

Form 990
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2017

Open to Public Inspection

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

Do not enter social security numbers on this form as it may be made public.
Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2017 calendar year, or tax year beginning 01-01-2017, and ending 12-31-2017

B Check if applicable: Address change, Name change, Initial return, Final return/terminated, Amended return, Application pending. C Name of organization: HEALTH ALLIANCE PLAN OF MICHIGAN. D Employer identification number: 38-2242827. E Telephone number: (313) 664-8559. F Name and address of principal officer: Richard Swift, 2850 WEST GRAND BOULEVARD, DETROIT, MI 48202. G Gross receipts \$ 1,862,902,532. H(a) Is this a group return for subordinates? Yes No. H(b) Are all subordinates included? Yes No. H(c) Group exemption number. I Tax-exempt status: 501(c)(3), 501(c)(4), 4947(a)(1), 527. J Website: www.hap.org. K Form of organization: Corporation, Trust, Association, Other. L Year of formation: 1979. M State of legal domicile: MI.

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 1 Briefly describe the organization's mission...; 2-6 Governance metrics; 7a-7b Revenue/Income; 8-12 Revenue; 13-19 Expenses; 20-22 Net Assets or Fund Balances.

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: 2018-11-13, Richard Swift CFO, Type or print name and title.

Paid Preparer: Print/Type preparer's name: Lori Boyce, Preparer's signature: Lori Boyce, Date, Check if self-employed, PTIN: P00121981, Firm's name: Deloitte Tax LLP, Firm's EIN: 86-1065772.

Use Only

Firm's address 200 Renaissance Center Suite 3900
Detroit, MI 48243

Phone no. (313) 396-3000

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2017)

Form 990 (2017)

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

To improve the health status of the residents in all of the communities we serve. We accomplish this through innovative programs to provide health care coverage with an emphasis on preventative care as well as outreach programs to the communities aimed at enhancing and promoting healthier communities.

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

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No [checked]

If "Yes," describe these changes on Schedule O.

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

4a (Code:) (Expenses \$ 1,794,141,279 including grants of \$ 513,718) (Revenue \$ 1,828,171,270)

Health Alliance Plan (HAP) is a nonprofit, regional health plan based in Detroit that provides health coverage to Individuals and companies. HAP is a subsidiary of the Henry Ford Health System, one of the nation's leading health care systems. A leader in personalized customer service, disease management and wellness programs, HAP partners with physicians, employers and community organizations to improve the health and well-being of the community. HAP offers six distinct product portfolios: o Group Fully Insured Commercial: - Small Business Solutions - HMO - EPO o Personal Alliance for Individuals (pre-65) and Families - HMO - PPO o Medicare Solutions for individuals and groups: - HAP Senior Plus (HMO) - HAP Senior Plus (HMO-POS) Participating Physicians and Ancillary Providers: HAP's robust provider networks include the leading Michigan doctors, hospitals and health systems: Beaumont, Detroit Medical Center, St. Joseph Mercy, St. John/Providence, Henry Ford Health System, Genesys, McLaren and the University of Michigan. HAP contracts with 95 Michigan hospitals to serve its HMO members. Statewide and national provider network solutions are available for other product lines through strategic partnerships with Physicians Care Network, CIGNA and NationCare for companies with multiple locations. HAP contracts with urgent care centers, pharmacies and ancillary providers to serve its membership. At the end of 2017, HAP's HMO membership enrollment was 257,944; HAP serviced 3,158,571 member months. Members worked with their chosen healthcare providers to maintain a healthy lifestyle or manage their chronic conditions. The following statistics reflect utilization for the HMO product: HAP HMO Commercial and Medicare members incurred 33,290 medical/surgical hospital admissions in 2017, this figure includes admissions for behavioral health-related issues. HAP and its providers encourage members to seek routine services and preventive health screenings to maintain their health and meet their personal health goals. The majority of these services are obtained in their physician offices. HAP spends a considerable amount of resources communicating with members and providing supportive health programs and resources to help them achieve sustainable healthy habits and manage chronic conditions. Examples of health and wellness programs and resources include: 1) A team of Personal Service Coordinators are assigned to members during the first two years of membership to help them understand their HAP coverage and navigate the health care system. 2) Online health assessment and digital coaching tools are available through iStrive for Better Health, HAP's digital wellness manager. iStrive is available to HAP members and their covered spouses in their hap.org account. 3) Member events: HAP's member events help members eat healthfully, get moving, manage a chronic condition and more. 4) Balanced Living member magazine and blog; The award-winning magazine and blog are filled with the latest health and wellness news, tips and answers to your questions by HAP experts, as well as helpful ideas to improve your well-being. 5) Weight management: HAP members enjoy discounts, access to nutritional counseling, doctor-supervised weight loss programs and much more. 6) Tobacco cessation: Ready to quit smoking for good? Our plans including smoking cessation benefits for HMO, POS and Medicare members. 7) HAP's Fitness Challenge: Thinking about running a 5K but that little voice in your head is holding you back? HAP can help members get 5K ready in just nine weeks. All it takes is 30 minutes per day, three days per week. 8) Global Emergency Services and Identity Theft Protection through Assist America: Urgent care and emergency services are covered worldwide. Our contract with Assist America provides a full range of emergency medical services to help with difficulties while traveling 100+ miles away from home, or abroad, and free identity theft protection. 9) Restore programs help members take care of their daily health needs, manage their doctor's plan of care and improve their quality of life. There are three unique programs under Restore: Restore CareTrack helps members manage their chronic conditions; Restore Case Management helps members who need extensive help coordinating their care; and Restore Comfort and Palliative Care helps members managing terminal illnesses. 9) Behavioral health: Our dedicated team of professionals matches members with mental health and addiction resources and monitors their care throughout treatment. 10) Medication Therapy Management Program: HAP pharmacists counsel seniors with chronic conditions and work with their physicians to make taking multiple medications safer and more effective and address the barriers to medication therapy adherence. 11) Worksite Wellness programs bring free or low-cost preventive services and health education to the workplace tailored to the needs of each company. HAP offers: workshops on health and wellness topics, behavior change programs, health screenings, health fairs and an employee assistance program, newsletters and wellness forums for employer groups. 12) HAP Member Discounts-members receive valuable money-saving discounts and extras on a variety of health-and-wellness related activities and venues. 13) Quarterly member wellness challenges are designed to engage members in friendly 'competition' to improve healthy behaviors like physical activity, nutrition, and stress management. 14) Maternity Resources: Planning your pregnancy or expecting? We'll help you get the most from your health plan, and stay healthy during your journey, so you can focus on what's most important: your expanding family. Community Stewardship: HAP supports many community organizations in a variety of ways. Examples of organizations we support regularly (through both financial support and employee volunteerism) include the Detroit Urban League, Orchards Children's Services and domestic violence shelters HAVEN, Humble Design, Playworks of Michigan, Forgotten Harvest, and Turning Point. In 2017 HAP employees contributed 2,592 volunteer hours to community service. Signature Community Programs HAP 5K Challenge: Many chronic health conditions could be avoided through a healthier lifestyle. Yet lifestyle changes are especially difficult for people who lack support, motivation or financial resources. For this reason, HAP developed a free program designed to turn "couch potatoes" into runners. HAP's nine-week 5K Challenge offered support to first-time runners in southeast Michigan through in-person group training sessions with a licensed instructor, combined with online support, activity tracking tools and engagement with coaches and peers. Interest in the program far exceeded expectations. Participants who completed the program and ultimately competed in the 5K run reported lower blood pressure, increased stamina and weight loss. Over 200 members took advantage of this program in 2017. Splash Bash: After learning that Detroit residents were not taking advantage of available aquatic recreational opportunities, HAP launched a free water aerobics program - Splash Bash - that gives adults free access to water aerobics classes in partnership with local community health and recreation centers with adequate aquatic facilities. In 2017, over 7,482 people participated in this program around metro Detroit and Flint. Enhance Fitness: HAP partners with the National Kidney Foundation of Michigan to bring Enhance Fitness to the community through partnerships with local community health and recreation centers. Enhance Fitness is a free physical activity program geared toward improving the overall functional fitness and well-being of older adults. However, adults of any age are welcome. In 2017, over 1,600 community members participated in this program around metro Detroit and Flint. HAP Matching Gifts Program: HAP provides matching gifts to support employee giving to the causes and organizations they care about. The Program also reflects our core values of respect for people and a social conscience in our community. HAP encourages employee philanthropy through

organizations they care about. The program also reflects our core values of respect for people and a social conscience in our communities. HAP encourages employee philanthropy through the matching gifts program. In 2017, HAP matched \$3,200 in employee donations to 12 community organizations. National Kidney Foundation (NKF) Kidney Walk: In 2017, HAP walkers and volunteers raised approximately \$20,000 to support the NKF's efforts to combat kidney disease and diabetes. On Your Mark youth fitness camps were provided to 2 Detroit community center locations to help support their summer camp programs. Over 750 Detroit youth took part in boot camp-style fitness programs focused on team building and leading healthier lifestyles.

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

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

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

4e Total program service expenses **1,794,141,279**

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>		No
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?		No
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>		No
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>		
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>		No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		No
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>		No
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>		No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		No

<p>10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i></p>	<p>10</p>	<p>No</p>
<p>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.</p>		
<p>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></p>	<p>11a</p>	<p>Yes</p>
<p>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></p>	<p>11b</p>	<p>Yes</p>
<p>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></p>	<p>11c</p>	<p>No</p>
<p>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></p>	<p>11d</p>	<p>No</p>
<p>e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i></p>	<p>11e</p>	<p>Yes</p>
<p>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></p>	<p>11f</p>	<p>Yes</p>
<p>12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i></p>	<p>12a</p>	<p>No</p>
<p>b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i></p>	<p>12b</p>	<p>Yes</p>
<p>13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i></p>	<p>13</p>	<p>No</p>
<p>14a Did the organization maintain an office, employees, or agents outside of the United States?</p>	<p>14a</p>	<p>No</p>
<p>b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i></p>	<p>14b</p>	<p>No</p>
<p>15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i></p>	<p>15</p>	<p>No</p>
<p>16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i></p>	<p>16</p>	<p>No</p>
<p>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 (see instructions)</i></p>	<p>17</p>	<p>No</p>
<p>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></p>	<p>18</p>	<p>No</p>
<p>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></p>	<p>19</p>	<p>No</p>

Part IV Checklist of Required Schedules (continued)

		Yes	No
20a	Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
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>	Yes	
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 25a</i>		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) 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>		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		No
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>		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
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>	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
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>		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
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>		No
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>		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	Yes	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	Yes	
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>		
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>		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	Yes	

Form 990 (2017)

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	No
b If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O</i>			14b	

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	Yes	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Did the organization have members or stockholders?	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	Yes	
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	Yes	

- b Each committee with authority to act on behalf of the governing body?
- 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

8b	Yes	
9		No

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

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

	Yes	No
10a		No
10b		
11a	Yes	
12a	Yes	
12b	Yes	
12c	Yes	
13	Yes	
14	Yes	
15a	Yes	
15b	Yes	
16a		No
16b		

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed ▶ _____
- 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 - Own website
 - Another's website
 - Upon request
 - Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, address, and telephone number of the person who possesses the organization's books and records:
 - ▶ Richard Swift 2850 West Grand Boulevard Detroit, MI 48202 (313) 664-8559

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

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

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

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

● List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

● List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

● List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

● List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

● List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Marvin Beatty Director	1.00 0.00	X						0	0	0
(2) Rosalind E Denning Director (Part Year Thru 11/2017)	1.00 0.00	X						0	0	0
(3) Shari L Burgess Director- Chair	2.00 2.00	X		X				0	0	0
(4) Joyce V Hayes Giles Director	1.00 0.00	X						0	0	0
(5) Jamie C Hsu PhD Director	1.00 0.00	X						0	0	0
(6) Sandra A Cavette MPH RDH Director	1.00 0.00	X						0	0	0
(7) Marquerite S Rigby Director	1.00 0.00	X						0	0	0
(8) Harvey Hollins III Director	1.00 0.00	X						0	0	0
(9) Colleen M Ezzeddine PhD Director	1.00 0.00	X						0	0	0
(10) Judith S Milosic Director	1.00 0.00	X						0	0	0
(11) Susanne M Mitchell Director	1.00 0.00	X						0	0	0
(12) Michelle B Schreiber MD Director	1.00 60.00	X						0	580,411	57,136
(13) James G Vella Director	1.00 0.00	X						0	0	0
(14) Teresa L Kline President & CEO	55.00 7.00	X						0	988,890	150,167
(15) Raymond C Lope Director	1.00 1.00	X						0	0	0
(16) Wright L Lassiter III Director	1.00 64.00	X		X				0	2,592,326	736,032
(17) Annmarie Erikson Assistant Secretary (Started 1/2017)	2.00 63.00			X				0	206,327	37,518

Form 990 (2017)

Page 8

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Michael Genord MD CMO (Part Year Started 2/2017)	55.00 5.00			X				610,110	0	43,494
(19) Richard E Swift Treasurer/CFO (Started 1/2017)	55.00 5.00			X				0	0	0
(20) Todd Hutchison Treasurer/CFO (Thru 1/2017)	55.00 5.00			X				410,665	0	40,358
(21) Dan E Champney Assistant Secretary (Thru 6/2017)	55.00 5.00			X				252,760	0	25,045
(22) Michelle Johnson Tidjani Esq Secretary (Started 6/2017)	2.00 63.00			X				0	311,027	61,243
(23) Michael Treash SVP & COO (Part Year Started 7/2017)	55.00 5.00			X				183,762	0	12,012
(24) Naim Munir MD CMO (Part Year Thru 2/2017)	55.00 5.00				X			553,585	0	11,169
(25) Mary Ann Tournoux Sr VP & Chief Marketing Of	55.00 5.00				X			587,488	0	45,291
(26) Annette M Marcath VP & Chief Information Off	55.00 5.00				X			321,871	0	51,128
(27) Matthew M Walsh SVP & COO (Part Year Thru 4/2017)	55.00 5.00				X			319,603	0	15,911
(28) Balakrishna Pai MD VP- Quality & Disease Mgmt	60.00 0.00					X		402,161	0	43,578
(29) John D Calabria MD Sr Medical Director	60.00 0.00					X		321,760	0	24,226
(30) Mark Hall VP- Sales	60.00 0.00					X		289,752	0	30,555
(31) Charles Bloom VP- Utilization Mangement	60.00 0.00					X		274,084	0	30,244
(32) Lori Rund VP- Prod Mgmt & Mrkt Intignce	60.00 0.00					X		269,758	0	43,416
(33) Edith L Eisenmann Secretary (Thru 1/2017)	0.00 40.00						X	0	132,557	1,107
(34) Derick Adams Former VP Human Resources	20.00 40.00						X	0	263,826	51,640
(35) Dianna L Ronan Former Treasurer	55.00 5.00						X	258,827	0	44,855

1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										

a Total (add lines 1b and 1c) **5,056,186** **5,075,364** **1,556,125**

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **▶ 178**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Accenture LLP PO Box 70629 Chicago, IL 60673	Software support & consulting	7,448,669
Patricia N Harrison, 24416 Crocker Blvd Clinton Twp, MI 80111	Advertising	4,446,570
Shamosa LLC 28400 NW Hwy Ste 400 Southfield, MI 48034	Building Rent	2,526,123
Trizetto Group Inc 28125 Network Place Chicago, IL 60673	Software support & consulting	2,445,294
Milliman Inc 15800 W Bluemound Rd Ste 100 Brookfield, WI 53005	Consulting	2,382,741

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **▶ 106**

Part VIII Statement of Revenue

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

	(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a		
	b Membership dues	1b		
	c Fundraising events	1c		
	d Related organizations	1d		
	e Government grants (contributions)	1e		
	f All other contributions, gifts, grants, and similar amounts not included above	1f		
	g Noncash contributions included in lines 1a-1f: \$ _____			
h Total. Add lines 1a-1f ▶				

Program Service Revenue	Business Code			
	Business Code	Total	Related or exempt function	Unrelated business
2a Health Care Premiums	524114	1,819,163,821	1,819,163,821	
b Health Care Claims Assessment	624110	9,007,449	9,007,449	
c _____				
d _____				
e _____				
f All other program service revenue				
g Total. Add lines 2a-2f ▶		1,828,171,270		

3 Investment income (including dividends, interest, and other) **4,485,200** **4,485,200**

similar amounts)			4,463,209		4,463,209
4 Income from investment of tax-exempt bond proceeds					
5 Royalties					
6a	Gross rents	(i) Real		(ii) Personal	
	b Less: rental expenses				
	c Rental income or (loss)				
	d Net rental income or (loss)				
7a	Gross amount from sales of assets other than inventory	(i) Securities	29,599,961	(ii) Other	
	b Less: cost or other basis and sales expenses		29,797,003		624,609
	c Gain or (loss)		-197,042		-624,609
	d Net gain or (loss)				-821,651
8a	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				
9a	Gross income from gaming activities. See Part IV, line 19	a			
	b Less: direct expenses	b			
	c Net income or (loss) from gaming activities				
10a	Gross sales of inventory, less returns and allowances	a			
	b Less: cost of goods sold	b			
	c Net income or (loss) from sales of inventory				
Miscellaneous Revenue		Business Code			
11a					
b					
c					
d	All other revenue		646,092		646,092
e	Total. Add lines 11a–11d		646,092		
12	Total revenue. See Instructions.		1,832,480,920	1,828,171,270	0
					4,309,650

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	513,718	513,718		
2 Grants and other assistance to domestic individuals. See Part IV, line				

2	Grants and other assistance to domestic individuals. See Part IV, line 22				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.				
4	Benefits paid to or for members	1,641,321,598	1,641,321,598		
5	Compensation of current officers, directors, trustees, and key employees	3,576,939	2,326,798	1,250,141	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3) (B)	1,948,091	732,511	1,215,580	
7	Other salaries and wages	56,984,231	53,914,428	3,069,803	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	3,286,211	2,953,595	332,616	
9	Other employee benefits	3,989,804	3,585,974	403,830	
10	Payroll taxes	7,136,729	6,414,381	722,348	
11	Fees for services (non-employees):				
a	Management				
b	Legal	2,402,883		2,402,883	
c	Accounting	489,880		489,880	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	283,876		283,876	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	20,219,922	18,267,755	1,952,167	
12	Advertising and promotion	16,443,430	16,424,620	18,810	
13	Office expenses	6,225,744	6,178,165	47,579	
14	Information technology	14,004,827	13,969,229	35,598	
15	Royalties				
16	Occupancy	3,427,947	3,244,753	183,194	
17	Travel	394,309	345,320	48,989	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	160,168	127,708	32,460	
20	Interest	2,745,648		2,745,648	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	13,078,943	10,151,198	2,927,745	
23	Insurance				
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	ACA TAX	10,821,040	10,821,040		
b	Admin Alloc Fees	8,327,613		8,327,613	
c	Contingency-Other	1,145,721	34,394	1,111,327	
d	Bank Fees	779,263	120	779,143	
e	All other expenses	3,756,216	2,813,974	942,242	
25	Total functional expenses. Add lines 1 through 24e	1,823,464,751	1,794,141,279	29,323,472	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Form 990 (2017)

Page 11

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	38,298,819	1	21,504,681
	2 Savings and temporary cash investments	168,754,867	2	244,900,424
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	99,766,854	4	78,279,513
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	12,643,442	9	5,130,068
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 187,011,377		
	b Less: accumulated depreciation	10b 102,180,724	96,894,278	10c 84,830,653
	11 Investments—publicly traded securities	114,079,116	11	117,219,818
	12 Investments—other securities. See Part IV, line 11	76,900,117	12	89,458,825
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets	8,824,212	14	36,459,574
	15 Other assets. See Part IV, line 11	31,380,601	15	1,087,738
16 Total assets. Add lines 1 through 15 (must equal line 34)	647,542,306	16	678,871,294	
Liabilities	17 Accounts payable and accrued expenses	69,383,123	17	86,772,141
	18 Grants payable		18	
	19 Deferred revenue	11,204,332	19	10,318,691
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	230,193,012	25	238,009,203
	26 Total liabilities. Add lines 17 through 25	310,780,467	26	335,100,035
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	336,761,839	27	343,771,259
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), 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	336,761,839	33	343,771,259	
34 Total liabilities and net assets/fund balances	647,542,306	34	678,871,294	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,832,480,920
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,823,464,751
3	Revenue less expenses. Subtract line 2 from line 1	3	9,016,169
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	336,761,839
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-2,006,749
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	343,771,259

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line 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? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
b Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		No

- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

3a		No
3b		

Form 990 (2017)

Form 990 (2017)

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