICIANS, HOSPITALS, PHARMACIES, SKILLED NURSING FACILITIES, AND ALLIED HEALTH PROFESSIONALS PHP MEMBERS MAY ALSO RECEIVE CARE FOR SERVICES FROM A NONPARTICIPATING PROVIDER IF SUCH REFERRAL IS RECOMMENDED BY AN HDN PARTICIPATING PHYSICIAN AND THE SERVICE REQUIRED FOR TREATMENT, AS DETERMINED BY HDN, IS NOT AVAILABLE WITHIN THE HDNS NETWORK PHP OFFERS A VARIETY OF HEALTHCARE PROGRAMS, OR PRODUCTS TO GROUPS AND INDIVIDUALS PHP OFFERS CHOICES THAT PROVIDE COVERAGE WITHIN THE NETWORK OF CONTRACTED HDN PROVIDERS, LIMITED COVERAGE OUTSIDE OF THE PHP NETWORK, VARIOUS LEVELS OF DEDUCTIBLES, CO-PAYMENTS, AND COVERAGE LIMITS, ALL OF WHICH ARE DESIGNED TO BE RESPONSIVE TO CUSTOMER NEEDS PHP MEASURES THE QUALITY OF CARE PROVIDED TO ITS ENROLLEES THROUGH ANNUAL REVIEW OF INDICATORS SUCH AS - DISEASE MANAGEMENT PROGRAM PARTICIPATION AND OUTCOMES - QUALITY OF CARE CONCERNS - HEDIS MEASURES THE HEALTH PLAN EFFECTIVENESS DATA AND INFORMATION SET (HEDIS) IS A GROUP OF NATIONALLY RECOGNIZED MEASURES OF HEALTH PLANS PERFORMANCE IN A VARIETY OF CLINICAL AND NON-CLINICAL AREAS PHP USES THE EFFECTIVENESS OF CARE MEASURES TO DETERMINE PROGRESS AND IMPROVEMENT IN AREAS SUCH AS DIABETES, ASTHMA, DEPRESSION AND FOLLOW-UP AFTER MENTAL HEALTH ADMISSIONS, BREAST AND CERVICAL CANCER SCREENING, USE OF BETA-BLOCKERS AFTER HEART ATTACKS, CHILD AND ADOLESCENT IMMUNIZATIONS, CHOLESTEROL MANAGEMENT, CONTROLLING HIGH BLOOD PRESSURE, SMOKING CESSATION, PRENATAL AND POSTPARTUM CARE, AND TREATMENT OF CHILDHOOD RESPIRATORY INFECTIONS PHP MEASURES THE QUALITY OF SERVICE PROVIDED TO ITS ENROLLEES BY THE REVIEW OF PERFORMANCE MEASURES RELATED TO - ACCESS AND AVAILABILITY OF PROVIDERS, - ENROLLEE COMPLAINTS AND APPEALS, - CUSTOMER SERVICE TELEPHONE ACCESS PERFORMANCE, AND - MEMBER ASSESSMENT THE CONSUMER ASSESSMENT OF HEALTHCARE PROVIDERS AND SYSTEMS (CAHPS) SURVEY GIVES A GENERAL INDICATION OF HOW WELL THE ORGANIZATION MEETS MEMBERS EXPECTATIONS THE PHP QI PROGRAM IS ULTIMATELY ACCOUNTABLE TO THE BOARD OF DIRECTORS IN 2018 PHP RECEIVED FULL ACCREDITATION STATUS FROM URAC FOR BOTH HEALTH PLAN ACCREDITATION AND HEALTH PLAN ACCREDITATION WITH HEALTH INSURANCE MARKETPLACE URAC ACCREDITATION SIGNIFIES AN ISSUER HAS UNDERGONE AND PASSED A RIGOROUS AND INDEPENDENT REVIEW OF ITS OPERATION, INCLUDING THE QUALITY OF CARE AND LEVEL OF SERVICE PROVIDED TO ENROLLEES ACCREDITATION HEALTH PLAN STANDARDS INCORPORATE MARKET TRENDS AND ADDRESS MAJOR POLICY ISSUES WHILE ALIGNING WITH CORE REQUIREMENTS FOUND IN THE AFFORDABLE CARE ACT PHP HAS BEEN ACCREDITED BY URAC UNDER THE HEALTH PLAN STANDARDS SINCE 2012 THE CURRENT ACCREDITATION IS EFFECTIVE THROUGH JULY 1, 2021 AT WHICH TIME REACCREDITATION WILL OCCUR

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

**Supplemental Financial Statements**  
**► 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.**  
**► Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.**

OMB No 1545-0047  
**2018**  
**Open to Public Inspection**

**Name of the organization**  
PHYSICIANS HEALTH PLAN

**Employer identification number**  
38-2356288

**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
<b>1</b> Total number at end of year		
<b>2</b> Aggregate value of contributions to (during year)		
<b>3</b> Aggregate value of grants from (during year)		
<b>4</b> Aggregate value at end of year		
<b>5</b> Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>6</b> Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

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

**1** Purpose(s) of conservation easements held by the organization (check all that apply)

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	
<b>a</b> Total number of conservation easements	<b>2a</b>	
<b>b</b> Total acreage restricted by conservation easements	<b>2b</b>	
<b>c</b> Number of conservation easements on a certified historic structure included in (a)	<b>2c</b>	
<b>d</b> Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	<b>2d</b>	

**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 . . . . .	4,297,975	3,986,792	3,707,924	3,411,165	3,184,706
<b>b</b> Contributions . . . . .	314,065	114,433	191,313	361,583	200,566
<b>c</b> Net investment earnings, gains, and losses	-48,873	211,750	102,555	-49,824	40,893
<b>d</b> Grants or scholarships . . . . .	15,000	15,000	15,000	15,000	15,000
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .	4,548,167	4,297,975	3,986,792	3,707,924	3,411,165

- 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 ▶ 100 000 %
  - 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 . . . . .   | Yes | No |
| <b>(ii)</b> related organizations . . . . .  | Yes | No |
| <b>b</b> If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? . . . . . | Yes | No |
- 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 . . . . .		455,895		455,895
<b>b</b> Buildings . . . . .		6,276,388	3,897,424	2,378,964
<b>c</b> Leasehold improvements				
<b>d</b> Equipment . . . . .		11,130,171	7,903,848	3,226,323
<b>e</b> Other . . . . .				
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶				6,061,182

**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) INVESTMENT IN PHP INSURANCE COMPANY	13,493,178	C
(2) INVESTMENT IN PHP SERVICE COMPANY	1,250,543	C
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 13 ) ▶	14,743,721	

**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)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 15 ) ▶	

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

(a) Description of liability	(b) Book value
(1) Federal income taxes	
RELATED PARTY PAYABLE	2,757,650
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col (B) line 25 ) ▶	2,757,650

**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>	199,192,792
<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>	-4,482,511
<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>	1,384,690
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	-3,097,821
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	202,290,613
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	102,092
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>	3,665,431
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	3,767,523
<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>	206,058,136

**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>	197,051,791
<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>	1,389,596
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	1,389,596
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	195,662,195
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	102,092
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>	3,670,337
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	3,772,429
<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>	199,434,624

**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	

**Part XIII Supplemental Information** *(continued)*

Return Reference	Explanation

# Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 38-2356288  
**Name:** PHYSICIANS HEALTH PLAN

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PAGE 2, PART V, LINE 4	PHP DOES NOT HOLD ENDOWMENTS THE ENDOWMENTS ARE HELD BY SPARROW CLINTON HOSPITAL AND SPARROW FOUNDATION SPARROW HEALTH SYSTEM IS THE SOLE MEMBER OF PHP, SPARROW CLINTON HOSPITAL, AND SPARROW FOUNDATION THE ENDOWMENTS ARE MAINTAINED TO PROVIDE A PERMANENT SOURCE OF INCOME, WITH THE STIPULATION THE PRINCIPAL IS KEPT INTACT IN PERPETUITY AND THE INCOME GENERATED FROM INVESTMENTS OF THE ENDOWMENT FUNDS CAN BE USED FOR THE PURPOSE ESTABLISHED BY THE ENDOWMENT

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PAGE 4, PART XI, LINE 2D	HICA INCOME/ EXPENSE RECLASS 1,419,158 OTHER -34,468

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PAGE 4, PART XI, LINE 4B	REINSURANCE 1,084,666 RISK ADJ INCOME/EXPENSE RECLASS 2,330,820 CHANGE IN NON-ADMITTED ASSETS 249,945

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PAGE 4, PART XII, LINE 2D	HICA INCOME/EXPENSE RECLASS 1,419,158 PENSION NON-OPERATING -29,562

## Supplemental Information

Return Reference	Explanation
SCHEDULE D, PAGE 4, PART XII, LINE 4B	RISK ADJ/EXPENSE RECLASS 2,330,820 MISCELLANEOUS 58,702 REINSURANCE 1,084,666 STATUTORY/GAAP DIFFERENCE 196,149

**Schedule J**  
(Form 990)

**Compensation Information**

OMB No 1545-0047  
**2018**  
**Open to Public Inspection**

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.  
 ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

Name of the organization  
PHYSICIANS HEALTH PLAN

Employer identification number  
38-2356288

**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 checked="" 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 checked="" type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<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 checked="" type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
<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 checked="" type="checkbox"/> Compensation committee</td> <td><input checked="" type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input checked="" type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input checked="" type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract	<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract									
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study									
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" 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> <p><b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p> <p><b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?</p> <p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</p>	4a No 4b Yes 4c No									
<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> <p><b>b</b> Any related organization?</p> <p>If "Yes," on line 5a or 5b, describe in Part III</p>	5a No 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> <p><b>b</b> Any related organization?</p> <p>If "Yes," on line 6a or 6b, describe in Part III</p>	6a No 6b No									
<p><b>7</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III</p>	7 Yes									
<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 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
SCHEDULE J, PAGE 1, PART I, LINE 1A	CERTAIN BOARD MEMBERS- AND EXECUTIVES' MICHIGAN ATHLETIC CLUB DUES ARE PAID BY THE ENTITY. THESE AMOUNTS ARE CONSIDERED TAXABLE COMPENSATION.

<b>Return Reference</b>	<b>Explanation</b>
SCHEDULE J, PAGE 1, PART I, LINE 3	SPARROW HEALTH SYSTEM IS THE SOLE MEMBER OF PHYSICIAN HEALTH PLAN SPARROW HEALTH SYSTEM IS AN INTEGRATED NON-PROFIT ORGANIZATION THAT INCLUDES A NUMBER OF NON-PROFIT ENTITIES THE METHODS SELECTED FOR DETERMINING THE COMPENSATION OF THE CEO/EXECUTIVE DIRECTOR ARE METHODS WHICH ARE BEING USED BY ALL SPARROW HEALTH SYSTEM RELATED ENTITIES

Return Reference	Explanation
SCHEDULE J, PAGE 1, PART I, LINE 4	PAULA REICHLE 0 46,140 0 MARK BRETT 0 50,123 0

<b>Return Reference</b>	<b>Explanation</b>
SCHEDULE J, PAGE 1, PART I, LINE 7	COMPENSATION INCLUDES BOTH BASE AND VARIABLE COMPENSATION (NON-FIXED PAYMENTS) IN ACCORDANCE WITH ITS POLICIES, ALL ELEMENTS (BASE, VARIABLE, BENEFITS, AND PREREQUISITES) ARE COMPARED TO MARKET

<b>Return Reference</b>	<b>Explanation</b>
SCHEDULE J, PART III	MARK BRETT AND DAWN SPRINGER ARE FORMER BOARD MEMBERS OF PHYSICIANS HEALTH PLAN THE BOARD MEMBERS ARE BEING COMPENSATED BY SPARROW HEALTH SYSTEM AND AFFILIATES FOR SERVICES PROVIDED TO SPARROW HEALTH SYSTEM AND AFFILIATES IN POSITIONS OTHER THAN AS BOARD MEMBERS OF PHYSICIANS HEALTH PLAN THE BOARD MEMBERS ARE NOT BEING COMPENSATED FOR ANY PAST SERVICES PROVIDED TO PHYSICIANS HEALTH PLAN



**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 38-2356288  
**Name:** PHYSICIANS HEALTH PLAN

**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				
DENNIS SWAN PRES/CEO - SHS	(i)	-----	-----	-----	-----	-----	-----	-----
	(ii)	927,328	-----	52,469	172,836	48,385	1,201,018	-----
PAULA REICHLÉ DIRECTOR	(i)	-----	-----	-----	-----	-----	-----	-----
	(ii)	487,496	-----	24,794	54,240	47,876	614,406	-----
DENNIS REESE PRESIDENT & CEO	(i)	-----	-----	-----	-----	-----	-----	-----
	(ii)	326,567	150	7,580	16,350	32,254	382,901	-----
PETER GRAHAM MD MEDICAL DIRECTOR	(i)	-----	-----	-----	-----	-----	-----	-----
	(ii)	304,522	-----	2,446	24,200	34,936	366,104	-----
GEORGE SCHNEIDER CFO/COO	(i)	-----	-----	-----	-----	-----	-----	-----
	(ii)	289,362	-----	2,156	15,461	21,038	328,017	-----
SCOTT NORMAN VP OF SALES	(i)	-----	-----	-----	-----	-----	-----	-----
	(ii)	249,463	25,000	299	8,250	32,485	315,497	-----
SUSAN ARMBRUSTER DIRECTOR OF OPER	(i)	212,167	-----	1,304	6,424	22,316	242,211	-----
	(ii)	-----	-----	-----	-----	-----	-----	-----
PAULA HOWARD SENIOR SALES REP	(i)	86,499	72,613	204	15,374	18,034	192,724	-----
	(ii)	-----	-----	-----	-----	-----	-----	-----
ANN HUNT-FUGATE RPH MGR CLINICAL PHARM	(i)	148,456	-----	2,308	13,064	-----	163,828	-----
	(ii)	-----	-----	-----	-----	-----	-----	-----
NICHOLAS D'ISA DIR LEGAL/COMPLIANCE	(i)	143,824	-----	260	8,197	14,515	166,796	-----
	(ii)	-----	-----	-----	-----	-----	-----	-----
JOY WAHAWISAN CLINICAL ANALYTICS	(i)	125,871	200	83	7,617	22,854	156,625	-----
	(ii)	-----	-----	-----	-----	-----	-----	-----
MARK BRETT FORMER DIRECTOR	(i)	-----	-----	-----	-----	-----	-----	-----
	(ii)	540,963	-----	4,014	82,423	40,611	668,011	-----
DAWN SPRINGER MD FORMER DIRECTOR	(i)	-----	-----	-----	-----	-----	-----	-----
	(ii)	191,136	38,213	1,447	16,820	17,125	264,741	-----



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

**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.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No 1545-0047

**2018**

**Open to Public Inspection**

Department of the Treasury

Name of the organization  
PHYSICIANS HEALTH PLAN

Employer identification number

38-2356288

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990	ALL LINES LEFT BLANK ARE NOT APPLICABLE TO THE ORGANIZATION

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 2, PART III, LINE 4A	<p>PHYSICIANS HEALTH PLAN (PHP) IS OWNED BY SPARROW HEALTH SYSTEM (SPARROW) AND HOLDS A CERTIFICATE OF AUTHORITY AS AN HMO IN THE STATE OF MICHIGAN. PHP IS PRIMARILY A COMMERCIAL HMO AND ALSO OPERATES THREE SUBSIDIARIES, PHP INSURANCE COMPANY (PHPIC), A COMMERCIAL INSURANCE COMPANY, PHP MEDICARE (PHPMA), A MICHIGAN MEDICARE PLAN, AND PHP SERVICE COMPANY. A THIRD PARTY ADMINISTRATOR ALL STAFFING FUNCTIONS AND REPORTING ARE ACCOMPLISHED THROUGH THE USE OF THE SAME STAFF AS PHP UNLESS SPECIFICALLY NOTED, ALL REFERENCES TO PHP APPLY TO PHP, PHPIC, AND PHPMA. PHP'S SERVICE AREA INCLUDES THE MICHIGAN COUNTIES OF INGHAM, EATON, CLINTON, SHIAWASSEE, MONTCALM, GRATIOT, IONIA, JACKSON, HILLSDALE AND PORTIONS OF ISABELLA, SAGINAW, WASHTENAW, AND LENAWEE. PHPIC OFFERS PRODUCTS ACROSS MICHIGAN. AS OF DECEMBER 31, 2018, THERE WERE APPROXIMATELY 34,300 ENROLLEES IN PHP'S COMMERCIAL HMO, 16,500 IN TPA, 4,700 IN PHPIC, AND 0 ENROLLEES IN PHPMA. PHP CONTRACTS DIRECTLY WITH PHYSICIANS HEALTH NETWORK (PHN), A WHOLLY-OWNED SUBSIDIARY OF SHS. THE PHN NETWORK IS APPROXIMATELY 792 PRIMARY CARE PHYSICIANS, 1,314 SPECIALTY CARE PHYSICIANS, 568 ALLIED HEALTH PROFESSIONALS, AND 506 ORGANIZATIONAL PROVIDERS THAT INCLUDE 31 HOSPITALS. PHP CONTRACTS WITH VARIOUS HDNs WHO PROVIDE HEALTHCARE SERVICES TO MEMBERS. PHP'S COMMITMENT IS TO DEVELOP AND DELIVER QUALITY MANAGED CARE PRODUCTS AT REASONABLE COSTS FOR ITS MEMBERS. PHP'S SUCCESS IN MANAGING HEALTH CARE IS DUE IN PART TO THE EXTENSIVE NETWORK OF PARTICIPATING PROVIDERS IN THE HDN NETWORK. THE HMO/HDN CONTRACTUAL ARRANGEMENTS ALLOW PHP TO ARRANGE FOR HEALTHCARE TO PATIENTS COVERED BY THE STATE OF MICHIGAN'S MEDICAID BENEFIT PLAN. THIS ARRANGEMENT ALLOWS THE MEMBERS TO ACCESS A WIDE VARIETY OF INDEPENDENT PROVIDERS WITHIN EACH HDN INCLUDING PHYSICIANS, HOSPITALS, PHARMACIES, SKILLED NURSING FACILITIES, AND ALLIED HEALTH PROFESSIONALS. PHP MEMBER'S MAY ALSO RECEIVE CARE FOR SERVICES FROM A NONPARTICIPATING PROVIDER IF SUCH REFERRAL IS RECOMMENDED BY AN HDN PARTICIPATING PHYSICIAN AND THE SERVICE REQUIRED FOR TREATMENT, AS DETERMINED BY HDN, IS NOT AVAILABLE WITHIN THE HDN'S NETWORK. PHP OFFERS A VARIETY OF HEALTH CARE PROGRAMS, OR PRODUCTS TO GROUPS AND INDIVIDUALS. PHP OFFERS CHOICES THAT PROVIDE COVERAGE WITHIN THE NETWORK OF CONTRACTED HDN PROVIDERS, LIMITED COVERAGE OUTSIDE OF THE PHN NETWORK, VARIOUS LEVELS OF DEDUCTIBLES, CO-PAYMENTS, AND COVERAGE LIMITS, ALL OF WHICH ARE DESIGNED TO BE RESPONSIVE TO CUSTOMER NEEDS. PHP MEASURES THE QUALITY OF CARE PROVIDED TO ITS ENROLLEES THROUGH ANNUAL REVIEW OF INDICATORS SUCH AS - DISEASE MANAGEMENT PROGRAM PARTICIPATION AND OUTCOMES - QUALITY OF CARE CONCERNS - HEDIS MEASURES THE HEALTH PLAN EFFECTIVENESS DATA AND INFORMATION SET (HEDIS) IS A GROUP OF NATIONALLY RECOGNIZED MEASURES OF HEALTH PLANS PERFORMANCE IN A VARIETY OF CLINICAL AND NON-CLINICAL AREAS. PHP USES THE EFFECTIVENESS OF CARE MEASURES TO DETERMINE PROGRESS AND IMPROVEMENT IN AREAS SUCH AS DIABETES, ASTHMA, DEPRESSION AND F</p>

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PAGE 2, PART III, LINE 4A	<p>OLLOW-UP AFTER MENTAL HEALTH ADMISSIONS, BREAST AND CERVICAL CANCER SCREENING, USE OF BETA -BLOCKERS AFTER HEART ATTACKS, CHILD AND ADOLESCENT IMMUNIZATIONS, CHOLESTEROL MANAGEMENT, CONTROLLING HIGH BLOOD PRESSURE, SMOKING CESSATION, PRENATAL AND POSTPARTUM CARE, AND TREATMENT OF CHILDHOOD RESPIRATORY INFECTIONS PHP MEASURES THE QUALITY OF SERVICE PROVIDED TO ITS ENROLLEES BY THE REVIEW OF PERFORMANCE MEASURES RELATED TO - ACCESS AND AVAILABILITY OF PROVIDERS, - ENROLLEE COMPLAINTS AND APPEALS, - CUSTOMER SERVICE TELEPHONE ACCESS PERFORMANCE, AND - MEMBER ASSESSMENT THE CONSUMER ASSESSMENT OF HEALTHCARE PROVIDERS AND SYSTEMS (CAHPS) SURVEY GIVES A GENERAL INDICATION OF HOW WELL THE ORGANIZATION MEETS MEMBERS EXPECTATIONS THE PHP QI PROGRAM IS ULTIMATELY ACCOUNTABLE TO THE BOARD OF DIRECTORS IN 2018 PHP RECEIVED FULL ACCREDITATION STATUS FROM URAC FOR BOTH HEALTH PLAN ACCREDITATION AND HEALTH PLAN ACCREDITATION WITH HEALTH INSURANCE MARKETPLACE URAC ACCREDITATION SIGNIFIES AN ISSUER HAS UNDERGONE AND PASSED A RIGOROUS AND INDEPENDENT REVIEW OF ITS OPERATION, INCLUDING THE QUALITY OF CARE AND LEVEL OF SERVICE PROVIDED TO ENROLLEES ACCREDITATION HEALTH PLAN STANDARDS INCORPORATE MARKET TRENDS AND ADDRESS MAJOR POLICY ISSUES WHILE ALIGNING WITH CORE REQUIREMENTS FOUND IN THE AFFORDABLE CARE ACT PHP HAS BEEN ACCREDITED BY URAC UNDER THE HEALTH PLAN STANDARDS SINCE 2012 THE CURRENT ACCREDITATION IS EFFECTIVE THROUGH JULY 1, 2021 AT WHICH TIME REACCREDITATION WILL OCCUR</p>

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 6	SPARROW HEALTH SYSTEM (SHS) IS THE PARENT AND SOLE MEMBER OF PHYSICIANS HEALTH PLAN AND HAS 100% OWNERSHIP

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PAGE 6, PART VI, LINE 7A	THE NON-ENROLLEE MEMBERS OF THE BOARD OF DIRECTORS OF PHYSICIANS HEALTH PLAN ARE RATIFIED BY THE BOARD OF DIRECTORS OF SPARROW HEALTH SYSTEM

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PAGE 6, PART VI, LINE 7B	THE NON-ENROLLEE MEMBERS OF THE BOARD OF DIRECTORS OF PHYSICIANS HEALTH PLAN ARE RATIFIED BY THE BOARD OF DIRECTORS OF SPARROW HEALTH SYSTEM THE DECISIONS OF THE PHYSICIANS HEALTH PLAN BOARD OF DIRECTORS MAY BE SUBJECT TO THE APPROVAL OF THE BOARD OF DIRECTORS OF SPARROW HEALTH SYSTEM

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PAGE 6, PART VI, LINE 11B	COPIES OF THE 2018 FORM 990 ARE REVIEWED BY MANAGEMENT ONCE MANAGEMENT COMPLETED ITS REVIEW OF THE FORM 990 COPIES WERE PROVIDED AT THE FALL 2019 BOARD MEETING FOR ALL BOARD MEMBERS TO REVIEW AND COMMENT ON

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PAGE 6, PART VI, LINE 12C	1) CORPORATE COMPLIANCE SENDS OUT THE CONFLICT OF INTEREST POLICY AND QUESTIONNAIRES TO ALL VOTING BOARD MEMBERS AND THE EXECUTIVE TEAM ANNUALLY 2) ALL DISCLOSURES ARE RECEIVED AND REVIEWED BY CORPORATE COMPLIANCE 3) ALL DISCLOSURES ARE GIVEN A RESOLUTION CODE AND PRESENTED TO THE CEO AND GOVERNANCE COMMITTEE OF THE BOARD 4) ALL BOARD/COMMITTEE LEVEL DISCLOSURES ARE PROVIDED TO THE RESPECTIVE BOARD CHAIR AND EXECUTIVE LIAISON TO ENSURE ISSUES CAN BE ADDRESSED ON A TRANSACTIONAL LEVEL (I E IF A VOTE IS REQUIRED ON A TRANSACTION INVOLVING AN INTERESTED PERSON)



**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PAGE 6, PART VI, LINE 15A	THE PROCESS FOR DETERMINING COMPENSATION FOR THE CEO INVOLVED THE FOLLOWING UTILIZING THE COMPENSATION COMMITTEE, USING INDEPENDENT CONSULTANTS, REVIEWING OTHER SIMILAR ORGANIZATIONS' 990S, USING COMPENSATION SURVEYS, AND FINAL APPROVAL BY THE SPARROW BOARD OF DIRECTORS, AS WELL AS FINALIZING THE SALARY PACKAGE WITH A WRITTEN EMPLOYMENT CONTRACT

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PAGE 6, PART VI, LINE 15B	THE PROCESS FOR DETERMINING COMPENSATION FOR OFFICERS OR KEY EMPLOYEES OF THE ORGANIZATION INVOLVED THE FOLLOWING UTILIZING THE COMPENSATION COMMITTEE, USING INDEPENDENT CONSULTANTS, REVIEWING OTHER SIMILAR ORGANIZATIONS' 990S, USING COMPENSATION SURVEYS, AND FINAL APPROVAL BY THE SPARROW BOARD OF DIRECTORS, AS WELL AS FINALIZING THE SALARY PACKAGE WITH A WRITTEN EMPLOYMENT CONTRACT

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PAGE 6, PART VI, LINE 19	THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE PUBLIC AS FOLLOWS THE GOVERNING DOCUMENTS OF PHP ARE SUBMITTED TO THE DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES (DIFS) THOSE ARE PUBLICLY AVAILABLE TO INTERESTED PARTIES THE CONFLICT OF INTEREST IS AVAILABLE THROUGH SPARROW BY REQUESTING THE POLICY FROM THE SPARROW COMPLIANCE OFFICER

**990 Schedule O, Supplemental Information**

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART XI, LINE 9	HICA INCOME/ EXPENSE RECLASS 1,419,158 OTHER -34,468 REINSURANCE -1,084,666 RISK ADJ INCOME/EXPENSE RECLASS -2,330,820 CHANGE IN NON-ADMITTED ASSETS -249,945 HICA INCOME/EXPENSE RECLASS -1,419,158 PENSION NON-OPERATING 29,562 RISK ADJ/EXPENSE RECLASS 2,330,820 MISCELLANEOUS 58,702 REINSURANCE 1,084,666 STATUTORY/GAAP DIFFERENCE 196,149

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2018**

**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.
- ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

Name of the organization  
PHYSICIANS HEALTH PLAN

**Employer identification number**

38-2356288

**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

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

See Additional Data Table

(a) 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

**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> PHP INSURANCE COMPANY 1400 E MICHIGAN AVENUE LANSING, MI 48912 20-5565219	INSURANCE	MI	N/A					Yes	
<b>(2)</b> PHP SERVICE COMPANY 1400 E MICHIGAN AVENUE LANSING, MI 48912 38-3344741	MED SVS	MI	N/A					Yes	
<b>(3)</b> SPARROW DEVELOPMENT INC 1215 E MICHIGAN AVENUE LANSING, MI 48912 38-2595963	MED SUPPL	MI	N/A					Yes	
<b>(4)</b> EAST LANSING ATHLETIC CLUB 2900 HANNAH BLVD EAST LANSING, MI 48823 38-2886420	HLTH CLUB	MI	N/A					Yes	
<b>(5)</b> MAC RESTAURANT LLC 2900 HANNAH BLVD EAST LANSING, MI 48823 20-5120690	RESTAURANT	MI	N/A					Yes	
<b>(6)</b> CLINTON SERVICES CORPORATION 805 S OAKLAND ST JOHNS, MI 48879 38-2494110	SERVICES	MI	N/A					Yes	
<b>(7)</b> EAST LANSING ATHLETIC CLUB & HSP 1200 E MICHIGAN AVENUE STE 600 LANSING, MI 48912 81-3131851	CONDO ASSO	MI	N/A					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>	No
<b>c</b> Gift, grant, or capital contribution from related organization(s) . . . . .	<b>1c</b>	No
<b>d</b> Loans or loan guarantees to or for related organization(s) . . . . .	<b>1d</b>	No
<b>e</b> Loans or loan guarantees by related organization(s) . . . . .	<b>1e</b>	No
<b>f</b> Dividends from related organization(s) . . . . .	<b>1f</b>	No
<b>g</b> Sale of assets to related organization(s) . . . . .	<b>1g</b>	No
<b>h</b> Purchase of assets from related organization(s) . . . . .	<b>1h</b>	No
<b>i</b> Exchange of assets with related organization(s) . . . . .	<b>1i</b>	No
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) . . . . .	<b>1j</b>	No
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) . . . . .	<b>1k</b>	No
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) . . . . .	<b>1l</b>	Yes
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) . . . . .	<b>1m</b>	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>	No

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)PHYSICIANS HEALTH NETWORK	M	162,728,885	COST
(2)EDWARD W SPARROW HOSPITAL	Q	13,155,538	COST
(3)PHP INSURANCE COMPANY	Q	3,159,435	COST
(4)PHP SERVICE COMPANY	Q	1,132,127	COST

**Part VI Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	



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

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

<b>Return Reference</b>	<b>Explanation</b>

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 38-2356288  
**Name:** PHYSICIANS HEALTH PLAN

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
1215 E MICHIGAN AVENUE LANSING, MI 48912 38-2542859	PARENT	MI	501C3	12A	N/A		No
1400 E MICHIGAN AVENUE LANSING, MI 48912 38-2594856	HMO	MI	501C4		SHS	Yes	
1215 E MICHIGAN AVENUE LANSING, MI 48912 38-6100687	FUNDRAISE	MI	501C3	12B	SHS	Yes	
3315 E MICHIGAN AVENUE STE 4 LANSING, MI 48912 38-2543305	HOME HLTH	MI	501C3	10	SHS	Yes	
805 S OAKLAND STREET ST JOHNS, MI 48879 38-1358172	HLTH CARE	MI	501C3	3	SHS	Yes	
1215 E MICHIGAN AVENUE LANSING, MI 48912 38-1360584	HLTH CARE	MI	501C3	3	SHS	Yes	
3565 S STATE RD IONIA, MI 48846 38-3218134	HLTH CARE	MI	501C3	3	SHS	Yes	
1215 E MICH AVE 8W SPARROW TOWER LANSING, MI 48912 14-1885340	LT ACUTE	MI	501C3	3	SHS	Yes	
1200 E MICHIGAN AVENUE LANSING, MI 48912 38-3075242	RESEARCH	MI	501C3	4	SHS	Yes	
406 E ELM STREET PO BOX 879 CARSON CITY, MI 48811 38-1490180	HLTH CARE	MI	501C3	3	SHS	Yes	
406 E ELM STREET PO BOX 879 CARSON CITY, MI 48811 46-0877509	FUNDRAISE	MI	501C3	12A	CCH	Yes	
1400 E MICHIGAN AVENUE LANSING, MI 48912 83-2766121	HMO	MI	501C4		PHP	Yes	

**Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) PHP INSURANCE COMPANY 1400 E MICHIGAN AVENUE LANSING, MI 48912 20-5565219	INSURANCE	MI	N/A					Yes	
(1) PHP SERVICE COMPANY 1400 E MICHIGAN AVENUE LANSING, MI 48912 38-3344741	MED SVS	MI	N/A					Yes	
(2) SPARROW DEVELOPMENT INC 1215 E MICHIGAN AVENUE LANSING, MI 48912 38-2595963	MED SUPPL	MI	N/A					Yes	
(3) EAST LANSING ATHLETIC CLUB 2900 HANNAH BLVD EAST LANSING, MI 48823 38-2886420	HLTH CLUB	MI	N/A					Yes	
(4) MAC RESTAURANT LLC 2900 HANNAH BLVD EAST LANSING, MI 48823 20-5120690	RESTAURANT	MI	N/A					Yes	
(5) CLINTON SERVICES CORPORATION 805 S OAKLAND ST JOHNS, MI 48879 38-2494110	SERVICES	MI	N/A					Yes	
(6) EAST LANSING ATHLETIC CLUB & HSP 1200 E MICHIGAN AVENUE STE 600 LANSING, MI 48912 81-3131851	CONDO ASSO	MI	N/A					Yes	