

Form **990**

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

2010

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization University Hospitals Health System, Inc.		D Employer identification number 34-0714775
	Doing Business As		E Telephone number 216-767-8007
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 199,468,000.
	11100 Euclid Avenue		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
City or town, state or country, and ZIP + 4 Cleveland, OH 44106		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	If "No," attach a list. (see instructions)
F Name and address of principal officer: Michael A. Szubski 11100 Euclid Avenue, Cleveland, OH 44106		H(c) Group exemption number ▶	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶ www.UHhospitals.org			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation: 1940 M State of legal domicile: OH

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: University Hospitals (the System) is guided by its mission "To Heal. To Teach. To Discover."		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	40
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	31
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	1388
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	309,000.
b Net unrelated business taxable income from Form 990-T, line 34	7b	192,000.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	8,644,000.	1,610,000.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	132,281,000.	138,916,000.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	27,943,000.	38,585,000.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	17,740,000.	20,357,000.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	186,608,000.	199,468,000.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	925,000.	0.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	68,948,000.	80,116,000.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	125,343,000.	143,359,000.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	195,216,000.	223,475,000.	
19 Revenue less expenses. Subtract line 18 from line 12	-8,608,000.	-24,007,000.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	2,414,854,000.	2,499,334,000.
	22 Net assets or fund balances. Subtract line 21 from line 20	1,358,082,000.	1,403,010,000.

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		
	Michael A. Szubski, CFO UHHS				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Ernst & Young US LLP				
	Firm's name ▶ Ernst & Young US LLP	Firm's EIN ▶			
	Firm's address ▶ 111 Monument Circle, Suite 2380	Indianapolis, IN 46204		Phone no. 317-681-7000	

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

Form 8453-EO

Exempt Organization Declaration and Signature for Electronic Filing

OMB No. 1545-1879

For calendar year 2010, or tax year beginning 2010, and ending 2010

2010

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

See Instructions.

Department of the Treasury Internal Revenue Service

Name of exempt organization

University Hospitals Health System, Inc.

Employer identification number

34-0714775

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line of the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

Table with 5 rows (1a-5a) and 2 columns (Form type and Amount). 1a: Form 990 check here [X] Total revenue, if any (Form 990, Part VIII, column (A), line 12) 1b: 199468000

Part II Declaration of Officer

- 6 [] I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. [] If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2010 electronic return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund.

Sign Here [Signature] | 11-14-11 | CFO UHHS Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-file (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only: ERO's signature [Signature], Date 11/14/11, Check if also paid preparer [], Check if self-employed [], ERO's SSN or PTIN P00240171, Firm's name L.E. ROBERTS CONSULTING, EIN 34-1807904, address 590 E. WESTERN RESERVE RD., #10A, POLAND, OH 44514, Phone no. 330-726-2548

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer Use Only: Print/Type preparer's name JAMES R. LANCASTER, Preparer's signature [Signature], Date 11/14/11, Check self-employed [], PTIN P00742579, Firm's name Ernst & Young US LLP, Firm's EIN 34-6566696, Firm's address 111 Monument Circle, Suite 2380, Indianapolis 46204, Phone no. 317-681-7000

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: University Hospitals Health System's overall mission is "To Heal. To Teach. To Discover". In pursuit of this mission, University Hospitals remains at the forefront of health care delivery, physician education, and medical research nationwide. Yet what makes University Hospitals

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 [X] 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 [X] No If "Yes," describe these changes on Schedule O.

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

4a (Code:) (Expenses \$ 209,601,000. including grants of \$) (Revenue \$ 157,896,000.) Caring for the community has been an unwavering commitment of University Hospitals ("the System") since its founding in 1866. Commitment to the community remains at the core of the System's mission: To Heal. To Teach. To Discover.

In 2010, University Hospitals dedicated \$243.5 million to community benefit programs in Northeast Ohio consisting of:

- Education and training = \$47.0 million
-Research = \$41.8 million
-Charity care = \$35 million
-Medicaid shortfall = \$85.0 million

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 209,601,000.

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?		X
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	X	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where 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>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
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>	X	
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	X	
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Parts I and IV</i>	X	
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X
b	If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
	1a 2644		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
	1c		
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	2a 1388		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	X	
	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
	3a		
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	X	
	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	X	
	4a		
b	If "Yes," enter the name of the foreign country: <u>Cayman Islands</u> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
	4b		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
	5a		
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
	5b		
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
	6a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	6b		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
	7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
	7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
	7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
	7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
	7h		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
	8		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
	9b		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
	1a		40
b	Enter the number of voting members included in line 1a, above, who are independent		
	1b		31
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?	X	
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?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
7b			
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
8a			
b	Each committee with authority to act on behalf of the governing body?	X	
8b			
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		X

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

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10b			
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12b			
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
12c			
13	Does the organization have a written whistleblower policy?	X	
14	Does the organization have a written document retention and destruction policy?	X	
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	X	
15a			
b	Other officers or key employees of the organization	X	
15b			
	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?	X	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		X
16b			

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **OH**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **Michael A. Szubski CFO UHHS - 216-767-8007**
3605 Warrensville Center Road, Shaker Heights, OH 44122

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514		
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1610000.				
	g	Noncash contributions included in lines 1a-1f: \$						
	h	Total. Add lines 1a-1f		1610000.				
	Program Service Revenue	2 a	IT&S Allocation	Business Code 900099	65,286,000.	65,286,000.		
b		General Administrative	900099	14,187,000.	14,187,000.			
c		Program Service Rental	532000	13,450,000.	13,450,000.			
d		Marketing Allocation	900099	11,658,000.	11,658,000.			
e		Human Resource Allocat	900099	9212000.	9212000.			
f		All other program service revenue	900099	25,123,000.	25,123,000.			
g		Total. Add lines 2a-2f		138,916,000.				
Other Revenue		3	Investment income (including dividends, interest, and other similar amounts)		15,219,000.		309,000.	14,910,000.
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real	723000.				
		b	Less: rental expenses					
		c	Rental income or (loss)	(ii) Personal	723000.			
		d	Net rental income or (loss)		723,000.	723,000.		
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	23,366,000.				
		b	Less: cost or other basis and sales expenses	(ii) Other				
		c	Gain or (loss)		23,366,000.			
		d	Net gain or (loss)		23,366,000.			23,366,000.
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
		b	Less: direct expenses	b				
		c	Net income or (loss) from fundraising events					
9 a	Gross income from gaming activities. See Part IV, line 19	a						
	b	Less: direct expenses	b					
	c	Net income or (loss) from gaming activities						
10 a	Gross sales of inventory, less returns and allowances	a						
	b	Less: cost of goods sold	b					
	c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code					
11 a	Other revenue	900099	18,257,000.	18,257,000.				
	b	Equity Income in Limit	900099	1377000.		1,377,000.		
	c							
	d	All other revenue						
	e	Total. Add lines 11a-11d		19,634,000.				
12	Total revenue. See instructions.		199,468,000.	157,896,000.	309,000.	39,653,000.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	12,750,000.		12,750,000.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	1,375,000.	1,375,000.		
7 Other salaries and wages	50,111,000.	50,111,000.		
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	4,529,000.	4,529,000.		
9 Other employee benefits	6,827,000.	6,827,000.		
10 Payroll taxes	4,524,000.	4,524,000.		
11 Fees for services (non-employees):				
a Management				
b Legal	799,000.		799,000.	
c Accounting	325,000.		325,000.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion	9,076,000.	9,076,000.		
13 Office expenses	6,799,000.	6,799,000.		
14 Information technology	22,720,000.	22,720,000.		
15 Royalties				
16 Occupancy	10,152,000.	10,152,000.		
17 Travel	890,000.	890,000.		
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	12,874,000.	12,874,000.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	28,989,000.	28,989,000.		
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a Swap Valuation Adjustmen	20,044,000.	20,044,000.		
b Consulting Fees	16,593,000.	16,593,000.		
c Other expenses	7,286,000.	7,286,000.		
d Other than temporary de	6,812,000.	6,812,000.		
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	223475000.	209601000.	13,874,000.	0.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1 Cash - non-interest-bearing		1		
	2 Savings and temporary cash investments	148,194,000.	2	117,036,000.	
	3 Pledges and grants receivable, net	15,671,000.	3	13,295,000.	
	4 Accounts receivable, net	2,465,000.	4	8,749,000.	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6 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)			6	
	7 Notes and loans receivable, net			7	
	8 Inventories for sale or use			8	
	9 Prepaid expenses and deferred charges	12,409,000.	9	15,419,000.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 880,272,000.			
	b Less: accumulated depreciation	10b 154,301,000.			
	11 Investments - publicly traded securities	499,516,000.	10c	725,971,000.	
	12 Investments - other securities. See Part IV, line 11	342,952,000.	11	306,848,000.	
	13 Investments - program-related. See Part IV, line 11	405,538,000.	12	457,346,000.	
	14 Intangible assets	930,504,000.	13	808,156,000.	
	15 Other assets. See Part IV, line 11		14		
16 Total assets. Add lines 1 through 15 (must equal line 34)	57,605,000.	15	46,514,000.		
	2,414,854,000.	16	2,499,334,000.		
Liabilities	17 Accounts payable and accrued expenses	147,627,000.	17	155,035,000.	
	18 Grants payable		18		
	19 Deferred revenue	240,000.	19	496,000.	
	20 Tax-exempt bond liabilities	873,049,000.	20	865,366,000.	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21		
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22		
	23 Secured mortgages and notes payable to unrelated third parties	50,000,000.	23	42,488,000.	
	24 Unsecured notes and loans payable to unrelated third parties		24		
	25 Other liabilities. Complete Part X of Schedule D	287,166,000.	25	339,625,000.	
	26 Total liabilities. Add lines 17 through 25	1,358,082,000.	26	1,403,010,000.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	789,854,000.	27	820,287,000.	
	28 Temporarily restricted net assets	5,306,000.	28	4,296,000.	
	29 Permanently restricted net assets	261,612,000.	29	271,741,000.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30 Capital stock or trust principal, or current funds		30		
	31 Paid-in or capital surplus, or land, building, or equipment fund		31		
	32 Retained earnings, endowment, accumulated income, or other funds		32		
	33 Total net assets or fund balances	1,056,772,000.	33	1,096,324,000.	
34 Total liabilities and net assets/fund balances	2,414,854,000.	34	2,499,334,000.		

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	199,468,000.
2	Total expenses (must equal Part IX, column (A), line 25)	2	223,475,000.
3	Revenue less expenses. Subtract line 2 from line 1	3	-24,007,000.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1056772000.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	63,559,000.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	1096324000.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	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.	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
3b	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.	X	

Form 990 (2010)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization **University Hospitals Health System, Inc.** Employer identification number **34-0714775**

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

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

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

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?		X
(ii) A family member of a person described in (i) above?		X
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		X
- h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
University Hospitals of	34-1567805	170(B)(1)(A)(III)	X		X		X		145,118,000.
Total									145118000.

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2010

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2009. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2010. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2009. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

For Organizations Exempt From Income Tax Under section 501(c) and section 527

2010

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**

Open to Public Inspection

▶ **See separate instructions.**

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), or Form 990-EZ, Part V, line 35a (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization University Hospitals Health System, Inc.	Employer identification number 34-0714775
---	---

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$ _____
- 3 Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ _____
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ _____
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____
- 4 Did the filing organization file **Form 1120-POL** for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2010

LHA

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A Check if the filing organization belongs to an affiliated group.
 B Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1 a Total lobbying expenditures to influence public opinion (grass roots lobbying)			
b Total lobbying expenditures to influence a legislative body (direct lobbying)			
c Total lobbying expenditures (add lines 1a and 1b)			
d Other exempt purpose expenditures			
e Total exempt purpose expenditures (add lines 1c and 1d)			
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:		
Not over \$500,000	20% of the amount on line 1e.		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.		
Over \$17,000,000	\$1,000,000.		
g Grassroots nontaxable amount (enter 25% of line 1f)			
h Subtract line 1g from line 1a. If zero or less, enter -0-			
i Subtract line 1f from line 1c. If zero or less, enter -0-			
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2010

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?	X		3,237.
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?	X		8,533.
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		1,887.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities? If "Yes," describe in Part IV		X	
j Total. Add lines 1c through 1i			13,657.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

University Hospitals Health System, Inc.

Employer identification number

34-0714775

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

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

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

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

Preservation of land for public use (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 Tax 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, and enforcing conservation easements during the year ▶ _____

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

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

Yes No

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (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 XIV, 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) Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b Assets included in Form 990, Part X

▶ \$ _____

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

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

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIV and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	103,637,000.	95,272,000.	91,339,000.		
b Contributions	3,508,000.	6,956,000.	10,854,000.		
c Net investment earnings, gains, and losses	1,680,000.	4,047,000.	-4,675,000.		
d Grants or scholarships					
e Other expenditures for facilities and programs	1,525,000.	2,638,000.	2,246,000.		
f Administrative expenses					
g End of year balance	107,300,000.	103,637,000.	95,272,000.		

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

- a Board designated or quasi-endowment 16.45 %
- b Permanent endowment 83.55 %
- c Term endowment _____ %

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

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		28,630,000.		28,630,000.
b Buildings		118201000.	33,222,000.	84,979,000.
c Leasehold improvements		1,811,000.	978,000.	833,000.
d Equipment		360631000.	119469000.	241162000.
e Other		370999000.	632,000.	370367000.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				725971000.

Part VII Investments - Other Securities. 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) Investments held with		
(B) bond trustee	67,613,000.	End-of-Year Market Value
(C) Investments -		
(D) Alternatives	94,359,000.	End-of-Year Market Value
(E) Investments - Other	295,374,000.	End-of-Year Market Value
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	457,346,000.	

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Investments in Affiliates	643,440,000.	Cost
(2) Investments - Beneficial		
(3) Interest in Foundation	164,716,000.	End-of-Year Market Value
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶	808,156,000.	

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	

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

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) Interest payable	16,974,000.
(3) Payables to affiliates	5,830,000.
(4) Securities lending loan	
(5) outstanding	10,915,000.
(6) Workers compensation liabilities	11,148,000.
(7) Pension liabilities	153,393,000.
(8) Other liabilities	89,441,000.
(9) Self insured liability	15,706,000.
(10) Interest Rate Swap Liability	36,218,000.
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	339,625,000.

FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1
2	Total expenses (Form 990, Part IX, column (A), line 25)	2
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3
4	Net unrealized gains (losses) on investments	4
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	7
8	Other (Describe in Part XIV.)	8
9	Total adjustments (net). Add lines 4 through 8	9
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:	
a	Net unrealized gains on investments	2a
b	Donated services and use of facilities	2b
c	Recoveries of prior year grants	2c
d	Other (Describe in Part XIV.)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV.)	4b
c	Add lines 4a and 4b	4c
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:	
a	Donated services and use of facilities	2a
b	Prior year adjustments	2b
c	Other losses	2c
d	Other (Describe in Part XIV.)	2d
e	Add lines 2a through 2d	2e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a
b	Other (Describe in Part XIV.)	4b
c	Add lines 4a and 4b	4c
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5

Part XIV Supplemental Information

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

Part V, line 4: The intended use of the Organization's endowment

funds varies depending on donor stipulations. All spending of endowment earnings are done so in accordance with donor intent and appropriate law.

Part X, Line 2: The System and most of its subsidiaries, including UHCMC, are not-for-profit corporations as described in 501(c)(3) of the Internal Revenue Code (Code) and are exempt from federal income tax pursuant to Section 501(a) of the Code. The System also has certain

Part XIV Supplemental Information (continued)

subsidiaries that are taxable for federal income tax purposes (see note 19).

Form 990, Schedule D, Part V, Endowment Funds:

University Hospitals Health System, Inc. has changed the method for how it determines the fair market values of its endowments. The prior years amounts were changed for comparative purposes. The change was made to make tax reporting consistent with endowments reporting in University Hospitals Health System, Inc.'s Notes to the Consolidated Financial Statements.

**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.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization: **University Hospitals Health System, Inc.**
Employer identification number: **34-0714775**

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 the grants or 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 grant funds 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
Central America and the Caribbean	0	0	Investments		0.
Central America and the Caribbean	0	0	Program Investment	Insurance	0.
3 a Sub-total	0	0			0.
b Total from continuation sheets to Part I	0	0			0.
c Totals (add lines 3a and 3b)	0	0			0.

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 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, 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 file Form 5713, International Boycott Report (see Instructions for Form 5713)* Yes No

Schedule F (Form 990) 2010

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

University Hospitals Health System, Inc.

Employer identification number

34-0714775

Part I Questions Regarding Compensation

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 See Sched. O TR. 1.6033-2(d)(5) Elect	(i)	1747158.	2047357.	642,711.	401,741.	26,379.	4,865,346.	616,212.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 See Sched. O TR. 1.6033-2(d)(5) Elect	(i)	623,414.	716,804.	257,849.	39,661.	22,395.	1,660,123.	248,213.
	(ii)	97,369.	0.	6,403.	0.	1,026.	104,798.	0.
3 See Sched. O TR. 1.6033-2(d)(5) Elect	(i)	1663526.	1012214.	370,996.	412,915.	47,777.	3,507,428.	355,184.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 See Sched. O TR. 1.6033-2(d)(5) Elect	(i)	1371425.	559,686.	350,829.	346,637.	88,775.	2,717,352.	186,812.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 See Sched. O TR. 1.6033-2(d)(5) Elect	(i)	518,639.	217,779.	81,840.	96,298.	29,349.	943,905.	76,027.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

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

Part I, Lines 4a-b: See Schedule O Treasury Regulation 1.6033-2(d)(5)

Election

Part I, Line 4b: See Schedule O Treasury Regulation 1.6033-2(d)(5) Election

The listing of persons and amounts for above questions are included on University Hospitals Health System, Inc. Group Return.

Part I, Line 7: Certain employees disclosed in Part VII receive bonuses, 457f payments, and SERP payments which would qualify as non-fixed payments.

Part I, Line 8: Certain employee compensation disclosed in Part VII meet the requirements of the initial contract exception.

Supplemental Information on Tax-Exempt Bonds

Entity 1

OMB No. 1545-0047

2010
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▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization **University Hospitals Health System, Inc.** Employer identification number **34-0714775**

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A Ohio Higher Educational Facility Commission	34-6849674	67756A2H4	12/27/10	71,125,000.	See Part V For Description		X		X		X
B Ohio Higher Educational Facility Commission	34-6849674	67756AU42	02/12/10	94,797,375.	See Part V For Description		X		X		X
C Ohio Higher Educational Facility Commission	34-6849674	67756AP30	08/06/09	100,914,641.	See Part V For Description		X		X		X
D Ohio Higher Educational Facility Commission	34-6849674	67756AM66	03/24/09	170,190,624.	See Part V For Description		X		X		X

Part II Proceeds

	A		B		C		D	
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue	71,125,000.		94,797,375.		100,968,704.		170,522,551.	
4 Gross proceeds in reserve funds					8,392,992.		17,019,062.	
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds			1,272,375.		2,013,773.		2,688,450.	
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds					39,395,930.		150,814,927.	
11 Other spent proceeds								
12 Other unspent proceeds					906,010.			
13 Year of substantial completion								
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X		X		X			X
15 Were the bonds issued as part of an advance refunding issue?		X		X		X		X
16 Has the final allocation of proceeds been made?		X		X		X		X
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X	

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		X
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X		X

Supplemental Information on Tax-Exempt Bonds

Entity **2**

OMB No. 1545-0047

2010
Open to Public
Inspection

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Name of the organization **University Hospitals Health System, Inc.** Employer identification number **34-0714775**

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A Ohio Higher Educational Facility Commission	34-6849674	67756AC67	05/08/08	275,000,000.	See Part V For Description		X		X		X
B Ohio Higher Educational Facility Commission	34-6849674	67756AYZ9	02/07/07	290,313,879.	See Part V For Description		X		X		X
C											
D											

Part II Proceeds									
	A		B		C		D		
1 Amount of bonds retired									
2 Amount of bonds legally defeased									
3 Total proceeds of issue	275,559,287.		310,056,213.						
4 Gross proceeds in reserve funds									
5 Capitalized interest from proceeds									
6 Proceeds in refunding escrows									
7 Issuance costs from proceeds	1,548,556.		595,618.						
8 Credit enhancement from proceeds	49,825.		2,043,273.						
9 Working capital expenditures from proceeds									
10 Capital expenditures from proceeds	55,651,301.		266,929,060.						
11 Other spent proceeds									
12 Other unspent proceeds			40,984,366.						
13 Year of substantial completion									
	Yes	No	Yes	No	Yes	No	Yes	No	
14 Were the bonds issued as part of a current refunding issue?	X			X					
15 Were the bonds issued as part of an advance refunding issue?		X		X					
16 Has the final allocation of proceeds been made?		X		X					
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X						

Part III Private Business Use									
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?	A		B		C		D		
	Yes	No	Yes	No	Yes	No	Yes	No	
		X		X					
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X		X					

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X		X		X		X	
b Are there any research agreements that may result in private business use of bond-financed property?	X		X		X		X	
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X		X		X		X	
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....	.00 %		.00 %		.00 %		.00 %	
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government .....	.00 %		.00 %		.00 %		.00 %	
6 Total of lines 4 and 5 .....	.00 %		.00 %		.00 %		.00 %	
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?		X		X		X		X

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		X
2 Is the bond issue a variable rate issue?		X		X		X		X
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		X
b Name of provider								
c Term of hedge								
d Was the hedge superintergrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a GIC?		X		X		X		X
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
6 Did the bond issue qualify for an exception to rebate?		X		X		X		X

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X		X					
b Are there any research agreements that may result in private business use of bond-financed property?	X		X					
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X		X					
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....	.00 %		.00 %					
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government .....	.00 %		.00 %					
6 Total of lines 4 and 5 .....	.00 %		.00 %					
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?		X	X					

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X				
2 Is the bond issue a variable rate issue?	X			X				
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X				
b Name of provider								
c Term of hedge								
d Was the hedge superintergrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a GIC?		X		X				
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?		X		X				
6 Did the bond issue qualify for an exception to rebate?		X		X				

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

Form 990 Schedule K, Part I, Lines A - D, Column (f)

Description of Purpose

Line A, Column (f), To redeem all of the outstanding Series 2008C Bonds issued 05/08/2008.

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

Line B, Column (f), To redeem all of the outstanding Series 1985 Bonds, issued 12/10/1985, and Series 2008A Bonds, issued 05/08/2008 and a portion of the Series 2008B Bonds, issued 05/08/2008.

Line C, Column (f), Construction and equipment Vision 2010 projects; Refund portion of series 1996A Bonds issued 04/18/1996

Line D, Column (f), Construction and equipment Vision 2010 projects

Line A (pg 2), Column (f), Construction and equipment Vision 2010 projects; Refund series 1998A Bonds issued 07/15/1999, 1999C Bond issued 07/15/1999, 2007B Bonds issued 02/07/2007, 2007C Bonds issued 02/22/2007

Line B (pg 2), Column (f), Construction and equipment Vision 2010 projects

Part II, Line 3, Col. C, Col. D, Col. A (pg 2), Col. B (pg 2)
Difference between Bond Proceeds vs. Bond Issue Price

Part II, Line 3 Column C - The cumulative investment earnings make up the difference between the Bond Proceeds and the Bond Issue Price.

Part II, Line 3 Column D - The cumulative investment earnings make up the difference between the Bond Proceeds and the Bond Issue Price.

Part II, Line 3 Column A (pg 2) - The cumulative investment earnings make up the difference between the Bond Proceeds and the Bond Issue Price.

Part V Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

Part II, Line 3 Column B (pg 2) - The cumulative investment earnings make up the difference between the Bond Proceeds and the Bond Issue Price.

Form 990 Schedule K, Part I Column (f)

Other Information

Vision 2010 Projects include: new Center for Emergency Medicine, new Cancer Hospital, new NICU, new Suburban Medical Center, two new ambulatory facilities, electronic medical record, new parking garage, expansion of Geauga Medical Center, and upgrades to a management services center.

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
KeyCorp/KeyBank Foundation	UHHS - Director Ms.	1,506,352.	KeyCorp is		X
PNC Bank	UHHS - Director Mr.	161,124.	PNC Bank pr		X
KeyCorp	UHHS - Director Mr.	1,506,352.	KeyCorp is		X
FirstEnergy Corp.	UHHS - Director Mr.	413,416.	FirstEnergy		X
Lloyd Chelette	Family Member of Mr	27,000.	A family me		X

Part V Supplemental Information

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

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: KeyCorp/KeyBank Foundation

(b) Relationship Between Interested Person and Organization:

UHHS - Director Ms. Margot Copeland is employed by KeyCorp as an Exec. VP

(d) Description of Transaction: KeyCorp is the parent of KeyBank.

KeyBank provided banking, investment manager, and trust services to UHHS.

These transactions were all at arms length.

(a) Name of Person: PNC Bank

(b) Relationship Between Interested Person and Organization:

UHHS - Director Mr. Paul Clark is the Pres. of Northern Ohio Banking at PNC

(d) Description of Transaction: PNC Bank provides banking services to

UHHS. These transactions were all at arms length.

(a) Name of Person: KeyCorp

(b) Relationship Between Interested Person and Organization:

UHHS - Director Mr. Henry Meyer III is Chairman/CEO of KeyCorp

(d) Description of Transaction: KeyCorp is the parent company of

KeyBank. KeyBank provided banking, investment manager and trust services

to UHHS. These transactions were all at arms length.

Part V Supplemental Information

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

(a) Name of Person: FirstEnergy Corp.

(b) Relationship Between Interested Person and Organization:

UHHS - Director Mr. Ernest Novak is a Director for FirstEnergy Corp.

(d) Description of Transaction: FirstEnergy provides electrical power to

UHHS. These transactions were all at arms length.

(a) Name of Person: Lloyd Chelette

(b) Relationship Between Interested Person and Organization:

Family Member of Mr. Michael A. Szubski, Treasurer/CFO UHHS

(d) Description of Transaction: A family member of Mr. Szubski is

employed by UHHS.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

University Hospitals Health System, Inc.

Employer identification number

34-0714775

Form 990, Part I, Line 1, Description of Organization Mission:

The System serves a unique role in its community by providing diverse populations throughout the Northeast Ohio region with comprehensive health care - from primary care to highly specialized medical care for the most serious of health problems. University Hospitals is known for providing superior, leading-edge health care across the full range of medical and surgical specialties for both adults and children. In addition to delivering quality patient care, the System serves as a key teaching facility for physicians, nurses and ancillary medical personnel. The System's extensive laboratory and clinical research programs are producing significant advances in the understanding of disease and improvement of care.

Form 990, Part III, Line 1, Description of Organization Mission:

unique is its ability to bring expertise and resources together and respond to the individual needs of every patient, regardless of their ability to pay. That focus on the patient, combined with a remarkable level of achievement in the laboratory and medical education continues to propel University Hospitals to even greater successes.

Form 990, Part III, Line 4a, Program Service Accomplishments:

- Community health improvement services = \$10.3 million
- Other community programs and support = \$38.8 million
- Hospital Care Assurance Program (HCAP) receipts = (\$14.4 million)

Defer to Schedule H for further detail on how the System measures and

Name of the organization University Hospitals Health System, Inc.	Employer identification number 34-0714775
--	--

reports community benefit. Community benefit for 2010 totaled \$243.5 million up from \$233.8 million in 2009.

It is important to note that in addition to charity care and insufficient funding from the Medicaid program, the System incurs significant losses related to self-pay patients who fail to make payment for services rendered or insured patients who fail to remit co-payments and deductibles as required under applicable health insurance arrangements. The 2010 provision for bad debt of \$52.4 million represents revenues for services provided that are deemed uncollectible.

The UH health system provides work directly for about 22,500 employees and physicians. As the seventh largest employer in Ohio, UH supports the economy as well as state and local governments. UH employees pay more than \$47.6 million annually in state and local income taxes. At the same time, UH provides many more Community benefits directly and indirectly through new or expanded business opportunities and through important capital investments in our facilities.

As part of our Vision 2010 strategic plan, UH has committed - and continues to commit - millions of dollars to facilities and operations within the city of Cleveland and throughout our region, providing thousands of new construction and hospital-based jobs. New facilities and services at UH Case Medical Center, our world-renowned academic medical center in Cleveland, provide Cleveland residents and people from throughout the region and the world with the finest in primary and specialty health care. The facilities allow us to conduct vital medical

Name of the organization University Hospitals Health System, Inc.	Employer identification number 34-0714775
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research and offer advanced training for students and health professionals.

Vision 2010's Quentin & Elisabeth Alexander Neonatal Intensive Care Unit at University Hospitals Rainbow Babies & Children's Hospital serves our most vulnerable children. UH's new Cancer Hospital and emergency facilities at UH Case Medical Center and UH Ahuja Medical Center, all opening in 2011, will provide expanded employment opportunities while extending UH's mission to more patients. University Hospitals Ahuja Medical Center in Beachwood will provide hundreds of new jobs. New state-of-the-art outpatient health centers in the region have spurred economic growth while giving people access to the care they need close to home and expanding our community benefit programs. University Hospitals is proud to contribute to the health of our citizens and to be a positive economic force in our region.

For more detailed information on the System's community benefit or to view the 2010 Community Benefit Report, please visit the System's website at www.UHhospitals.org.

Form 990, Part VI, Section A, line 2: The following information regarding family and business relationships was obtained while reviewing conflict of interest questionnaire responses received from Directors, Officers, and Key Employees. University Hospitals relies upon these questionnaire responses to determine these relationships.

Mr. Christopher Connor (UHHS Director) and Mr. Arthur Anton (UHHS Director) have a business relationship.

Name of the organization University Hospitals Health System, Inc.	Employer identification number 34-0714775
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Ms. Margot Copeland (UHHS Director) and Mr. Henry Meyer III (UHHS Director) have a business relationship.

Form 990, Part VI, Section B, line 11: The Form 990 for University Hospitals Health System, Inc. is approved for filing by its governing body. The Audit and Compliance Committee has been delegated authority to review and approve Form 990 by the UH Board. In addition, the Compensation Committee and Governance and Community Benefit Committee of the Board review relevant disclosures related to each Committee's specific area. The Board receives a copy of the return in its final form before it is filed with the Internal Revenue Service. Senior management reviews and approves the form while overseeing this process.

Form 990, Part VI, Section B, Line 12c: UH has adopted three Conflict of Interest ("COI") policies: the first relates to UH and all its subsidiaries and applies to all directors, officers, other disqualified persons, pursuant to the intermediate sanctions regulations, the second applies to UH management (supervisors and above) and the third applies to physicians. UH regularly and consistently monitors and enforces compliance with the COI policies. All individuals to which the COI policies apply are required to complete an annual disclosure and provide information regarding any interests that may be potential conflicts pursuant to the COI policies. Individuals covered by the policies are required to provide any changes to or new disclosures should they occur. All disclosures and subsequent updates to disclosures are reviewed by the UH Compliance and Ethics Department. Board-level conflicts are reviewed and approved by the Audit and Compliance Committee of the UH Board. If a conflict exists with a

Name of the organization University Hospitals Health System, Inc.	Employer identification number 34-0714775
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Director, certain restrictions may be imposed, such as excusing the Director from voting with regard to a proposed transaction. Education regarding conflicts of interest is included in the annual compliance training that includes all Directors, employees and physicians.

Form 990, Part VI, Section B, Line 15: Executive compensation is approved by the Compensation Committee of the Board (the "Committee"). The Committee has retained an independent compensation consultant who provides information to the Committee on changes and trends in executive compensation and objective third party information on competitive and comparable executive compensation and benefit level/programs. The Consultant collects and provides to the Committee, appropriate market compensation and benefits information, appropriate market practices for comparable organizations' positions and best practices. The Consultant also provides advice on developing and modifying UH's executive compensation philosophy.

Form 990, Part VI, Section C, Line 19: The Financial Statements for University Hospitals Health System, Inc. and its Subsidiaries are made publicly available through the use of DAC Bond (disclosure dissemination agent) and can be found on the internet at www.dacbond.com.

Form 990, Part XI, line 5, Changes in Net Assets:

Net change in temporarily restricted net assets	-1,010,000.
Net change in permanently restricted net assets	10,129,000.
Unrealized gain(loss) on investments	9,383,000.
Cumulative effect of change in accounting for investment in subsidiaries	-149,177,000.

Name of the organization University Hospitals Health System, Inc.	Employer identification number 34-0714775
--	--

Additional minimum pension liability	-41,248,000.
Less: restricted assets included on line 1e	-1,606,000.
Equity Transfer	237,120,000.
Other Changes	-32,000.
Total to Form 990, Part XI, Line 5	63,559,000.

Treasury Regulation 1.6033-2(d)(5) Election

Election to Report on a Consolidated Basis

Pursuant to Treasury Regulation Section 1.6033-2(d)(5), University Hospitals Health System, Inc. ("Parent Organization") has elected to report information about contributions, gifts and grants, and compensation and other information about officers, directors, trustees, key employees, certain highly compensated employees, and certain professional contractors on a consolidated basis for all the members of its Group Exemption, including the Parent Organization, on University Hospitals Health System, Inc. Group Return.

Form 990 Part I Page 1 Line 6

Volunteer Information

Volunteer Information can be found in the University Hospitals Health System, Inc. Group Return.

Form 990, Part IV Line 2

Election to Report on a Consolidated Basis

University Hospitals Health System, Inc. ("Parent Organization") has elected to report information about contributions, gifts and grants, and compensation and other information about officers, directors, trustees, key employees, certain highly compensated employees, and

Name of the organization University Hospitals Health System, Inc.	Employer identification number 34-0714775
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certain professional contractors on a consolidated basis for all the members of its Group Exemption, including the Parent Organization, on University Hospitals Health System, Inc. Group Return.

Form 990, Part VIII Line 2

Treatment of Corporate Allocations

Program Service Revenue includes Corporate Allocations that are eliminated upon consolidation (via offsets to expenses) for purposes of the Audited Financial Statements.

Related Organizations and Unrelated Partnerships

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

Name of the organization **University Hospitals Health System, Inc.** Employer identification number **34-0714775**

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
University Hospitals Physicians I, Ltd. - 33-1024829, 11100 Euclid Ave, Cleveland, OH 44106	Inactive	Ohio	0.	0.	N/A
University Hospitals Physicians II, Ltd. - 33-1024832, 11100 Euclid Ave, Cleveland, OH 44106	Inactive	Ohio	0.	0.	N/A
University Hospitals Professionals, Ltd. - 01-0716790, 11100 Euclid Ave, Cleveland, OH 44106	Inactive	Ohio	0.	0.	N/A
Medina Community Healthcare Properties, LLC - 34-0714775, 11100 Euclid Ave, Cleveland, OH 44106	Real Estate Holdings	Ohio	0.	0.	N/A

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to 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
University Hospitals Cleveland Medical Center - 34-1567805, 11100 Euclid Ave., Cleveland, OH 44106	Hospital	Ohio	501(c)(3)	Line 3	N/A	X	
University Hospitals Bedford Medical Center - 34-1271115, 44 Blaine Ave., Bedford, OH 44146	Hospital	Ohio	501(c)(3)	Line 3	N/A	X	
University Hospitals Geauga Medical Center - 34-0816492, 13207 Ravenna Road, Chardon, OH 44024	Hospital	Ohio	501(c)(3)	Line 3	N/A	X	
University Hospitals Geneva Medical Center - 34-0714461, 870 West Main St., Geneva, OH 44041	Hospital	Ohio	501(c)(3)	Line 3	N/A	X	

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2010

Part I Continuation of Identification of Disregarded Entities

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
Auburn Road Development Company, LLC - 34-0714775, 11100 Euclid Ave, Cleveland, OH 44106	Real Estate Holdings	Ohio	0.	0.	N/A
4A Properties LLC - 34-0714775 11100 Euclid Ave Cleveland, OH 44106	Real Estate Holdings	Ohio	0.	0.	N/A
Clague Road Propertis LLC - 34-0714775 11100 Euclid Ave Cleveland, OH 44106	Real Estate Holdings	Ohio	0.	0.	N/A
University Hospitals at Landerbrook Ltd - 34-0714775, 11100 Euclid Ave, Cleveland, OH 44106	Real Estate Holdings	Ohio	0.	0.	N/A
JWR Commercial Properties, LLC - 34-0714775 11100 Euclid Ave Cleveland, OH 44106	Real Estate Holdings	Ohio	0.	0.	N/A

Part II Continuation of 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 organization?	
						Yes	No
University Hospitals Conneaut Medical Center - 34-0714550, 158 West Main Road, Conneaut, OH 44030	Hospital	Ohio	501(c)(3)	Line 3	N/A	X	
University Hospitals Richmond Medical Center - 34-1924226, 27100 Chardon Road, Richmond Hts, OH 44143	Hospital	Ohio	501(c)(3)	Line 3	N/A	X	
UHHS Heather Hill, Inc. - 34-0771884 12340 Bass Lake Road Chardon, OH 44024	Extended Care Facility	Ohio	501(c)(3)	Line 5	N/A	X	
UHHS Heather Hill Rehabilitation Hospital, Inc. - 34-1465745, 12340 Bass Lake Road, Chardon, OH 44024	Extended Care Facility	Ohio	501(c)(3)	Line 3	N/A	X	
Heather Hill Institute - 34-1443837 12340 Bass Lake Road Chardon, OH 44024	Inactive	Ohio	501(c)(3)	Line 7	N/A	X	
University - NPI, Inc. - 34-1571623 11100 Euclid Ave. Cleveland, OH 44106	Inactive	Ohio	501(c)(3)	Line 11a, I	N/A	X	
University Mednet, Inc. - 34-0750341 11100 Euclid Ave. Cleveland, OH 44106	Outpatient & Urgent Care Health Center	Ohio	501(c)(3)	Line 3	N/A	X	
University Hospitals Medical Group, Inc. - 20-4881619, 11100 Euclid Ave., Cleveland, OH 44106	Physicians Group	Ohio	501(c)(3)	Line 3	N/A	X	
University Hospitals Laboratory Services Foundation - 20-4881619, 11100 Euclid Ave., Cleveland, OH 44106	Laboratory	Ohio	501(c)(3)	Line 11a, I	University Hospitals Case Medical Center	X	
University Hospitals Home Care Services, Inc. - 34-1527536, 11100 Euclid Ave., Cleveland, OH 44106	Home Health Care	Ohio	501(c)(3)	Line 11a, I	University Hospitals Health Care Enterprises	X	
Pathology Associates of University Hospitals - 34-1794737, 11100 Euclid Ave., Cleveland, OH 44106	Inactive	Ohio	501(c)(3)	Line 11a, I	University Hospitals Case Medical Center	X	
BMH Professional Corp. - 34-1749966 158 West Main St. Conneaut, OH 44030	Physicians Group	Ohio	501(c)(3)	Line 11a, I	UH Conneaut Medical Center	X	

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to 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) Disproportion- ate 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	
Zeeba Surgery Center, LP - 32-0039956, 29017 Cedar Road, Lyndhurst, OH 44124	Surgery Center	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to 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
University Hospitals Holdings, Inc. - 34-1768931 11100 Euclid Ave Cleveland, OH 44106	Physician Admin. Services	OH	N/A	C CORP	0.	0.	100.00%
University Hospitals Health Care Enterprises - 34-1510005, 11100 Euclid Ave, Cleveland, OH 44106	Medical Management	OH	University Hospitals Holdings, Inc.	C CORP	3,039,000.	26,961,000.	100.00%
University Hospitals Physician Services, Inc. - 34-1768929, 11100 Euclid Ave, Cleveland, OH 44106	Physician Admin. Services	OH	University Hospitals Holdings, Inc.	C CORP	15,809,000.	9,425,000.	100.00%
University Primary Care Practices - 34-1768928 11100 Euclid Ave Cleveland, OH 44106	Physicians Group	OH	University Hospitals Holdings, Inc.	C CORP	183,265,000.	21,413,000.	100.00%
UHHS Provider & Central Verification Organization, Inc. - 34-1908517, 11100 Euclid Ave, Cleveland, OH 44106	Medical Management	OH	University Hospitals Holdings, Inc.	C CORP	1,346,000.	4,000.	100.00%

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

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

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

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

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) University Hospitals Health System/UH Ahuja Medical Center	N	79,529.	General Ledger
(2) University Hospitals Health System/UH Ahuja Medical Center	P	106,383.	General Ledger
(3) University Hospitals Health System/UH Ahuja Medical Center	B	231,651.	General Ledger
(4) UH Ahuja Medical Center/University Hospitals Health System	Q	1,250,210.	General Ledger
(5) UH Ahuja Medical Center/University Hospitals Health System	N	4,537,505.	General Ledger
(6) UH Ahuja Medical Center/University Hospitals Health System	K	642,467.	General Ledger

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7) UH Ahuja Medical Center/University Hospitals Health System	O	299,665.	General Ledger
(8) UH Ahuja Medical Center/University Hospitals Health System	C	31,285,477.	General Ledger
(9) University Hospitals Health System/UH Bedford Medical Center	R	225,538.	General Ledger
(10) University Hospitals Health System/UH Bedford Medical Center	O	1,051,399.	General Ledger
(11) UH Bedford Medical Center/University Hospitals Health System	Q	15,660,580.	General Ledger
(12) UH Bedford Medical Center/University Hospitals Health System	N	25,340,761.	General Ledger
(13) UH Bedford Medical Center/University Hospitals Health System	P	2,329,916.	General Ledger
(14) UH Bedford Medical Center/University Hospitals Health System	K	2,948,497.	General Ledger
(15) UH Health System/UH Conneaut Medical Center	R	78,098.	General Ledger
(16) UH Health System/UH Conneaut Medical Center	O	93,103.	General Ledger
(17) UH Conneaut Medical Center/UH Health System	Q	9,085,946.	General Ledger
(18) UH Conneaut Medical Center/UH Health System	N	12,034,546.	General Ledger
(19) UH Conneaut Medical Center/UH Health System	O	927,237.	General Ledger
(20) UH Conneaut Medical Center/UH Health System	K	2,121,146.	General Ledger
(21) UH Health System/UH Extended Care Campus	O	11,329,211.	General Ledger
(22) UH Extended Care Campus/UH Health System	Q	8,996,672.	General Ledger
(23) UH Extended Care Campus/UH Health System	O	2,395,051.	General Ledger
(24) UH Extended Care Campus/UH Health System	N	15,837,802.	General Ledger

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7)UH Extended Care Campus/UH Health System	K	1,208,013.	General Ledger
(8)UH Health System/UH Geauga Medical Center	R	616,980.	General Ledger
(9)UH Health System/UH Geauga Medical Center	N	51,445.	General Ledger
(10)UH Health System/UH Geauga Medical Center	O	1,207,548.	General Ledger
(11)UH Health System/UH Geauga Medical Center	B	18,565,795.	General Ledger
(12)UH Geauga Medical Center/UH Health System	Q	30,177,144.	General Ledger
(13)UH Geauga Medical Center/UH Health System	K	4,704,844.	General Ledger
(14)UH Geauga Medical Center/UH Health System	N	42,691,911.	General Ledger
(15)UH Geauga Medical Center/UH Health System	O	3,377,580.	General Ledger
(16)UH Health System/UH Geneva Medical Center	R	165,008.	General Ledger
(17)UH Health System/UH Geneva Medical Center	P	541,533.	General Ledger
(18)UH Geneva Medical Center/UH Health System	Q	10,711,564.	General Ledger
(19)UH Geneva Medical Center/UH Health System	N	15,851,598.	General Ledger
(20)UH Geneva Medical Center/UH Health System	O	1,669,521.	General Ledger
(21)UH Geneva Medical Center/UH Health System	K	2,700,043.	General Ledger
(22)UH Home Care Services/UH Health System	Q	10,075,672.	General Ledger
(23)UH Home Care Services/UH Health System	N	14,868,506.	General Ledger
(24)UH Home Care Services/UH Health System	O	736,632.	General Ledger

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7)UH Home Care Services/UH Health System	K	1,463,269.	General Ledger
(8)UH Health System/UH Richmond Medical Center	R	205,881.	General Ledger
(9)UH Health System/UH Richmond Medical Center	P	978,077.	General Ledger
(10)UH Richmond Medical Center/UH Health System	Q	18,135,769.	General Ledger
(11)UH Richmond Medical Center/UH Health System	K	3,348,316.	General Ledger
(12)UH Richmond Medical Center/UH Health System	N	27,465,095.	General Ledger
(13)UH Richmond Medical Center/UH Health System	O	2,069,146.	General Ledger
(14)UH Richmond Medical Center/UH Health System	B	14,103,024.	General Ledger
(15)UH Health System/UH Laboratory Services Foundation	P	73,792.	General Ledger
(16)UH Laboratory Service Foundation/UH Health System	Q	8,175,692.	General Ledger
(17)UH Laboratory Service Foundation/UH Health System	K	1,111,940.	General Ledger
(18)UH Laboratory Service Foundation/UH Health System	N	4,046,306.	General Ledger
(19)UH Laboratory Service Foundation/UH Health System	O	245,538.	General Ledger
(20)UH Health System/UH Medical Group	R	92,212.	General Ledger
(21)UH Health System/UH Medical Group	N	595,980.	General Ledger
(22)UH Health System/UH Medical Group	P	1,315,982.	General Ledger
(23)UH Medical Group/UH Health System	Q	40,257,348.	General Ledger
(24)UH Medical Group/UH Health System	K	9,477,533.	General Ledger

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7)UH Medical Group/UH Health System	N	257,839,275.	General Ledger
(8)UH Medical Group/UH Health System	I	268,642.	General Ledger
(9)UH Medical Group/UH Health System	O	11,113,978.	General Ledger
(10)UH Medical Group/UH Health System	B	206,193,319.	General Ledger
(11)UH Health System/UH Case Medical Center	R	6,765,709.	General Ledger
(12)UH Health System/UH Case Medical Center	N	2,217,783.	General Ledger
(13)UH Health System/UH Case Medical Center	P	65,515,957.	General Ledger
(14)UH Health System/UH Case Medical Center	H	179,450.	General Ledger
(15)UH Case Medical Center/UH Health System	Q	174,581,820.	General Ledger
(16)UH Case Medical Center/UH Health System	N	162,621,427.	General Ledger
(17)UH Case Medical Center/UH Health System	K	86,866,867.	General Ledger
(18)UH Case Medical Center/UH Health System	H	1,055,525.	General Ledger
(19)UH Case Medical Center/UH Health System	O	10,044,973.	General Ledger
(20)			
(21)			
(22)			
(23)			
(24)			

