



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Return of Organization Exempt From Income Tax

OMB No 1545-0047

2001

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

A For the 2001 calendar year, or tax year beginning 2001, and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization HEALTHFIRST PHSP, INC C/O HEALTHFIRST, INC	D Employer identification number 13-3783732
	Number and street (or P O box if mail is not delivered to street address) Room/suite 25 BROADWAY	E Telephone number (212) 801-6000
	City or town state or country, and ZIP + 4 NEW YORK, NY 10004	F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual Other (specify) ▶
	Please use IRS label or print or type See Specific Instructions • Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)	

G Web site ▶ **HEALTHFIRSTNY.COM**J Organization type (check only one) ☒ 501(c) (3) (insert no) 4947(a)(1) or 527K Check here ☐ if the organization's gross receipts are normally not more than \$25 000. The organization need not file a return with the IRS but if the organization received a Form 990 Package in the mail it should file a return without financial data. Some states require a complete return.

H and I are not applicable to section 527 organizations

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

H(b) If "Yes" enter number of affiliates ▶

H(c) Are all affiliates included? ☐ Yes ☐ No (If No attach a list. See instructions.)H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Enter 4-digit GEN ▶

M Check ☐ if the organization is not required to attach Sch. B (Form 990 990-EZ or 990-PF)L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **178,442,802**

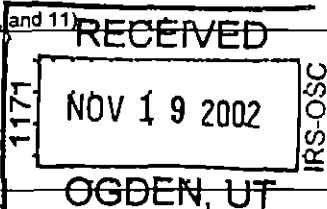
Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 16)

Revenue	1 Contributions, gifts, grants and similar amounts received				
	a Direct public support	1a			
	b Indirect public support	1b			
	c Government contributions (grants)	1c		628,856	
	d Total (add lines 1a through 1c) (cash \$ 628,856 noncash \$)	1d		628,856	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		175,637,837	
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4		2,176,109	
	5 Dividends and interest from securities	5			
	6a Gross rents	6a			
b Less rental expenses	6b				
c Net rental income or (loss) (subtract line 6b from line 6a)	6c				
7 Other investment income (describe ▶)	7				
Expenses	8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	b Less cost or other basis and sales expenses	8a			
	c Gain or (loss) (attach schedule)	8b			
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
	8d				
	9 Special events and activities (attach schedule)				
	a Gross revenue (not including \$ of contributions reported on line 1a)	9a			
	b Less direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
	10a Gross sales of inventory, less returns and allowances	10a			
b Less cost of goods sold	10b				
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c				
11 Other revenue (from Part VII, line 103)	11				
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		178,442,802		
Net Assets	13 Program services (from line 44, column (B))	13	166,960,296		
	14 Management and general (from line 44, column (C))	14	12,384,078		
	15 Fundraising (from line 44, column (D))	15			
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses (add lines 16 and 44, column (A))	17	179,344,374		
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18	-901,572			
19 Net assets or fund balances at beginning of year (from line 73 column (A))	19	25,464,532			
20 Other changes in net assets or fund balances (attach explanation) STMT 1	20	1,795,680			
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	26,358,640			

For Paperwork Reduction Act Notice, see the separate instructions

G/S

Form 990 (2001)



Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instructions on page 21.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
	(cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc	25	NONE		
26	Other salaries and wages	26			
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31			
32	Legal fees	32			
33	Supplies	33			
34	Telephone	34			
35	Postage and shipping	35			
36	Occupancy	36			
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39			
40	Conferences, conventions, and meetings	40			
41	Interest	41	281,179	281,179	
42	Depreciation depletion etc (attach schedule)	42			
43	Other expenses not covered above (itemize) STMT 2	43a	179,063,195	166,960,296	12,102,899
	b	43b			
	c	43c			
	d	43d			
	e	43e			
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	179,344,374	166,960,296	12,384,078

Joint Costs Check ☐ if you are following SOP 98-2Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____,

(iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 24)What is the organization's primary exempt purpose? **STMT 3**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts, but optional for others.)

a	STMT 4	
	(Grants and allocations \$ _____)	166,960,296
b	(Grants and allocations \$ _____)	
c	(Grants and allocations \$ _____)	
d	(Grants and allocations \$ _____)	
e	Other program services (attach schedule) (Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)	166,960,296

Part IV Balance Sheets (See Specific Instructions on page 24)

Note		Where required attached schedules and amounts within the description column should be for end-of-year amounts only		(A) Beginning of year		(B) End of year	
Assets	45	Cash - non-interest-bearing			45		
	46	Savings and temporary cash investments		61,231,779	46	49,864,697	
	47a	Accounts receivable	47a	18,691,144			
	b	Less allowance for doubtful accounts	47b	1,830,100	11,553,486	47c	16,861,044
	48a	Pledges receivable	48a				
	b	Less allowance for doubtful accounts	48b			48c	
	49	Grants receivable				49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
	51a	Other notes and loans receivable (attach schedule)	51a				
	b	Less allowance for doubtful accounts	51b			51c	
	52	Inventories for sale or use				52	
	53	Prepaid expenses and deferred charges				53	
	54	Investments - securities (attach schedule)				54	
	55a	Investments - land, buildings, and equipment basis	55a				
	b	Less accumulated depreciation (attach schedule)	55b			55c	
56	Investments - other (attach schedule)				56		
57a	Land, buildings, and equipment basis	57a	595,383				
b	Less accumulated depreciation (attach schedule) STMT 13	57b	595,383		57c		
58	Other assets (describe ► STMT 5)		2,838,893	58	3,467,753		
59	Total assets (add lines 45 through 58) (must equal line 74)		75,624,158	59	70,193,494		
Liabilities	60	Accounts payable and accrued expenses		46,826,426	60	39,886,867	
	61	Grants payable			61		
	62	Deferred revenue		8,616	62	NONE	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64a	Tax-exempt bond liabilities (attach schedule)			64a		
	b	Mortgages and other notes payable (attach schedule)			64b		
	65	Other liabilities (describe ► STMT 6)		3,324,584	65	3,947,987	
66	Total liabilities (add lines 60 through 65)		50,159,626	66	43,834,854		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74						
	67	Unrestricted		25,464,532	67	26,358,640	
	68	Temporarily restricted			68		
	69	Permanently restricted			69		
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74						
	70	Capital stock trust principal, or current funds			70		
	71	Paid-in or capital surplus, or land, building, and equipment fund			71		
	72	Retained earnings endowment, accumulated income, or other funds			72		
	73	Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19, and column (B) must equal line 21)		25,464,532	73	26,358,640	
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)		75,624,158	74	70,193,494	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 26)

a	Total revenue gains, and other support per audited financial statements ▶	a	178,442,802
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$ _____		
(2)	Donated services and use of facilities \$ _____		
(3)	Recoveries of prior year grants \$ _____		
(4)	Other (specify) _____ \$ _____		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	178,442,802
d	Amounts included on line 12, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$ _____		
(2)	Other (specify) _____ \$ _____		
	Add amounts on lines (1) and (2) ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	178,442,802

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a Total expenses and losses per audited financial statements	a 179,344,374
b Amounts included on line a but not on line 17, Form 990 (1) Donated services and use of facilities \$ _____ (2) Prior year adjustments reported on line 20, Form 990 \$ _____ (3) Losses reported on line 20, Form 990 \$ _____ (4) Other (specify) _____ _____ \$ _____ Add amounts on lines (1) through (4)	b
c Line a minus line b	c 179,344,374
d Amounts included on line 17, Form 990 but not on line a (1) Investment expenses not included on line 6b Form 990 \$ _____ (2) Other (specify) _____ _____ \$ _____ Add amounts on lines (1) and (2)	d
e Total expenses per line 17, Form 990 (line c plus line d)	e 179,344,374

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see Specific Instructions on page 26)

[illegible]

75 Did any officer, director, trustee or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule - see Specific Instructions on page 27 **SEE STATEMENT 9**

Part VI Other Information (See Specific Instructions on page 27)

Yes No

76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77		X
78 a	Did the organization have unrelated business gross income of \$1 000 or more during the year covered by this return?	78 a		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78 b	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc. to any other exempt or nonexempt organization?	80 a	X	
b	If "Yes," enter the name of the organization <u>HEALTHFIRST, INC</u> and check whether it is <input checked="" type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt			
81 a	Enter direct or indirect political expenditure. See line 81 instructions	81 a	NONE	
b	Did the organization file Form 1120-POL for this year?	81 b		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82 a		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82 b	N/A	
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83 a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83 b	N/A	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84 a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84 b	N/A	
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85 a	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2 000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85 b	N/A	
c	Dues, assessments, and similar amounts from members	85 c	N/A	
d	Section 162(e) lobbying and political expenditures	85 d	N/A	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85 e	N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85 f	N/A	
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85 g	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85 h	N/A	
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	86 a	N/A	
b	Gross receipts, included on line 12, for public use of club facilities	86 b	N/A	
87	501(c)(12) orgs Enter a Gross income from members or shareholders	87 a	N/A	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87 b	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		X
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <u>NONE</u> section 4912 <u>NONE</u> section 4955 <u>NONE</u>			
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89 b		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		NONE	
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		NONE	
90 a	List the states with which a copy of this return is filed <u>NEW YORK</u>			
b	Number of employees employed in the pay period that includes March 12, 2001 (See instructions)	90 b	NONE	
91	The books are in care of <u>DAVID FALK</u> Telephone no <u>212-801-6000</u> Located at <u>25 BROADWAY, NEW YORK, NY</u> ZIP + 4 <u>10004</u>			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u> <u>N/A</u>			

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32.)

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a PREMIUM REVENUE					175,637,837
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	2,176,109	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				2,176,109	175,637,837
105 Total (add line 104, columns (B), (D), and (E))					177,813,946

Note Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 32.)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
▼	STMT 10

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33.)

(A) Name, address and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions on page 33.)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
	Signature of officer <u>Leo C. Garrity Jr.</u>	Date <u>11/14/02</u>
Paid Preparer's Use Only	Type or print name and title <u>LEO C. GARRITY JR. TREASURER</u>	
	Preparer's signature <u>Christopher B. Bogg, CPA</u>	Date <u>10-8-02</u>
	Firm's name (or yours if self-employed) <u>ERNST & YOUNG, LLP</u>	Check if self-employed <input type="checkbox"/>
	Firm's address and ZIP + 4 <u>5451 LAKEVIEW PARKWAY SOUTH DRIVE INDIANAPOLIS, IN 46254</u>	Preparer's SSN or PTIN (See Gen. Inst. W) <u>34-6565596</u>
		Phone no <u>317-280-3400</u>

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information - (See separate instructions.)

OMB No 1545 0047

2001

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization **HEALTHFIRST PHSP, INC**
C/O HEALTHFIRST, INC

Employer identification number
13-3783732

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions List each one If there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000	▶ NONE			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services	▶ NONE	

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

Schedule A (Form 990 or 990-EZ) 2001

Part III Statements About Activities (See page 2 of the instructions)

	Yes	No
1 During the year has the organization attempted to influence national state or local legislation including any attempt to influence public opinion on legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ (Must equal amount on line 38, Part VI-A, or line 1 or Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	1	X
2 During the year, has the organization either directly or indirectly engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below.)	3	X
4 Do you have a section 403(b) annuity plan for your employees?	4	X

Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments.

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

The organization is not a private foundation because it is: (Please check only ONE applicable box.)

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the Support Schedule in Part IV-A.)
- 11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12 ☒ 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 charitable, etc., 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). (Also complete the Support Schedule in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6) if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See page 5 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting.***Note** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	164570345	162020415	118774165	86,931,644	532296569
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	2,886,633	3,226,814	1,540,317	751,794	8,405,558
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.	STMT 12 NONE	NONE	NONE	1,583,976	1,583,976
23 Total of lines 15 through 22	167456978	165247229	120314482	89,267,414	542286103
24 Line 23 minus line 17	2,886,633	3,226,814	1,540,317	2,335,770	9,989,534
25 Enter 1% of line 23	1,674,570	1,652,472	1,203,145	892,674	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24. NQT APPLICABLE.					26a
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.					26b
c Total support for section 509(a)(1) test. Enter line 24, column (e).					26c
d Add: Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____					26d
e Public support (line 26c minus line 26d total)					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2000) _____ (1999) _____ NONE (1998) _____ NONE (1997) _____ NONE					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2000) _____ (1999) _____ NONE (1998) _____ NONE (1997) _____ NONE					
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 532,296,569 20 _____ 21 _____					27c 532,296,569
d Add: Line 27a total NONE and line 27b total NONE					27d NONE
e Public support (line 27c total minus line 27d total)					27e 532,296,569
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e).					27f 542,286,103
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 98.1579 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 1.5500 %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1997 through 2000, prepare a list for your records to show for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See page 7 of the instructions)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30	
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement) ----- ----- -----	31	
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions programs, and scholarships?	32c	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?	33a	
b Admissions policies?	33b	
c Employment of faculty or administrative staff?	33c	
d Scholarships or other financial assistance?	33d	
e Educational policies?	33e	
f Use of facilities?	33f	
g Athletic programs?	33g	
h Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
34a Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)(To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

Check ☐ **a** if the organization belongs to an affiliated group
 Check ☐ **b** if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table - If the amount on line 40 is - The lobbying nontaxable amount is - Not over \$500,000 20% of the amount on line 40 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	41		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

Caution If there is an amount on either line 43 or line 44, you must file Form 4720**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 45 through 50 on page 11 of the instructions)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in) ▶	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities**NOT APPLICABLE**

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a** Volunteers
b Paid staff or management (Include compensation in expenses reported on lines c through h)
c Media advertisements
d Mailings to members, legislators, or the public
e Publications, or published or broadcast statements
f Grants to other organizations for lobbying purposes
g Direct contact with legislators, their staffs, government officials, or a legislative body
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
i Total lobbying expenditures (add lines c through h)

Yes	No	Amount

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Schedule A (Form 990 or 990-EZ) 2001

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of

Yes	No
-----	----

(i) Cash

51a(i)		X
--------	--	---

(ii) Other assets

a(ii)		x
-------	--	---

b Other transactions

(l) Sales or exchanges of assets with a noncharitable exempt organization

b(1)	x
-------------	----------

(ii) Purchases of assets from a noncharitable exempt organization

b(1)		
b(2)		
b(3)		
b(4)		
b(5)		
b(6)		
b(7)		
b(8)		
b(9)		
b(10)		
b(11)		
b(12)		
b(13)		
b(14)		
b(15)		
b(16)		
b(17)		
b(18)		
b(19)		
b(20)		
b(21)		
b(22)		
b(23)		
b(24)		
b(25)		
b(26)		
b(27)		
b(28)		
b(29)		
b(30)		
b(31)		
b(32)		
b(33)		
b(34)		
b(35)		
b(36)		
b(37)		
b(38)		
b(39)		
b(40)		
b(41)		
b(42)		
b(43)		
b(44)		
b(45)		
b(46)		
b(47)		
b(48)		
b(49)		
b(50)		
b(51)		
b(52)		
b(53)		
b(54)		
b(55)		
b(56)		
b(57)		
b(58)		
b(59)		
b(60)		
b(61)		
b(62)		
b(63)		
b(64)		
b(65)		
b(66)		
b(67)		
b(68)		
b(69)		
b(70)		
b(71)		
b(72)		
b(73)		
b(74)		
b(75)		
b(76)		
b(77)		
b(78)		
b(79)		
b(80)		
b(81)		
b(82)		
b(83)		
b(84)		
b(85)		
b(86)		
b(87)		
b(88)		
b(89)		
b(90)		
b(91)		
b(92)		
b(93)		
b(94)		
b(95)		
b(96)		
b(97)		
b(98)		
b(99)		
b(100)		
b(101)		
b(102)		
b(103)		
b(104)		
b(105)		
b(106)		
b(107)		
b(108)		
b(109)		
b(110)		
b(111)		
b(112)		
b(113)		
b(114)		
b(115)		
b(116)		
b(117)		
b(118)		
b(119)		
b(120)		
b(121)		
b(122)		
b(123)		
b(124)		
b(125)		
b(126)		
b(127)		
b(128)		
b(129)		
b(130)		
b(131)		
b(132)		
b(133)		
b(134)		
b(135)		
b(136)		
b(137)		
b(138)		
b(139)		
b(140)		
b(141)		
b(142)		
b(143)		
b(144)		
b(145)		
b(146)		
b(147)		
b(148)		
b(149)		
b(150)		
b(151)		
b(152)		
b(153)		
b(154)		
b(155)		
b(156)		

(iii) Rental of facilities, equipment, or other assets

b(III)		X
--------	--	---

(iv) Reimbursement arrangements

b(lv)		X
-------	--	---

(v) Loans or loan guarantees

b(v)		x
-------------	--	----------

(vi) Performance of services or membership or fundraising solicitations

b(vi)		X
-------	--	----------

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

с		х
----------	--	----------

d. If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

[illegible]

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

► ☐ Yes ☒ No

b If "Yes," complete the following schedule

[illegible]

Schedule B

(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No 1545-0047

2001

Name of organization

Employer identification number

HEALTHFIRST PHSP, INC**13-3783732**

Organization type (check one)

Filers of**Section**

Form 990 or 990-EZ

☒ 501(c)(3) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust not treated as a private foundation☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General rule** or a **Special rule** (Note Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General rule and a Special rule - see instructions)

General Rule -

- ☒ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor (Complete Parts I and II)

Special Rules -

- ☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms (Complete Parts I and II)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals (Complete Parts I, II, and III)
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc , purposes, but these contributions did not aggregate to more than \$1 000 (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious charitable, etc , purpose Do not complete any of the Parts unless the General rule applies to this organization because it received nonexclusively religious, charitable, etc , contributions of \$5,000 or more during the year) ▶ \$ _____

Caution Organizations that are not covered by the General rule and/or the Special rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 1 of their Form 990-PF to certify that they do not meet the filing requirements of Schedule B (Form 990 990-EZ, or 990-PF)

Schedule B (Form 990, 990-EZ, or 990-PF) (2001)

If a section 501(c)(7), (8), or (10) organization received contributions or bequests for use exclusively for religious, charitable, etc., purposes (sections 170(c)(4), 2055(a)(3), or 2522(a)(3)) -

List in Part I each contributor whose contributions total more than \$1,000 during the year that were for a religious, charitable, etc., purpose. To determine the \$1,000, aggregate all of a contributor's gifts for the year (regardless of amount). For a noncash contribution, complete Part II.

All section 501(c)(7), (8), or (10) organizations that received any charitable contributions and listed any charitable contributors on Part I must also complete Part III.

If a section 501(c)(7), (8), or (10) organization received charitable gifts, but is not required to list any charitable contributors on Part I, check the box on line A at the top of Schedule B (Form 990 or 990-EZ) and enter the amount of charitable contributions received in the space provided. The organization need not complete and attach Part III.

Specific Instructions

Note. You may duplicate Parts I, II, and III if more copies are needed. Number each page of each Part.

Part I. In column (a), identify the first contributor listed as no. 1 and the second contributor as no. 2, etc. Number consecutively. Show the contributor's name, address, aggregate contributions for the year, and the type of contribution (e.g., whether an individual, payroll, or noncash contribution). Report payroll contributions by listing the employer's name, address, and total amount given (unless an employee gave enough to be listed individually).

Part II. In column (a), show the number that corresponds to the contributor's number in Part I. Describe the noncash contribution fully. Report on property with readily determinable market value (i.e., market quotations for securities) by listing its fair market value (FMV). For marketable securities registered and listed on a recognized securities exchange, measure market value by the average of the highest and lowest quoted selling prices (or the average between the bona fide bid and asked prices) on the contribution date. See Regulations section 20.2031-2 to determine the value of contributed stocks and bonds. When market value cannot be readily determined, use an appraised or estimated value. To determine the amount of a noncash contribution that is subject to an outstanding debt, subtract the debt from the property's fair market value.

Part III. Section 501(c)(7), (8), or (10) organizations that received contributions or bequests for use exclusively for religious, charitable, etc., purposes must complete Parts I through III for those persons whose gifts totaled more than \$1,000 during the year. Show also, in the heading of Part III, total gifts that were \$1,000 or less and were for a religious, charitable, etc., purpose. Complete this information only on the first Part III page.

If an amount is set aside for a religious, charitable, etc., purpose, show in column (d) how the amount is held (e.g., whether it is mingled with amounts held for other purposes). If the organization transferred the gift to another organization, show the name and address of the transferee organization in column (e) and explain the relationship between the two organizations.

Name of organization

Employer identification number

HEALTHFIRST PHSP, INC**13-3783732****Part I Contributors** (See Specific Instructions)

(a) No	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>1</u>		<u>628,856</u>	Person <input checked="checked" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution)

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES
=====DESCRIPTION
-----AMOUNT

RETAINED HOSPITAL PAYMENTS

1,795,680.

TOTAL

1,795,680.
=====

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL
HEALTHCARE SERVICE COSTS	145541856.	145541856.	
HEALTHFIRST MANAGEMENT FEES	33053148.	21418440.	11634708.
GENERAL AND ADMINISTRATIVE	468,191.		468,191.
TOTALS	179063195.	166960296.	12102899.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE

=====

THE ORGANIZATION PROVIDES COMPREHENSIVE HEALTH SERVICES, AS DEFINED IN ARTICLE 44 OF THE PUBLIC HEALTH LAW OF NEW YORK STATE ON A PREPAID AND CAPITATED BASIS, TO AN ENROLLED POPULATION SUBSTANTIALLY COMPOSED OF MEDICAID AND CHILD HEALTH PLUS RECIPIENTS.

FORM 990, PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

DESCRIPTION

EXPENSES

PHSP IS A LICENSED, PREPAID HEALTH SERVICES PLAN THAT PROVIDES COMPREHENSIVE PREPAID HEALTH CARE COVERAGE TO MEDICAID, CHILD HELP PLUS AND CHILD HELP PLUS FIDELIS RECIPIENTS, PURSUANT TO ARTICLE 44 OF NEW YORK STATE PUBLIC HEALTH LAW, IN NEW YORK CITY, LONG ISLAND AND NEW YORK. HEALTHCARE SERVICES HAVE BEEN PROVIDED ON A PREPAID AND

. 166,960,296.

CAPITATED BASIS TO MEDICAID ENROLLEES SINCE OCTOBER 1994.

IN ADDITION, THE ORGANIZATION HAS FORMULATED VARIOUS MARKETING STRATEGIES AND PROCEDURES TO ADD MORE MEMBERS. AS OF DECEMBER 31, 2001, MEDICAID RECIPIENTS ARE 56,250 AND 29 REGIONAL HOSPITALS ARE PARTICIPATING TO PROVIDE SERVICES.

HEALTHFIRST PHSP HAS FURTHER EXPANDED THE SOCIAL WELFARE OF

AFFORDABLE AND QUALITY HEALTH CARE BY ADDING CHILD HEALTH PLUS AND CHILD HEALTH PLUS FIDELIS TO THE COMMUNITIES. AS OF DECEMBER 31, 2001, CHILD HEALTH PLUS ENROLLEES ARE 30,384 AND CHILD HEALTH PLUS FIDELIS ENROLLEES ARE 21,956.

TOTAL

166,960,296.

FORM 990, PART IV - OTHER ASSETS
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
DUE FROM AFFILIATE	3,453,878.
SECURITY DEPOSITS	13,875.

TOTALS	3,467,753. =====

FORM 990, PART IV - OTHER LIABILITIES

=====

DESCRIPTION -----	ENDING BOOK VALUE -----
OTHER CURRENT LIABILITIES	1,470,733.
INTEREST PAYABLE TO AFFILIATE	2,477,254.

TOTALS	3,947,987.
	=====

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
THOMAS W. BERGDALL 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	VP/GENERAL COUNSEL <1 HR/WK	NONE	NONE	NONE
PAUL DICKSTEIN 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	PRESIDENT <1 HR/WK	NONE	NONE	NONE
JAY SCHECHTMAN 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	MEDICAL OFFICER <1 HR/WK	NONE	NONE	NONE
ORRIN FEINGOLD 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	TREASURER <1 HR/WK	NONE	NONE	NONE
MICHAEL HONIG 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	DIRECTOR <1 HR/WK	NONE	NONE	NONE
STEVEN SAKOVITS 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	DIRECTOR/SVP/COO <1 HR/WK	NONE	NONE	NONE
KELLY GELEIN 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	SECRETARY <1 HR/WK	NONE	NONE	NONE
GRAND TOTALS		NONE	NONE	NONE

FORM 990, PART V - COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
HEALTHFIRST, INC. 13-3714932				
THOMAS W. BERGDALL 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	VP/GENERAL COUNSEL <1 HR/WK	247,096.	11,900.	1,085.
HEALTHFIRST, INC. 13-3714932				
PAUL DICKSTEIN 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	PRESIDENT <1 HR/WK	601,478.	11,900.	22,916.
HEALTHFIRST, INC. 13-3714932				
JAY SCHECHTMAN 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	MEDICAL OFFICER <1 HR/WK	290,668.	11,900.	642.
HEALTHFIRST, INC. 13-3714932				
ORRIN FEINGOLD 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	TREASURER <1 HR/WK	123,369.	NONE	291.

FORM 990, PART V - COMPENSATION PROVIDED BY RELATED ORGANIZATION

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
HEALTHFIRST, INC. 13-3714932				
MICHAEL HONIG 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	DIRECTOR <1 HR/WK	201,961.	11,900.	1,160.
HEALTHFIRST, INC. 13-3714932				
STEVEN SAKOVITS 25 BROADWAY, 9TH FLOOR NEW YORK, NY 10004	DIRECTOR/SVP/COO <1 HR/WK	241,165.	11,900.	619.
	GRAND TOTALS	1,705,737.	59,500.	26,713.

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

=====

LINE NO. ---	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES -----
93A	THE CAPITATION PREMIUM REVENUES REPRESENT PREPAID AMOUNTS PAID BY THE NEW YORK STATE DEPARTMENT OF SOCIAL SERVICES TO THE ORGANIZATION FOR ITS HEALTH CARE PROVIDERS. THE ORGANIZATION IS THEN OBLIGATED TO PROVIDE HEALTH CARE SERVICES TO ITS ENROLLEES, WHO ARE COMPOSED OF MEDICAID AND CHILD HEALTH PLUS RECIPIENTS.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D

=====

SEE FORM 990, PART V.

SCHEDULE A, PART IV-A - OTHER INCOME

DESCRIPTION	2000	1999	1998	1997	TOTAL
MENTAL HEALTH ADMIN FEE	NONE	NONE	NONE	566,652.	566,652.
REAP AGENCY REIMBURSEMENT	NONE	NONE	NONE	NONE	NONE
WRITE-OFFS	NONE	NONE	NONE	NONE	NONE
MISCELLANEOUS	NONE	NONE	NONE	929,239.	929,239.
STOP/LOSS REVENUE	NONE	NONE	NONE	88,085.	88,085.
TOTALS	NONE	NONE	NONE	1,583,976.	1,583,976.

Healthfirst PHSP, Inc.

FEIN: 13-3783732

For the year ended December 31, 2001

Form 990, Part II, Line 42 - Depreciation & Part IV, Line 57, Fixed Assets

	12/31/2000	12/31/2000	12/31/2000	2001	12/31/2000	12/31/2001	12/31/2001
	Cost	Additions/ Deletions	Cost	Depreciation Expense	Accumulated Depreciation	Disposals/ Write-offs	Accumulated Depreciation
Deferred software	254,773	-	254,773	-	254,773	-	254,773
Property, Plant, Equipment	340,610	-	340,610	-	340,610	-	340,610
	595,383	-	595,383	-	595,383	-	595,383

• If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box ☒

Note Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

• If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1)

Part II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy

Type or print File by the extended due date for filing the return. See instructions	Name of Exempt Organization HEALTHFIRST PHSP, INC	Employer identification number 13-3783732
	C/O HEALTHFIRST, INC	For IRS use only
	Number street and room or suite no. If a P O box see instructions 25 BROADWAY	
	City, town or post office, state, and ZIP code For a foreign address see instructions NEW YORK, NY 10004	

Check type of return to be filed (File a separate application for each return)

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust)	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 5227	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 6069	

STOP Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868

• If the organization does not have an office or place of business in the United States, check this box ☐

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- 4 I request an additional 3-month extension of time until 11/15/2002
- 5 For calendar year 2001, or other tax year beginning _____ and ending _____
- 6 If this tax year is for less than 12 months check reason ☐ Initial return ☐ Final return ☐ Change in accounting period
- 7 State in detail why you need the extension _____

ADDITIONAL TIME IS NEEDED TO COLLECT ALL THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN

- 8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____
- b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____
- c Balance Due Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ _____

Signature and Verification

Under penalties of perjury I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Christopher B. Boggs Title CPA Date 8-2-2002

Notice to Applicant - To Be Completed by the IRS

- ☐ We have approved this application. Please attach this form to the organization's return.
- ☐ We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- ☐ We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- ☐ We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- ☐ Other _____

EXTENSION APPROVED

By _____

AUG 28 2002

Director _____

Date _____

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print JSA	Name ERNST & YOUNG, LLP CHRISTOPHER BOGGS
	Number and street (include suite, room, or apt. no.) Or a P O box number 5451 LAKEVIEW PARKWAY SOUTH DRIVE
	City or town, province or state, and country (including postal or ZIP code) INDIANAPOLIS, IN 46268

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

Department of the Treasury
Internal Revenue Service

► File a separate application for each return

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box ☒
- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form)

Note Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Note Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only ☐

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns Partnerships REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print	Name of Exempt Organization	HEALTHFIRST PHSP, INC	Employer identification number
	C/O HEALTHFIRST, INC		13-3783732
	Number street, and room or suite no If a P O box see instructions	25 BROADWAY	
File by the due date for filing your return See instructions	City town or post office, state and ZIP code For a foreign address, see instructions		
	NEW YORK, NY 10004		

Check type of return to be filed (file a separate application for each return)

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T(sec 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐ If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until 08/15, 2002, to file the exempt organization return for the organization named above The extension is for the organization's return for ☒ calendar year 2001 or ☐ tax year beginning _____, and ending _____

2 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions \$ _____

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit \$ _____

c Balance Due Subtract line 3b from line 3a Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions \$ _____

Signature and Verification

Under penalties of perjury I declare that I have examined this form including accompanying schedules and statements and to the best of my knowledge and belief it is true correct and complete and that I am authorized to prepare this form

Signature ► Christopher B Bayne Title ► CFA Date ► 5-9-2002
For Paperwork Reduction Act Notice, see instruction Form 8868 (12 2000)