

Return of Organization Exempt From Income Tax

2002

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2002 calendar year, or tax year beginning , 2002, and ending , 20

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

C Name of organization THE DETROIT MEDICAL CENTER
 Number and street (or P O box if mail is not delivered to street address) Room/suite
 3663 WOODWARD AVENUE, SUITE 200
 City or town state or country and ZIP + 4
 DETROIT, MI 48201-2403

D Employer identification number
38 2571767

E Telephone number
(313) 578-2063

F Accounting method: Cash Accrual
 Other (specify) ▶

G Web site ▶ www.dmc.org

J Organization type (check only one) ▶ 501(c) (3) ◀ (insert no) 4947(a)(1) or 527

K 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.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 336,433,795

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)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

1 Contributions, gifts, grants, and similar amounts received				
a Direct public support	1a	938,681		
b Indirect public support	1b			
c Government contributions (grants)	1c	1,294,905		
d Total (add lines 1a through 1c) (cash \$ 1,674,880 noncash \$ 558,706)	1d			2,233,586
2 Program services (including government fees and contracts (from Part VII, line 93))	2			316,275,070
3 Membership dues and assessments	3			
4 Interest on savings and temporary cash investments	4			
5 Dividends and interest from securities	5			4,438,151
6a Gross rents	6a	396,940		
b Less rental expenses	6b			
c Net rental income or (loss) (subtract line 6b from line 6a)	6c			396,940
7 Other investment income (describe ▶)	7			
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	1,355,201	8a		
b Less cost or other basis and sales expenses	1,451,425	8b	556,462	
c Gain or (loss) (attach schedule)	(96,224)	8c	(556,462)	
d Net gain or (loss) (combine line 8c, columns (A) and (B))		8d		(652,686)
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			0
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			0
11 Other revenue (from Part VII, line 103)	11			11,734,847
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			334,425,908
13 Program services (from line 44, column (B))	13			305,916,932
14 Management and general (from line 44, column (C))	14			49,435,823
15 Fundraising (from line 44, column (D))	15			217,839
16 Payments to affiliates (attach schedule)	16			
17 Total expenses (add lines 16 and 44, column (A))	17			355,570,594
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18			(21,144,686)
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			287,798,788
20 Other changes in net assets or fund balances (attach explanation)	20			(247,448,755)
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			19,205,347

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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 page 21 of the instructions.)

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	7,129,652	2,817,278	4,094,535
26	Other salaries and wages	26	110,676,459	83,641,552	27,034,907
27	Pension plan contributions	27	3,366,000	2,861,100	504,900
28	Other employee benefits	28	13,653,649	13,232,157	421,492
29	Payroll taxes	29	5,305,434	4,112,111	1,193,323
30	Professional fundraising fees	30			
31	Accounting fees	31	657,304	540,961	116,343
32	Legal fees	32	5,597,502	5,462,214	135,288
33	Supplies	33	16,315,473	15,933,750	381,723
34	Telephone	34	14,001	14,001	0
35	Postage and shipping	35	552,720	421,178	131,542
36	Occupancy	36	8,038,688	7,365,233	673,455
37	Equipment rental and maintenance	37	636,988	627,278	9,710
38	Printing and publications	38	246,031	88,678	157,353
39	Travel	39	712,115	184,308	527,807
40	Conferences, conventions, and meetings	40	208,819	159,122	49,697
41	Interest	41	11,630,203	9,097,510	2,532,693
42	Depreciation, depletion, etc (attach schedule)	42	30,439,359	27,817,599	2,621,760
43	Other expenses (itemize) a	43a			
b	SEE ATTACHED SCHEDULE	43b	140,390,197	131,540,902	8,849,295
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	355,570,594	305,916,932	49,435,823

Joint Costs. Check if you are following SOP 98-2

Are 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 page 24 of the instructions)

What is the organization's primary exempt purpose? **PROVIDE SUPPORT TO DMC HOSPITALS**

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	LABORATORY SERVICES (SEE ATTACHED SCHEDULE)	(Grants and allocations \$ _____)	40,995,978
b	GRADUATE MEDICAL EDUCATION (SEE ATTACHED SCHEDULE)	(Grants and allocations \$ _____)	45,891,752
c	MANAGEMENT INFORMATION SYSTEMS (SEE ATTACHED SCHEDULE)	(Grants and allocations \$ _____)	97,111,756
d	ADMINISTRATIVE AND STRATEGIC PLANNING SERVICES (SEE ATTACHED SCHEDULE)	(Grants and allocations \$ _____)	28,479,311
e	Other program services (attach schedule)	(Grants and allocations \$ _____)	93,438,135
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		305,916,932

Part IV Balance Sheets (See page 24 of the instructions)

Note		<i>Where required, attached schedules and amounts within the description column should be for end-of-year amounts only</i>		(A) Beginning of year		(B) End of year
Assets	45	Cash—non-interest-bearing		14,668,206	45	174,903
	46	Savings and temporary cash investments		2,503,746	46	1,449,806
	47a	47a	54,231,959	48,000,264	47c	38,939,976
		b	Less allowance for doubtful accounts			
	48a	48a	1,915,112	5,474,234	48c	1,915,112
		b	Less allowance for doubtful accounts			
	49	Grants receivable			49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51a	51a	9,585,346	9,738,312	51c	9,585,346
		b	Less allowance for doubtful accounts			
	52	Inventories for sale or use		262,084	52	324,473
	53	Prepaid expenses and deferred charges		18,572,318	53	17,383,449
	54	Investments—securities (attach schedule) ▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV		814,729	54	656,218
	55a	55a		0	55c	0
		b	Less accumulated depreciation (attach schedule)			
56	Investments—other (attach schedule)			56		
57a	57a	259,784,102	116,886,022	57c	90,787,433	
	b	Less accumulated depreciation (attach schedule)				168,996,669
58	Other assets (describe ▶ SEE ATTACHED SCHEDULE)		387,503,509	58	395,602,462	
59	Total assets (add lines 45 through 58) (must equal line 74)		604,423,424	59	556,819,178	
Liabilities	60	Accounts payable and accrued expenses		72,815,232	60	103,621,001
	61	Grants payable			61	
	62	Deferred revenue		683,292	62	178,092
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63	
	64a	Tax-exempt bond liabilities (attach schedule)		79,651,955	64a	79,651,955
		b	Mortgages and other notes payable (attach schedule)	126,333,000	64b	165,166,000
	65	Other liabilities (describe ▶ SEE ATTACHED SCHEDULE)		37,141,157	65	188,996,783
66	Total liabilities (add lines 60 through 65)		316,624,636	66	537,613,831	
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		271,104,720	67	4,277,232
	68	Temporarily restricted		15,486,068	68	13,720,115
	69	Permanently restricted		1,208,000	69	1,208,000
	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, column (B) must equal line 21)		287,798,788	73	19,205,347
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)		604,423,424	74	556,819,178

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 page 26 of the instructions)	Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p>a Total revenue, gains, and other support per audited financial statements ▶ a 325,321,000</p> <p>b Amounts included on line a but not on line 12, Form 990</p> <p>(1) Net unrealized gains on investments \$ 111,911</p> <p>(2) Donated services and use of facilities \$</p> <p>(3) Recoveries of prior year grants \$</p> <p>(4) Other (specify) \$</p> <p>Add amounts on lines (1) through (4) ▶ b 111,911</p> <p>c Line a minus line b ▶ c 325,209,089</p> <p>d Amounts included on line 12, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$</p> <p>(2) Other (specify) See Attached Schedule \$ 9,216,819</p> <p>Add amounts on lines (1) and (2) ▶ d 9,216,819</p> <p>e Total revenue per line 12, Form 990 (line c plus line d) ▶ e 334,425,908</p>	<p>a Total expenses and losses per audited financial statements ▶ a 355,570,000</p> <p>b Amounts included on line a but not on line 17, Form 990</p> <p>(1) Donated services and use of facilities \$</p> <p>(2) Prior year adjustments reported on line 20, Form 990 \$</p> <p>(3) Losses reported on line 20, Form 990 \$</p> <p>(4) Other (specify) \$</p> <p>Add amounts on lines (1) through (4) ▶ b 0</p> <p>c Line a minus line b ▶ c 355,570,000</p> <p>d Amounts included on line 17, Form 990 but not on line a:</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$</p> <p>(2) Other (specify) Rounding \$ 594</p> <p>Add amounts on lines (1) and (2) ▶ d 594</p> <p>e Total expenses per line 17, Form 990 (line c plus line d) ▶ e 355,570,594</p>

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE ATTACHED SCHEDULE				

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? Yes No
 If "Yes," attach schedule—see page 26 of the instructions

Part VI Other Information (See page 27 of the instructions)

		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		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	X	
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80a	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?		X
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	0
b	Did the organization file Form 1120-POL for this year?		X
82a	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?		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)	82b	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?		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		N/A
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) orgs Enter a Gross income from members or shareholders	87a	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)	87b	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
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="checkbox"/> 0, section 4912 <input type="checkbox"/> 0, section 4955 <input type="checkbox"/> 0		
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	89b	X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <input type="checkbox"/>		0
d	Enter Amount of tax on line 89c, above, reimbursed by the organization <input type="checkbox"/>		0
90a	List the states with which a copy of this return is filed <input type="checkbox"/> MICHIGAN		
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90b	2901
91	The books are in care of <input type="checkbox"/> WILLIAM F ROCHEFORT Telephone no <input type="checkbox"/> (313) 578-2063 Located at <input type="checkbox"/> 3663 WOODWARD AVENUE, SUITE 200 DETROIT, MI ZIP + 4 <input type="checkbox"/> 48201-2403		
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 <input type="checkbox"/>	92	N/A

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

	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 SEE ATTACHED SCHEDULE		27,766,102			288,508,968
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					
96 Dividends and interest from securities			14	4,438,151	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			16	396,940	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	(652,686)	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b SEE ATTACHED SCHEDULE				42,290	11,692,557
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		27,766,102		4,224,695	300,201,525
105 Total (add line 104, columns (B), (D), and (E))					332,192,322

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 page 32 of the instructions)

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)
93	SEE ATTACHED SCHEDULE PART III
103	SEE ATTACHED SCHEDULE PART VIII

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of the instructions)

(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
SEE ATTACHED SCHEDULE PART IX	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 of the instructions)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, from a personal benefit contract?
 - (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
- Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Under penalties of perjury, I declare that I have examined this return in its entirety and believe it is true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on information provided by the taxpayer.

Please Sign Here

Signature of officer: *William F. Rochfort*

WILLIAM F ROCHEFORT
Type or print name and title

Paid Preparer's Use Only

Preparer's signature: _____

Firm's name (or yours if self-employed), address and ZIP + 4: _____

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

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

2002

Department of the Treasury
Internal Revenue Service

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

Name of the organization THE DETROIT MEDICAL CENTER	Employer identification number 38 2571767
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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
SEE ATTACHED SCHEDULE				
Total number of other employees paid over \$50,000 ▶				

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
Academic Health Center Services 540 E Canfield, Scott Hall 1253 Detroit, MI 48201-192	Clinical Care/ Clinical Coverage	42,684,935
Wayne State University P O Box 02788 Cashiers Office Detroit, MI 48202	Teaching Services GME Residents	39,732,367
Kitch Drutchas Wagner & Kenney One Woodward Ave -10th Floor Detroit, MI 48226-3412	Legal	4,991,338
Willmarth Tanoury Ramar Corbet 645 Griswold St #2800 Detroit, MI 48226-3602	Legal	3,598,262
Medical Assistance Research 4829 Woodward Ave -#203 Detroit, MI 48201	Patient Accounts Recovery	3,026,568
Total number of others receiving over \$50,000 for professional services ▶	84	

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

- 1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ 992,307 (Must equal amounts on line 38, Part VI-A, or line i of 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
- 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?
 - b Lending of money or other extension of credit?
 - c Furnishing of goods, services, or facilities?
 - d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?
 - e Transfer of any part of its income or assets?
- 3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below)
- 4 Do you have a section 403(b) annuity plan for your employees?

	Yes	No
1	X	
2a		X
2b	X	
2c	X	
2d	X	
2e		X
3		X
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 5 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 5 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) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total		
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	N/A	N/A	N/A	N/A			
16 Membership fees received	N/A	N/A	N/A	N/A			
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	N/A	N/A	N/A	N/A			
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	N/A	N/A	N/A	N/A			
19 Net income from unrelated business activities not included in line 18	N/A	N/A	N/A	N/A			
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	N/A	N/A	N/A	N/A			
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.	N/A	N/A	N/A	N/A			
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.	N/A	N/A	N/A	N/A			
23 Total of lines 15 through 22							
24 Line 23 minus line 17							
25 Enter 1% of line 23							
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					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 1998 through 2001 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							
(2001)	N/A	(2000)	N/A	(1999)	N/A	(1998)	N/A
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							
(2001)	N/A	(2000)	N/A	(1999)	N/A	(1998)	N/A
c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c		
d Add Line 27a total _____ and line 27b total _____					27d		
e Public support (line 27c total minus line 27d total)					27e		
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					27f		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g %		
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h %		
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, 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?	N/A	
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?	N/A	
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)	N/A	
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	N/A	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	N/A	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	N/A	
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	N/A	
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?	N/A	
b Admissions policies?	N/A	
c Employment of faculty or administrative staff?	N/A	
d Scholarships or other financial assistance?	N/A	
e Educational policies?	N/A	
f Use of facilities?	N/A	
g Athletic programs?	N/A	
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)	N/A	
34a Does the organization receive any financial aid or assistance from a governmental agency?	N/A	
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	N/A	
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	N/A	

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)

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		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	N/A	N/A
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	N/A	N/A
38	Total lobbying expenditures (add lines 36 and 37)	N/A	N/A
39	Other exempt purpose expenditures	N/A	N/A
40	Total exempt purpose expenditures (add lines 38 and 39)	N/A	N/A
41	Lobbying nontaxable amount Enter the amount from the following table—		
	If the amount on line 40 is—		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is—		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)	N/A	N/A
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	N/A	N/A
44	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	N/A	N/A
		0	N/A

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)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45	N/A	N/A	N/A	N/A	N/A
46					N/A
47	N/A	N/A	N/A	N/A	N/A
48	N/A	N/A	N/A	N/A	N/A
49					N/A
50	N/A	N/A	N/A	N/A	N/A

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 11 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	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)	X		
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes	X		431,581
g Direct contact with legislators, their staffs, government officials, or a legislative body	X		560,726
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h) If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities			992,307

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
51a(i) Cash		X
a(ii) Other assets		X
b Other transactions		
(i) Sales or exchanges of assets with a noncharitable exempt organization		X
(ii) Purchases of assets from a noncharitable exempt organization		X
(iii) Rental of facilities, equipment, or other assets		X
(iv) Reimbursement arrangements		X
(v) Loans or loan guarantees		X
(vi) Performance of services or membership or fundraising solicitations		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees		X

(i) Cash

(ii) Other assets

b Other transactions

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

(ii) Purchases of assets from a noncharitable exempt organization

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

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

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

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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

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

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

THE DETROIT MEDICAL CENTER

EIN 38-2571767

2002 Form 990

List of Forms and Schedules Attached

FORMS

Schedule A	Organization Exempt Under Section 501(c)(3) - Supplementary Information
Schedule B	Schedule of Contributors
5471	Information Return of U S Persons with Respect to Certain Foreign Corporations
8868	Application for Extension of Time to File Until 11/17/2002
8868	Application for Extension of Time to File Until 08/15/2002

SCHEDULES

PROVIDES DETAIL FOR

Gain or Loss from Sale of Assets Other Than Inventory - Securities	990, Part I, Line 8, Column A
Gain or Loss from Sale of Assets Other Than Inventory - Other	990, Part I, Line 8, Column B
Other Changes in Net Assets or Fund Balances	990, Part I, Line 20
Depreciation, Depletion, Etc	990, Part II, Line 42
Other Expenses	990, Part II, Line 43
Statement of Program Service Accomplishments	990, Part III
Other Program Services	990, Part III, Line e
Other Notes and Loans Receivable	990, Part IV, Line 51
Investments - Securities	990, Part IV, Line 54
Land, Buildings, and Equipment	990, Part IV, Line 57
Other Assets	990, Part IV, Line 58
Tax-Exempt Bond Liabilities	990, Part IV, Line 64 (a)
Mortgages and Other Notes Payable	990, Part IV, Line 64 (b)
Other Liabilities	990, Part IV, Line 65
Reconciliation of Revenue per Audited Financial Statements with Revenue per Return - Other	990, Part IV-A, d(2)
List of Officers, Directors, Trustees and Key Employees	990, Part V
List of Officers and Trustees - Related Organizations	990, Part V
Bylaw Changes	990, Part VI, Line 77
Program Service Revenue	990, Part VII, Line 93
Other Revenue	990, Part VII, Line 103
Relationship of Activities to the Accomplishment of Exempt Purposes	990, Part VIII
Information Regarding Taxable Subsidiaries and Disregarded Entities	990, Part IX
Compensation of the five highest paid employees other than officers, directors, and trustees	Schedule A, Part I
Statement about Activities	Schedule A, Part III, Line 2 (b) & (c)
Information about Supported Organizations	Schedule A, Part IV, Line 13
Description of Lobbying Activities	Schedule A, Part VI-B

Information Return of U.S. Persons With Respect to Certain Foreign Corporations

File in Duplicate
(see When and Where To File on page 1 of the instructions)

Department of the Treasury
Internal Revenue Service

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 1/1/02 and ending 12/31/02

▶ See separate instructions

Name of person filing this return The Detroit Medical Center		A Identifying number 38-2571767
Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) 4201 St. Antoine		B Category of filer (See page 1 of the instructions. Check applicable box(es)) 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/>
City or town, state, and ZIP code Detroit, MI 48201		C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period 100 %
Filer's tax year beginning 1/1/02 and ending 12/31/02		

D Person(s) on whose behalf this information return is filed

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
The Detroit Medical Ctr.	4201 St. Antoine Detroit, MI 48201	38-2571767	X		
Harper Hospital	3990 John R. Detroit, MI 48201	38-2391907	X		

Important. Fill in all applicable lines and schedules. All information must be in English. All amounts must be stated in U.S. dollars unless otherwise indicated.

1a Name and address of foreign corporation DMC Insurance Company, Ltd. C/O J&H Marsh & McLennan Management (Cayman Islands) Ltd. P.O. Box 1051, Georgetown, Grand Cayman		b Employer identification number, if any 98-0198240	c Country under whose laws incorporated Grand Cayman
d Date of incorporation 3/8/1996	e Principal place of business Cayman Islands	f Principal business activity code number 524150	g Principal business activity Insurance/Reinsur
		h Functional currency U.S. Dollar	

2 Provide the following information for the foreign corporation's accounting period stated above

a Name, address, and identifying number of branch office or agent (if any) in the United States None	b If a U.S. income tax return was filed, enter	
	(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)
c Name and address of foreign corporation's statutory or resident agent in country of incorporation Ms Toni Silich C/O J&H Marsh & McLennan P.O. Box 1051, Cayman Islands, B.W.I.	d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different	

Schedule A Stock of the Foreign Corporation

Part I - All Classes of Stock

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
Class A Common Voting	1	1
Class B Common Non-Voting	120000	120000

Part II - Additional Information for Preferred Stock
(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether the stock is cumulative or noncumulative

Schedule B U.S. Shareholders of Foreign Corporation (See page 4 of the instructions)

(a) Name address and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note This description should match the corresponding description entered in Schedule A, Part I, column (a))	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
The Detroit Medical Ctr. 4201 St. Antoine Detroit, MI 48201	Class A Common Voting	1	1	.0008
Harper Hospital 3990 John R. Detroit, MI 48201	Class B Common Non-Voting	120000	120000	99 9992

Schedule C Income Statement (See page 5 of the instructions)

Important: Report all information in functional currency in accordance with US GAAP Also, report each amount in US dollars translated from functional currency (using GAAP translation rules) However, if the functional currency is the US dollar, complete only the US Dollars column See instructions for special rules for DASTM corporations

		Functional Currency	U S Dollars
Income	1 a Gross receipts or sales	1a	
	b Returns and allowances	1b	
	c Subtract line 1b from line 1a	1c	
	2 Cost of goods sold	2	
	3 Gross profit (subtract line 2 from line 1c)	3	
	4 Dividends	4	
	5 Interest	5	5,426,876
	6 Gross rents, royalties, and license fees	6	
	7 Net gain or (loss) on sale of capital assets	7	
8 Other income (attach schedule)	8		27,340,073
9 Total income (add lines 3 through 8)	9		32,766,949
Deductions	10 Compensation not deducted elsewhere	10	
	11 Rents, royalties, and license fees	11	
	12 Interest	12	
	13 Depreciation not deducted elsewhere	13	
	14 Depletion	14	
	15 Taxes (exclude provision for income, war profits, and excess profits taxes)	15	
	16 Other deductions (attach schedule - exclude provision for income, war profits, and excess profits taxes)	16	
17 Total deductions (add lines 10 through 16)	17		32,766,949
Net Income	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9)	18	
	19 Extraordinary items and prior period adjustments (see instructions)	19	
	20 Provision for income, war profits, and excess profits taxes (see instructions)	20	
	21 Current year net income or (loss) per books (combine lines 18 through 20)	21	

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See page 5 of instructions)

(a) Name of country or U S possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U S dollars
1 US			
2			
3			
4			
5			
6			
7			
8 Total			

Schedule F Balance Sheet

Important: Report all amounts in U S dollars prepared and translated in accordance with U S GAAP See page 5 of the instructions for an exception for DASTM corporations

Assets	(a)	(b)
	Beginning of annual accounting period	End of annual accounting period
1 Cash	15,628,775	13,867,302
2a Trade notes and accounts receivable	11,756,567	16,992,714
b Less allowance for bad debts	()	()
3 Inventories		
4 Other current assets (attach schedule)	824,987	1,015,812
5 Loans to stockholders and other related persons		
6 Investment in subsidiaries (attach schedule)		
7 Other investments (attach schedule)	117,483,501	120,492,616
8a Buildings and other depreciable assets		
b Less accumulated depreciation	()	()
9a Depletable assets		
b Less accumulated depletion	()	()
10 Land (net of any amortization)		
11 Intangible assets		
a Goodwill		
b Organization costs		
c Patents, trademarks, and other intangible assets		
d Less accumulated amortization for lines 11a, b, and c.	()	()
12 Other assets (attach schedule)		
13 Total assets	145,693,830	152,368,444
Liabilities and Stockholders' Equity		
14 Accounts payable	203,394	206,718
15 Other current liabilities (attach schedule)		
16 Loans from stockholders and other related persons		
17 Other liabilities (attach schedule)	143,719,672	147,288,095
18 Capital stock		
a Preferred stock		
b Common stock	120,001	120,001
19 Paid-in or capital surplus (attach reconciliation)		
20 Retained earnings	1,650,763	4,753,630
21 Less cost of treasury stock	()	()
22 Total liabilities and stockholders' equity	145,693,830	152,368,444

Schedule G Other Information

- | | | |
|--|--------------------------|-------------------------------------|
| | Yes | No |
| 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If "Yes," see page 5 of the instructions for required attachment | | |
| 2 During the tax year, did the foreign corporation own an interest in any trust? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity | | |

Schedule H Current Earnings and Profits (See page 5 of the instructions)

Important. Enter the amounts on lines 1 through 5c in functional currency

1 Current year net income or (loss) per foreign books of account			1	0
2 Net adjustments made to line 1 to determine current earnings and profits according to U S financial and tax accounting standards (see instructions)	Net Additions	Net Subtractions		
	a Capital gains or losses			
	b Depreciation and amortization			
	c Depletion			
	d Investment or incentive allowance			
	e Charges to statutory reserves			
	f Inventory adjustments			
	g Taxes			
	h Other (attach schedule).	8,111,100		
	3 Total net additions	8,111,100		
4 Total net subtractions				
5 a Current earnings and profits (line 1 plus line 3 minus line 4)			5a	8,111,100
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)			5b	
c Combine lines 5a and 5b			5c	8,111,100
d Current earnings and profits in U S dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations (see Instructions)).			5d	
Enter exchange rate used for line 5d ▶				

Schedule I Summary of Shareholder's Income From Foreign Corporation (See page 5 of instructions)

1 Subpart F income (line 40b, Worksheet A in the instructions)			1	68
2 Earnings invested in U S property (line 17, Worksheet B in the instructions)			2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions)			3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions)			4	
5 Factoring income			5	
6 Total of lines 1 through 5 Enter here and on your income tax return See page 6 of instructions			6	68
7 Dividends received (translated at spot rate on payment date under section 989(b)(1))			7	
8 Exchange gain or (loss) on a distribution of previously taxed income			8	

- | | | |
|--|--------------------------|-------------------------------------|
| | Yes | No |
| • Was any income of the foreign corporation blocked? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| • Did any such income become unblocked during the tax year (see section 964(b))? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| If the answer to either question is "Yes," attach an explanation | | |

**SCHEDULE J
(Form 5471)**

(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

OMB No 1545-0704

▶ Attach to Form 5471 See Instructions for Form 5471

Name of person filing Form 5471

The Detroit Medical Center

Name of foreign corporation

DMC Insurance Company, Ltd.

Identifying number

38-2571767

Important Enter amounts in functional currency	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	(3,998,124)					(3,998,124)
2a Current year E&P	8,111,100					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b)	4,112,976					
4 Amounts included under section 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)						
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	4,112,976					
7 Balance at end of year (Enter amount from line 6a or line 6b, whichever is applicable)	4,112,976					4,112,976

For Paperwork Reduction Act Notice, see the Instructions for Form 5471

Schedule J (Form 5471) (Rev 1-2003)

**Transactions Between Controlled Foreign Corporation
 and Shareholders or Other Related Persons**

▶ Attach to Form 5471 See instructions for Form 5471.

Name of person filing Form 5471

Identifying number

The Detroit Medical Center

38-2571767

Name of foreign corporation

DMC Insurance Company

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in US dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See page 10 of the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶

(a) Transactions of foreign corporation	(b) US person filing this return	(c) Any domestic corporation or partnership controlled by US person filing this return	(d) Any other foreign corporation or partnership controlled by US person filing this return	(e) 10% or more US shareholder of controlled foreign corporation (other than the US person filing this return)	(f) 10% or more US shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory)					
2 Sales of property rights (patents, trademarks, etc)					
3 Compensation received for technical, managerial, engineering, construction, or like services					
4 Commissions received					
5 Rents, royalties, and license fees received					
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income)					
7 Interest received					
8 Premiums received for insurance or reinsurance	81,328	21,071,031			
9 Add lines 1 through 8	81,328	21,071,031			
10 Purchases of stock in trade (inventory)					
11 Purchases of tangible property other than stock in trade					
12 Purchases of property rights (patents, trademarks, etc)					
13 Compensation paid for technical, managerial, engineering, construction, or like services					
14 Commissions paid					
15 Rents, royalties, and license fees paid					
16 Dividends paid					
17 Interest paid					
18 Add lines 10 through 17					
19 Amounts borrowed (enter the maximum loan balance during the year) - see instructions					
20 Amounts loaned (enter the maximum loan balance during the year) - see instructions					

THE DETROIT MEDICAL CENTER
Year ended December 31, 2002
Form 5471 Additional Information

38-2571767

Foreign Corporation: DMC Insurance Co., Ltd.

Detail for Schedule C, Line 8 - Other Income

Premiums written	\$ 29,344,820
Retropremium assessment credit	\$ (2,270,461)
change in unearned premium	\$ 265,714
Total	<u>\$ 27,340,073</u>

Detail for Schedule C, Line 16 - Other Deductions

Losses assumed and loss adjustment expenses incurred for assumption of risk	\$ 31,844,064
Other fees	\$ 78,459
Management Fees	\$ 77,000
Professional Fees	\$ 278,193
Investment Fees	\$ 489,233
Total	<u>\$ 32,766,949</u>

THE DETROIT MEDICAL CENTER
Year ended December 31, 2002
Form 5471 Additional Information

38-2571767

Foreign Corporation: DMC Insurance Co., Ltd.

	Beginning of Year	End of Year
<u>Detail for Schedule F, line 4 - Other Assets</u>		
Interest Receivable	\$ 824,987	\$ 1,015,812
Total	\$ 824,987	\$ 1,015,812

Detail for Schedule F, line 7 - Other Investments

Long-term Investments	\$ 117,483,501	\$ 120,492,616
Total	\$ 117,483,501	\$ 120,492,616

Detail for Schedule F, line 17 - Other Liabilities

Unearned Premium Reserve	\$ 5,126,217	\$ 7,396,678
Retrospective Adjustment	\$ 16,494,135	\$ 16,228,421
Loss Reserve	\$ 100,661,343	\$ 108,755,683
Due to Broker	\$ 19,682,202	\$ 12,226,551
Losses and Loss Adjustment Payable	\$ 1,755,775	\$ 2,680,762
Total	\$ 143,719,672	\$ 147,288,095

Detail for Schedule F, Line 20-Retained Earnings

This line includes the unrealized gains on securities and on foreign exchange of \$3,102,867.

THE DETROIT MEDICAL CENTER
Year ended December 31, 2002
Form 5471 Schedule H- Other

38-2571767

Foreign Corporation: DMC Insurance Co., Ltd.

Earnings & Profits

Net Insurance Income

Gross premiums written	\$ 8,192,462
Change in unearned premium reserve	(93,647)
Investment Income	1,119,178
Actual Paid Losses	(3,300,121)
Add Discounted Losses Incurred BOY	23,539,665
Less Discounted Losses Incurred EOY	(25,375,060)
Less Administrative Expenses	(190,326)
Less Retrospective premium adjustments	54,798
Unrealized gains	
Net Insurance Income	\$ 3,946,949

Net Foreign Personal Holding Company Income

Investment Income	4,307,698
Investment Expenses	(143,547)
Net Foreign Personal Holding Company Income	\$ 4,164,151

Total Earnings & Profits- Line 2h

\$ 8,111,100

Detroit Medical Center
38-2571767
2002 FORM 990
PART I, LINE 8
GAIN OR LOSS FROM SALE OF ASSETS OTHER THAN INVENTORY
Column (A) Securities

Asset Description	How Acquired	Gross Proceeds	Cost	Expenses of Sale	Adjusted Basis	Gain (Loss)
Column (A) Securities						
Stocks	Publicly traded and sold through a broker	654,022	744,658	-	744,658	(90,636)
Corporate Bonds	Publicly traded and sold through a broker	142,025	153,258	-	153,258	(11,233)
U S Government & Agency Obligations	Publicly traded and sold through a broker	325,669	321,881	-	321,881	3,788
Other Securities	Publicly traded and sold through a broker	233,485	231,628	-	231,628	1,857
Total Column (A) Securities		<u><u>1,355,201</u></u>	<u><u>1,451,425</u></u>	<u><u>-</u></u>	<u><u>1,451,425</u></u>	<u><u>(96,224)</u></u>

**The Detroit Medical Center
38-2571767**

**2002 Form 990
Part I, Line 8
Gain or (Loss) From Sale of Assets Other Than Inventory
Column (B) Other**

<u>Asset Description</u>	<u>How Acquired</u>	<u>Date of Acquisition</u>	<u>Date of Sale</u>	<u>To Whom Sold</u>	<u>Gross Sales Price</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Adjusted Basis</u>	<u>Gain or (Loss)</u>
Furnitur, Fixtures, Equipment & Software in Medical Word Processing Dept		Various	01/01/2002	PHNS	2,000,000 00	4,389,170 80	2,163,145 01	2,226,025 79	(226,025 79)
Lab Equipment Write Off		04/01/1996	11/01/2002			240,000 00	158,000 00	82,000 00	(82,000 00)
Automobile Trade In		09/01/2000	11/01/2002			22,690 00	12,290 42	10,399 58	(10,399 58)
CIS System Software Abandoned		04/01/2002	12/31/2002			680,112 00	442,075 00	238,037 00	(238,037 00)
Total Column (B) Other					2,000,000 00	5,331,972 80	2,775,510 43	2,556,462 37	(556,462 37)

THE DETROIT MEDICAL CENTER
38-2571767
2002 FORM 990
PART I, LINE 20

OTHER CHANGES IN NET ASSETS OR FUND BALANCES

<u>Description</u>	<u>Amount</u>
Pension Adjustment	(169,096,298)
Equity Contribution to Capital of Subsidiaries	(73,787,359)
Transfer Program Investments to Subsidiary	(900,000)
Unrealized Loss in FMV of Investments	(111,911)
Other than Temporary Decline in FMV of Investments	(3,381,000)
Other	(172,187)
	<u><u>\$ (247,448,755)</u></u>

The Detroit Medical Center
38-2571767

2002 FORM 990
PART II, LINE 42

DEPRECIATION, DEPLETION, ETC

<u>Asset Category</u>	<u>2002 Depreciation</u>	<u>Depreciation Method Used</u>	<u>Estimated Useful Lives, In General</u>
Land and Land Improvements	\$ 10,137	Straight Line	**
Leasehold Improvements	331,255	Straight Line	**
Equipment	29,819,950	Straight Line	**
Software	<u>278,017</u>	Straight Line	**
	<u>\$ 30,439,359</u>		

** American Hospital Association Depreciation Guidelines

THE DETROIT MEDICAL CENTER
EIN: 38-2571767
2002 FORM 990
PART II, LINE 43
OTHER EXPENSES

<u>DESCRIPTION</u>	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management & General</u>
Physician Fees	12,316,289	12,014,325	301,964
Business Consulting Fees	2,996,873	1,913,338	1,083,535
Promotional Fees	4,619,490	2,949,289	1,670,201
Other Professional Fees	3,613,191	2,306,823	1,306,368
Lab Services	2,185,922	2,162,210	23,712
Service Contracts	658,688	648,647	10,041
Data Processing	86,177,783	85,242,951	934,832
Laundry	43,031	42,564	467
Collection	2,410,634	2,384,484	26,150
Purchased Services	11,362,397	9,828,473	1,533,924
Amortization	607,095	462,612	144,483
Bad Debt Expense	3,159,250	3,159,250	-
Professional Liability Insurance	532,586	532,503	83
General Insurance	3,283,473	3,282,961	512
Taxes	41,683	34,545	7,138
Dues	1,054,113	379,938	674,175
Licenses and Permits	77,570	59,109	18,461
Bank Charges	25,992	19,806	6,186
Photo Copy Expense	789,392	601,524	187,868
Repairs and Maintenance	611,581	602,258	9,323
Miscellaneous Expenses	3,823,164	2,913,292	909,872
TOTAL LINE 43	<u><u>140,390,197</u></u>	<u><u>131,540,902</u></u>	<u><u>8,849,295</u></u>

**THE DETROIT MEDICAL CENTER
38-2571767**

**2002 FORM 990
PART III**

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

The Detroit Medical Center (DMC) is a 501(c)(3) organization, which was formed as a supporting organization of The Detroit Medical Center Hospitals (The DMC Hospitals). The DMC Hospitals are all Michigan non-profit corporations exempt from tax under Section 501(c)(3) of the Internal Revenue Code and qualify as non-private foundations. The DMC Hospitals consist of Children's Hospital of Michigan, Detroit Receiving Hospital and University Health Center, Harper-Hutzel Hospital, Sinai Hospital of Greater Detroit, Huron Valley Hospital, and Rehabilitation Institute of Michigan.

DMC supports the DMC Hospitals by providing certain services to them, and performing certain functions which would otherwise be carried on by them. This allows the hospitals to provide more cost effective and efficient services. It also allows the hospitals to devote their time and resources to their primary exempt purpose of providing healthcare to the community.

DMC coordinated and performs, on a centralized basis, such functions as Management Information Services, Employee Benefit Plan Administration, Laboratory Testing, Graduate Medical Education, Marketing, Development, Strategic Financial Planning, Governmental and Regulatory Affairs, Legal Affairs, and Public Relations, all of which would normally have to be performed by each DMC Hospital.

Laboratory Services

DMC provides Laboratory testing for all the DMC Hospitals. DMC provides a lab on site at each of The DMC Hospitals so that "Stat" testing (tests that must be performed in less than one hour) is available to the hospitals' patients. There is also a central laboratory where routine and specialized testing is done. Currently, we provide testing in several areas. Basic testing includes Hematology, Micro Biology (including PCR testing) and Chemistry. Specialty testing includes toxicology, HLA (tissue testing), cytogenetics, coagulation, molecular biology and cytology.

Our continual goal is to provide support to The DMC Hospitals with the highest quality, cost effective laboratory services, including developing new testing methodologies.

Graduate Medical Education

This program provides The DMC Hospitals with resident physicians that enable the DMC Hospitals to provide better quality health care to their patients and to retain high quality academic physicians on staff. The Graduate Medical Education program had approximately 1000 residents in 2002. As the residents progress through the training program, become senior residents, they take more responsibility for the supervising and training of the new medical students and junior residents. The areas of medicine include Internal Medicine, Family Medicine, Emergency Medicine, Neurology, OB/GYN, Ophthalmology, Psychiatry, Pediatrics, Radiation Oncology, Urology, and Radiology.

**THE DETROIT MEDICAL CENTER
38-2571767**

**2002 FORM 990
PART III**

**STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS
Management Information Services**

The information systems needs for the DMC and its hospitals are extensive. DMC contracts with the firm of CareTech to provide all information system services including maintaining a number of enterprise-wide, mainframe-based and client server information systems, such as payroll, general ledger, medical records, and operating room scheduling. It is also responsible for a number of specific systems on a variety of hardware platforms, and network and communications infrastructure that allows the DMC system-wide access to most of these applications. Information Services also supports the voice communications, operator service, and paging systems across the DMC.

These systems enable all of the DMC entities to have access to common patient information, as well as the other business information necessary to ensure efficient quality healthcare to their patients.

Administrative and Strategic Planning Services

The DMC provides administrative leadership to each of The DMC Hospitals. This leadership role includes duties and responsibilities that will help to achieve the mission and objectives of each hospital in a manner consistent with the collective mission and objectives of all DMC Hospitals. Strategic Planning services include providing strategic and financial planning that will enable the hospitals to efficiently use their resources and identify necessary goals and objectives that will enable them to continue to provide the highest quality and most cost effective healthcare services to the community.

In summary, all of the above services are provided by DMC for The DMC Hospitals, in a cost-effective manner, which helps The DMC Hospitals fulfill their collective mission of maintaining a pre-eminent academic health care center, integrating clinical health services, medical education and research, and the provision of high quality medical care.

The Detroit Medical Center
38-2571767
2002 Form 990
Part III, Line e

Statement of Program Service Accomplishments
Other Program Services

General Accounting	25,131,109
Internal Audit	2,253,318
Patient Accounting	15,084,498
Human Resources	6,007,251
Communications	1,036,247
Public Affairs	9,690,904
Security	2,626,075
Development	1,240,373
Medical Records	465,348
Purchasing	7,763,474
Coordinated Health Care	9,648,865
All Others	<u>12,490,672</u>
	<u><u>93,438,135</u></u>

The Detroit Medical Center
38-2571767
2002 Form 990
Part IV, Line 51

Other Notes And Loans Receivable

<u>ITEM</u>	<u>DETAIL</u>	<u>END OF YEAR</u>
1	(a) Borrower's name (c) Balance Due ** Section 501(c)(3) Organization **	Grace Hospital \$9,258,438
2	(a) Borrower's name (b) Original Amount (c) Balance Due (d) Date of Note (e) Maturity Date (f) Repayment Terms (g) Interest Rate (h) Security Provided (i) Purpose of Loan (j) Consideration	*Associated Hospitals Processing Facility \$450,000 \$275,148 04/01/2001 04/01/2004 **48 Monthly Payments of \$10,568 26 6 00% None Secure Funds to Extinguish Mortgage Cash
3	(a) Borrower's name (b) Original Amount (c) Balance Due (d) Date of Note (e) Maturity Date (f) Repayment Terms (g) Interest Rate (h) Security Provided (i) Purpose of Loan (j) Consideration	*University Family Physicians, P C \$200,000 \$26,093 11/03/1997 11/03/2002 **Interest Only for 6 Months, then Principal and Interest Amortized Over 60 Months Prime Plus 1% Assets of the Corporation Secure Revolving Line of Credit Cash
4	(a) Borrower's name (b) Original Amount (c) Balance Due (d) Date of Note (e) Maturity Date (f) Repayment Terms (g) Interest Rate (h) Security Provided (i) Purpose of Loan (j) Consideration	Grace Neonatologists** \$25,000 \$25,666 08/02/2002 01/15/2003 5 equal annual installments beginning 01/15/03 6 25% Place of business and all tangible items Womack Loan Cash
Total Other Notes and Loans Receivable		<hr/> \$9,585,346 <hr/>

* No relationships have been identified between the above borrowers and any officer, director, trustee, or key employee of the filing organization

** See "Statement About Activities" for Schedule A (Form 990) Part III

The Detroit Medical Center
38-2571767
2002 FORM 990
Part IV, LINE 54
Investments - Securities

<u>Investment Category</u>	<u>Book Value End-of-Year Market</u>
STOCKS	358,460
GOVERNMENT BONDS	22,043
FOREIGN GOVT BONDS	57,766
GOVT AGENCIES	4,082
CORPORATE BONDS	76,995
GOVT MORTGAGE BACKED SECURITIES	47,064
ASSET BACKED SECURITIES	16,359
OTHER	<u>73,449</u>
TOTAL INVESTMENT - SECURITIES	<u>\$ 656,218</u>

**Detroit Medical Center
38-2571767**

**2002 Form 990
Part IV, Line 57**

Land, Buildings and Equipment

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>12/31/02 Book Value</u>
Land and Land Improvements	\$ 595,844	\$ 585,470	\$ 10,374
Leasehold Improvements	6,066,517	3,064,085	3,002,432
Equipment	253,121,741	165,347,114	87,774,627
	<u>\$ 259,784,102</u>	<u>\$ 168,996,669</u>	<u>\$ 90,787,433</u>

THE DETROIT MEDICAL CENTER
38-2571767
2002 FORM 990
PART IV, LINE 58
OTHER ASSETS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
DUE FROM EMPLOYEES	543,206
DUE FROM AFFILIATES	53,943,868
CONSTRUCTION IN PROGRESS	88,642,987
INVESTMENT IN SUBSIDIARIES	180,652,829
BOND ISSUE COST	917,627
DEFERRED DEBT ISSUE COST	973,988
OTHER INVESTMENTS	61,890,442
INVESTMENT IN COMPUWARE	4,952,131
OTHER ASSETS	<u>3,085,384</u>
TOTAL OTHER ASSETS	<u>\$ 395,602,462</u>

The Detroit Medical Center
38-2571767

2002 Form 990
Part IV, Line 64a

Tax-Exempt Bond Liabilities

	DETAIL	END OF YEAR
(a) Purpose of the Issue	Equipment, software, and installation costs of a new clinical information system, radiology information system, ambulatory billing system, fetal monitoring system and human resources/payroll system which will support the operations of all DMC facilities	
(b) Amount of Issue Outstanding		\$52,214,644
(c) Unexpended Bond Proceeds (if any)	\$0	
Third Party Facility Usage (by Non-Governmental or Non-501(c)(3) Organizations) is not greater than the percentage of private use permitted under applicable bond covenants		
(a) Purpose of the Issue	Equipment, software, and installation costs of a new clinical information system which will support the operations of all DMC facilities	
(b) Amount of Issue Outstanding		\$27,437,311
(c) Unexpended Bond Proceeds (if any)	\$0	
Third Party Facility Usage (by Non-Governmental or Non-501(c)(3) Organizations) is not greater than the percentage of private use permitted under applicable bond covenants		
Total Tax-Exempt Bond Liabilities		<u><u>\$79,651,955</u></u>

Contingent Liability.

The Detroit Medical Center is the parent company of a regional multi-hospital system with eight hospital subsidiaries located in Wayne and Oakland counties, Michigan. Each of the hospitals is a member of and collectively such members constitute an obligated group created by a master indenture. The filing organization has contingent liability for all tax exempt bonds of this obligated group.

The Detroit Medical Center
38-2571767

2002 Form 990
Part IV, Line 64b

Mortgages and Other Notes Payable

<u>ITEM</u>	<u>DETAIL</u>	<u>END OF YEAR</u>
1	(a) Lender (b) Original Amount (c) Balance Due (d) Date of Note (e) Maturity Date (f) Repayment Terms (g) Interest Rate (h) Security Provided (i) Purpose of Loan (j) Consideration	Rehabilitation Institute of Michigan \$11,000,000 \$10,500,000 October, 1999 December, 2010 \$1,000,000 Annually plus interest Prime Rate as quoted by Wall Street Journal None Working Capital Cash
2	(a) Lender (b) Original Amount (c) Balance Due (d) Date of Note (e) Maturity Date (f) Repayment Terms (g) Interest Rate (h) Security Provided (i) Purpose of Loan (j) Consideration	Detroit Receiving Hospital \$50,900,000 \$145,330,000 Februaru, 2000 December, 2010 \$14,533,000 Annually pls interest Prime Rate None Working Capital Cash
	(a) Lender (b) Original Amount (c) Balance Due (d) Date of Note (e) Maturity Date (f) Repayment Terms (g) Interest Rate (h) Security Provided (i) Purpose of Loan (j) Consideration	Children's Hospital of Michigan \$9,100,000 \$9,336,000 February, 2000 December, 2010 \$1,167,000 Annually plus interest Prime Rate None Working Capital Cash
TOTAL MORTGAGES AND OTHER NOTES PAYABLE		<u>\$165,166,000</u>

THE DETROIT MEDICAL CENTER
38-2571767
2002 FORM 990
PART IV, LINE 65
OTHER LIABILITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
Intercompany Debt	30,538,941
Accrued Professional Liability	(1,402,439)
Accrued Pension Expense	146,559,897
Residents FICA Liability	2,800,302
PHNS Liability	<u>10,500,082</u>
	<u>\$ 188,996,783</u>

**The Detroit Medical Center
38-2571767
2002 Form 990
Part IV - A**

**Reconciliation of Revenue per Audited
Financial Statements with Revenue per Return**

Line (d)(2) - Other

Bad Debt Recovery	\$ 9,213,000
Rounding	<u>3,819</u>
TOTAL	<u><u>\$ 9,216,819</u></u>

The Detroit Medical Center
EIN 38-2571767

2002 Form 990

Part V, List of Officers, Directors, Trustees, and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account & other allowances
Officers.				
Agustin Arbulu Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	VP Medical Staff Affairs 40 Hours	\$ 144,625	\$ -	\$ -
Stanton M Beatty Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	Corp VP Compliance & Assoc General Counsel 50 Hours	\$ 169,244	\$ 13,887	\$ -
Susan L Capatina Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	VP Corp Offices/Chief of Staff 50 Hours	\$ 152,800	\$ 8,395	\$ -
Fernando G Diaz Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Chief Medical Officer 50 Hours	\$ 360,315	\$ 17,450	\$ -
Luanne M Ewald Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	OBS VP Business Development 50 Hours	\$ 136,971	\$ 12,240	\$ 300

**The Detroit Medical Center
EIN 38-2571767**

**2002 Form 990
Part V, List of Officers, Directors, Trustees, and Key Employees**

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account & other allowances
Linda A Filipczak Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	VP Physician Sales & Service 50	\$ 126,091	\$ 8,502	\$ -
Herman B Gray, Jr Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	VP Academic Affairs 50 Hours	\$ 171,242	\$ 14,251	\$ -
John Kelly Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Gov't Affairs/Gen Counsel/ Secretary 50 Hours	\$ 160,949	\$ 707	\$ 4,915
Ruthann Liagre Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	Corp VP Human Resources 50 Hours	\$ 214,900	\$ 13,495	\$ -
Stephen W Loree Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	Corp VP Strategic Financial Planning 50 Hours	\$ 136,284	\$ 11,491	\$ -

The Detroit Medical Center
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2002 Form 990

Part V, List of Officers, Directors, Trustees, and Key Employees

<u>(A) Name and address</u>	<u>(B) Title and average hours per week devoted to position</u>	<u>(C) Compensation</u>	<u>(D) Contributions to employee benefit plans & deferred compensation</u>	<u>(E) Expense account & other allowances</u>
Tammy S Lundstrom Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	Corp VP Chief Quality/ Safety Officer 50 Hours	\$ 175,695	\$ 7,828	\$ 1,200
Gwendolyn M MacKenzie Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	Executive Vice President Chief Operating Officer 50 Hours	\$ 515,857	\$ 16,694	\$ 1,000
Conrad Mallett Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Chief Admin Officer/Sec'y 50 Hours	\$ 102,909	\$ 1,376	\$ -
Thomas Malone Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Managed Care 50 Hours	\$ 335,507	\$ 16,181	\$ -
Howard B Newman Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Development 50 Hours	\$ 217,839	\$ 304,433	\$ 1,495

**The Detroit Medical Center
EIN 38-2571767**

2002 Form 990

Part V, List of Officers, Directors, Trustees, and Key Employees

<u>(A) Name and address</u>	<u>(B) Title and average hours per week devoted to position</u>	<u>(C) Compensation</u>	<u>(D) Contributions to employee benefit plans & deferred compensation</u>	<u>(E) Expense account & other allowances</u>
James P O'Connor Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	Corp VP Matenals Management 50 Hours	\$ 141,424	\$ 12,505	\$ 290
Juliette A Okotie-Eboh Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Corp Public Affairs 50 Hours	\$ 182,392	\$ 13,683	\$ -
Michael A Pelc Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	Corp VP Reimbursement 50 Hours	\$ 199,246	\$ 15,047	\$ 1,190
William P Peters Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP/Pres Inst For Strategic Analysis & Innovation 50 Hours	\$ 166,412	\$ 12,378	\$ -
Jose E Pontes Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Int'l Center/Phy Sales & Svc 40 Hours	\$ 117,917	\$ -	\$ -

The Detroit Medical Center
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2002 Form 990

Part V, List of Officers, Directors, Trustees, and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account & other allowances
Arthur T Porter Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	President/CEO, DMC System Trustee 51 Hours	\$ 979,714	\$ 19,365	\$ 18,812
Donald P Ragan Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	SVP Chief Information Officer 50 Hours	\$ 272,695	\$ 15,219	\$ -
William F Rochefort Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	Corp VP Finance/Controller 50 Hours	\$ 187,616	\$ 13,222	\$ -
Joseph T Scallen, Jr Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	Corp VP Financial Planning/ Budget 50 Hours	\$ 205,796	\$ 15,171	\$ 1,500
Candace E Scott Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	Corp VP Patient Financial Services 50 Hours	\$ 153,634	\$ 12,804	\$ -

**The Detroit Medical Center
EIN 38-2571767**

2002 Form 990

Part V, List of Officers, Directors, Trustees, and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account & other allowances
Raeann Shepherd Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	Corp VP Risk Management 50 Hours	\$ 162,097	\$ 8,871	\$ -
Robert J Sokol, MD Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Medical Affairs 40 Hours	\$ 167,144	\$ 96,583	\$ -
Ins A Taylor Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Patient Care Services/Pres Harper-Hutzel Hospital 50 Hours	\$ 288,329	\$ 12,028	\$ -
Verdell Tolbert Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	Corp VP Laboratory Services 50 Hours	\$ 139,402	\$ 9,027	\$ -
Nickolas A Vitale Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	Exec VP/Chief Financial Officer 50 Hours	\$ 481,116	\$ 17,789	\$ -

The Detroit Medical Center
EIN 38-2571767

2002 Form 990

Part V, List of Officers, Directors, Trustees, and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account & other allowances
John B Waller, Jr Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP Community Health 5 Hours	\$ 8,184	\$ -	\$ -
Sean K Werdlow Detroit Medical Center 3663 Woodward Avenue, Suite 200 Detroit, MI 48201	Corp VP Finance/Treasurer 50 Hours	\$ 25,308	\$ 538	\$ -
Leslie Bowman Detroit Receiving Hospital and University Health Center 4201 St Antoine Detroit, MI 48201	SVP/Pres Detroit Receiving Hosp & Univ Health Center 5 Hours	\$ -	\$ -	\$ -
Jeffrey L Dembs DMC Centers, Inc 41935 West 12 Mile Road Novi, MI 48377	SVP/Pres DMC Centers 5 Hours	\$ -	\$ -	\$ -
Larry E Fleischmann Children's Hospital of Michigan 3901 Beaubien Detroit, MI 48201	SVP/Pres Children's Hospital of Michigan 5 Hours	\$ -	\$ -	\$ -

The Detroit Medical Center
EIN 38-2571767

2002 Form 990

Part V, List of Officers, Directors, Trustees, and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account & other allowances
Patncia A Maryland Sinai Hospital of Greater Detroit 6767 West Outer Drive Detroit, MI 48235	SVP/Pres Sinai Hospital of Greater Detroit 5 Hours	\$ -	\$ -	\$ -
Christopher J Palazzolo Sinai Hospital of Greater Detroit 6767 West Outer Drive Detroit, MI 48235	VP Finance and Treasurer 50 Hours	\$ -	\$ -	\$ -
Terry A Reiley Rehabilitation Institute, Inc 261 Mack Blvd Detroit, MI 48201	SVP/Pres Rehabilitation Institute, Inc 5 Hours	\$ -	\$ -	\$ -
John C Ruckdeschel Harper-Hutzel Hospital 3990 John R Detroit, MI 48201	SVP/Pres Karmanos Cancer Hospital 5 Hours	\$ -	\$ -	\$ -
Paul R Thompson, Jr Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	SVP/Pres DMC Pnmary Care Services 5 Hours	\$ -	\$ -	\$ -

The Detroit Medical Center
EIN: 38-2571767

2002 Form 990
Part V, List of Officers, Directors, Trustees, and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account & other allowances
Robert J Yellan Huron Valley Hospital, Inc 1 William Carls Drive Commerce Twp , MI 48382	SVP/Pres Huron Valley Hospital, Inc 5 Hours	\$ -	\$ -	\$ -
<u>Trustees.</u>				
<i>Note: The following trustees may all be reached at: Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201</i>				
Hassan Aminkia, MD	Trustee/ 1 Hour	\$ 130,000	\$ -	\$ -
Randolph J Agle	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Leon H Atchison	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Kenneth L Bergsman, MD	Trustee/ 1 Hour	\$ -	\$ -	\$ -
John D Crissman, MD	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Stephen R D'Arcy	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Julia D Darlow	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Alicia M Diaz	Trustee/ 1 Hour	\$ -	\$ -	\$ -

The Detroit Medical Center
EIN. 38-2571767

2002 Form 990

Part V, List of Officers, Directors, Trustees, and Key Employees

<u>(A) Name and address</u>	<u>(B) Title and average hours per week devoted to position</u>	<u>(C) Compensation</u>	<u>(D) Contributions to employee benefit plans & deferred compensation</u>	<u>(E) Expense account & other allowances</u>
Oscar H Feldman	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Mary Stephens Ferris	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Richard M Gabrys	Chairman/ 4 Hours	\$ -	\$ -	\$ -
Roderick Gillum	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Merle A Harris	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Eugene L Klein	Trustee/ 1 Hour	\$ -	\$ -	\$ -
John G Levy	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Denise J Lewis	Trustee/ 1 Hour	\$ -	\$ -	\$ -
William P MacKinnon	Trustee/ 1 Hour	\$ -	\$ -	\$ -
John B O'Connell, MD	Trustee/ 1 Hour	\$ -	\$ -	\$ -
David K Page	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Eduardo Phillips, MD	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Irvin D Reid, Ph D	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Martha K Richardson	Trustee/ 1 Hour	\$ -	\$ -	\$ -

The Detroit Medical Center
 EIN. 38-2571767

2002 Form 990
 Part V, List of Officers, Directors, Trustees, and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account & other allowances
Mark E Schlüssel	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Jerome L Schostak	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Alan E Schwartz	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Burton H Schwartz	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Nettie H Seabrooks	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Lloyd A Semple	Chairman/ 4 Hours	\$ -	\$ -	\$ -
Frank D Stella	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Loma L Thomas, MD	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Joseph C Verdun, MD	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Walter C Watkins, Jr	Trustee/ 1 Hour	\$ -	\$ -	\$ -
Sophie J Womack, MD	Trustee/ 1 Hour	\$ -	\$ -	\$ -

The Detroit Medical Center

EIN: 38-2571767

2002 Form 990, Part V

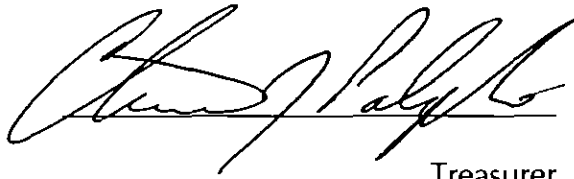
Compensation Provided by Related Organizations

Name of Officer, Director, Trustee, or Key Employee	Name of Related Organization & EIN	(C) Compensation	(D) Contrib. To employee ben plans & def compensation	(E) Exp Acct. & other allowances
Leslie Bowman	Detroit Receiving Hosp & Univ Health Cntr (38-2320476)	\$ 293,734	\$ 13,862	\$ -
Jeffrey L Dembs	DMC Centers, Inc (38-3021666)	\$ 306,674	\$ 194,679	\$ 2,360
Larry E Fleischmann	Children's Hospital of Michigan (38-1357994)	\$ 314,370	\$ 15,961	\$ 2,135
Patricia A Maryland	Sinai Hospital of Greater Detroit (38-1416522)	\$ 340,427	\$ 16,160	\$ -
Christopher J Palazzolo	Sinai Hospital of Greater Detroit (38-1416522)	\$ 190,223	\$ 15,977	\$ -
Terry A Reiley	Rehabilitation Institute, Inc (38-1417366)	\$ 265,982	\$ 11,972	\$ 250
Paul R Thompson, Jr	DMC Primary Care Services II (38-2578447)	\$ 260,883	\$ 13,499	\$ -
Robert J Yellan	Huron Valley Hospital, Inc (38-2155995)	\$ 268,946	\$ 13,787	\$ -
Kenneth L Bergsman, MD	Sinai Hospital of Greater Detroit (38-1416522)	\$ 264,348	\$ 13,499	\$ -

Certification

I, as Treasurer of The Detroit Medical Center, a Michigan non-profit corporation, (the "Corporation"), do hereby certify that the attached Bylaws are a complete and accurate copy of the original document which was duly approved and adopted on the 29th day of October, 2002, by the Executive Committee of the Board of Director's of the Corporation and are now in full force and effect

IN WITNESS WHEREOF, I have set my hand as Treasurer of the Corporation as of the 17TH day of NOVEMBER, 2003.


_____, Treasurer

July 19, 2002

As Adopted by DMC

Board of Trustees 10/29/02

BYLAWS OF
THE DETROIT MEDICAL CENTER

DEFINITIONS

For purposes of these Bylaws, the following terms shall have the meanings set forth below unless, in a particular context or use, a different meaning is clearly intended

- (a) The term "Board" means the Board of Trustees of the Corporation, and the term "Trustee" means an individual member of the Board
- (b) The term "Corporation" means The Detroit Medical Center, a Michigan nonprofit corporation
- (c) The term "Medical Center institutions" means the following institutions, as now named or as their names may be changed from time to time Children's Hospital of Michigan, a Michigan nonprofit corporation, Detroit Receiving Hospital and University Health Center, a Michigan nonprofit corporation, Sinai-Grace Hospital, a Michigan nonprofit corporation, Harper University Hospital, Hutzell Women's Hospital, Kresge Eye Institute and Karmanos Cancer Hospital, each to be a separate legal entity within Harper-Hutzell Hospital, a Michigan nonprofit corporation, Huron Valley Hospital, Inc , a Michigan nonprofit corporation, Rehabilitation Institute of Michigan, Inc , a Michigan nonprofit corporation, and Wayne State University ("WSU"), a constitutional body corporate established

pursuant to Article VIII, Section 5 of the Michigan Constitution, and a "Medical Center institution" means any one of the foregoing institutions

- (d) The term "Medical Center hospitals" means the Medical Center institutions other than WSU, and a "Medical Center hospital" means any one of the Medical Center institutions other than WSU
- (e) The term "subsidiary" means (a) a corporation or nonprofit stock corporation of which outstanding capital stock having at least a majority of the votes entitled to be cast in the election of directors of that corporation is held by the Corporation or another subsidiary of the Corporation, (b) a nonprofit membership corporation of which memberships having a majority of the votes entitled to be cast in the election of trustees or directors of that corporation are held by Trustees, trustees or directors of another subsidiary of the Corporation, the Corporation or another subsidiary of the Corporation, (c) a nonprofit directorship corporation, a majority of the trustees or directors of which are Trustees or trustees or directors of another subsidiary of the Corporation or are appointed by the Corporation or another subsidiary of the Corporation, or (d) a limited liability company, a majority of the voting interests of which are held by the Corporation or another subsidiary of the Corporation. The term shall not include an "affiliate" as defined below
- (f) The term "affiliate" means (a) a corporation or nonprofit stock corporation of which outstanding capital stock having less than a majority of the votes entitled to be cast in the election of directors of that corporation is held by the Corporation or another subsidiary of the Corporation (other than solely for investment), (b) a nonprofit membership corporation of which memberships

having less than a majority of the votes entitled to be cast in the election of trustees or directors of that corporation are held by Trustees, trustees or directors of a subsidiary of the Corporation, the Corporation or a subsidiary of the Corporation, (c) a nonprofit directorship corporation, one or more but less than a majority of the trustees or directors of which are Trustees or trustees or directors of a subsidiary of the Corporation or are appointed in whole or in part by the Corporation or a subsidiary of the Corporation, or (d) a limited liability company, one or more but less than a majority of the voting interests of which are held by the Corporation or a subsidiary of the Corporation, or (e) any of the foregoing entities in which officers or Trustees of the Corporation or officers or trustees of a subsidiary of the Corporation are serving in an ex officio capacity

The term "affiliate" also means any unincorporated organization, such as a partnership, joint venture, association or enterprise, in which the Corporation or a subsidiary of the Corporation is a partner, venturer, associate or participant

The term shall not include a subsidiary of the Corporation

- (g) The term "Code" means the Internal Revenue Code of 1986, as amended, and any successor legislation, a reference to any section of the Code means a reference to any comparable provision of any such successor legislation
- (h) The term "Michigan Act" means the Michigan Nonprofit Corporation Act, Public Act 162 of the Public Acts of 1982, as amended, and any successor legislation, a reference to any section of the Michigan Act means a reference to any comparable provision of any such successor legislation

ARTICLE I

PURPOSES

Section 1 Purposes The Corporation is established for the purposes set forth in its Articles of Incorporation, which are as follows

A To provide for the development, planning and implementation of health and health-related services and activities, as well as supporting and ancillary activities, including long-range and strategic planning and medical education and research activities, and

B To provide or further other charitable, scientific and educational activities, toward the purpose of enabling the Corporation, together with the Medical Center institutions, as now named or as their names may be changed from time to time Children's Hospital of Michigan, Detroit Receiving Hospital and University Health Center, Sinai-Grace Hospital, Harper University Hospital, Hutzel Women's Hospital, Kresge Eye Institute and Karmanos Cancer Hospital, each to be a separate legal entity within Harper-Hutzel Hospital, Huron Valley-Sinai Hospital, Inc , Rehabilitation Institute of Michigan, Inc , Wayne State University, and their affiliated entities, to fulfill their collective mission, which is

To be a cohesive, preeminent academic health center evidencing the interdependent relationship of Wayne State University and the other Medical Center institutions and integrating education, research and clinical service,

To maintain centers of major program emphasis, and

To provide high-quality primary, secondary and tertiary care within the framework of an integrated, synergetic health care delivery system

The Corporation is further organized

A To further any and all charitable, scientific and educational activities in which the Medical Center institutions now are or hereafter may become engaged, in carrying out their respective missions, as long as the Medical Center institutions are organizations described in Section 501(c)(3) and Sections 509(a)(1) or (a)(2) of the Code,

B To provide a single, unified, functionally integrated system of governance and management for the Medical Center institutions other than Wayne State University,

C To facilitate the achievement of the individual missions of the Medical Center institutions and their affiliated entities, consistent with their collective mission, and

D To otherwise operate exclusively for the benefit of, to perform the functions of and to carry out any of the purposes of the Medical Center institutions in a manner consistent with their collective mission

In furtherance of the foregoing but not by way of limitation, the Corporation is authorized

A To acquire, purchase, own, maintain, hold, use, sell, convey, manage, exchange, assign, transfer, mortgage, lease, sublease or rent all real and personal property of every kind and nature,

B To loan, borrow, manage, contribute, donate, give and invest funds and to guarantee the debts of any corporation or other entity whenever the same is in the best interests of the Corporation or any subsidiary in furtherance of its purposes,

C To accept, receive and hold in trust or otherwise, contributions, gifts, legacies, grants, donations, bequests, devises and benefactions which may be left, made or given to the Corporation,

D Consistent with Section 301 of the Michigan Act, to receive benefits, including dividends or distributions of income or profits from the Medical Center institutions,

E To receive and administer assets for purposes of promoting and participating in activities for the education and training of professional and paraprofessional personnel,

F To conduct activities, either directly, through related organizations or in cooperation with other organizations exempt from federal income tax under Section 501(a) of

of the Code as an organization described under Section 501(c)(3) of the Code, in order to raise funds to further the purposes of the Corporation and the Medical Center institutions, and

G To take all such actions and do all such things as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of the Articles of Incorporation and the Bylaws of the Corporation and applicable law

Notwithstanding any other provision of the Articles of Incorporation no part of the net earnings, gains or assets of the Corporation shall inure to the benefit of or be distributable to any private individual or organization organized or operated for profit (except that reasonable compensation may be paid for services rendered to the Corporation effecting one or more of its purposes), no substantial part of the activities of the Corporation shall be to carry out propaganda or to otherwise attempt to influence legislation, the Corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office (by the publication or distribution of statements or otherwise), and the Corporation shall not carry on any activity not permitted to be carried on by a corporation exempt from federal income tax under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code or a corporation, contributions to which are deductible under Section 170(c)(2), Section 2055(a)(2) or Section 2522(a)(22) of the Code

ARTICLE II

OFFICES

Section 1 Principal Office The principal office of the Corporation shall be located at 3990 John R Street in the City of Detroit, County of Wayne, State of Michigan, or such other place as may be designated as the principal office by the Board The Corporation also may have offices or branches at such other places, both within and without the State of Michigan, as the Board may determine from time to time or as the business of the Corporation may require

Section 2 Registered Office The registered office of the Corporation shall be maintained in the State of Michigan, and may be, but need not be, identical with the principal office in the State of Michigan. The address of the registered office may be changed from time to time by the Board.

ARTICLE III

BOARD OF TRUSTEES

Section 1. Management of Business and Affairs, Responsibilities, Specific Powers

The business and affairs of the Corporation shall be managed by the Board. The Board shall be responsible for achieving the mission and fulfilling the purposes of the Corporation. The Board shall, among other things

- (a) Establish, review and monitor the system-wide collective mission, strategic plan, budget and standards of performance of the Corporation,
- (b) Appoint officers, establish committees and provide for the employment of staff sufficient to enable the Corporation to fulfill its mission and purposes as described in the Articles of Incorporation and Bylaws of the Corporation and to do so in a fiscally responsible manner, and
- (c) Establish, review and monitor services which the Board determines should be centralized.

The Board shall, in addition, develop policies and practices to provide for the periodic and systematic review of the content, quantity, quality and fiscal integrity of the programs and services provided by the subsidiaries and affiliates of the Corporation and their consistency with the mission of the Corporation and its subsidiaries. With respect to the Medical Center hospitals, the Board shall have the specific powers described in Article VIII, Section 3 and with

respect to its other subsidiaries and its affiliates, the Board shall have the specific powers described in Article VIII, Section 9

Section 2 Composition The Board shall consist of up to twenty-six persons

(a) Ex Officio Members There shall be sixteen or seventeen ex officio members of the Board The persons holding the following offices shall serve ex officio as members of the Board

- Chairperson of the Corporation
- Immediate Past Chairperson of the Corporation
- Chairperson-elect of the Corporation, if a person is serving in this position
- President and Chief Executive Officer of the Corporation
- Chairperson – Karmanos Cancer Hospital
- Chairperson – Children’s Hospital of Michigan
- Chairperson – Detroit Receiving Hospital and University Health Center
- Chairperson – Harper University Hospital
- Chairperson – Huron Valley–Sinai Hospital, Inc
- Chairperson – Hutzel Women’s Hospital
- Chairperson – Kresge Eye Institute
- Chairperson – Rehabilitation Institute of Michigan, Inc
- Chairperson – Sinai-Grace Hospital
- President of Wayne State University
- Dean of the Wayne State University School of Medicine
- President of the Corporation’s Medical Staff
- Representative nominated by the Mayor of the City of Detroit

In the event that a Medical Center hospital is closed or sold, the position of ex officio Trustee associated with that hospital shall terminate and the chairperson of that hospital shall cease to be a member of the Board

(b) At Large Members There shall be nine at large members of the Board At large members of the Board shall be elected by the Board at the annual meeting of the Board

Section 3 Term of Office

(a) The term of office of a Trustee serving ex officio shall be coterminous with the term of the institutional office conferring the status of Trustee on that individual

(b) One-third of the at large Trustees shall be elected at the annual meeting of the Board each year, and the term of office of a Trustee elected at large shall be three years, provided, however, that for purposes of implementing this provision, effective ____, 2002, the at large Trustees shall be divided into three classes, with the first class serving for an initial term of one year, the second serving for an initial term of two years and the third serving for an initial term of three years

(c) Equality Each Trustee, whether ex officio or at large, shall be equally privileged with every other Trustee in voice and vote in matters coming before the Board

Section 4 Vacancies

(a) Ex Officio Trustees A person serving as a Trustee on an ex officio basis shall cease to be a Trustee upon the expiration of the term of his or her term in the institutional office conferring the status of Trustee upon him or her or upon his or her removal or resignation from such office or upon his or her death or resignation as a Trustee Upon the occurrence of any such event, a vacancy in the Board shall be deemed to exist and that vacancy shall be filled only by election or appointment of the successor to the institutional office held by the former Trustee The institution which has the right to elect or appoint the successor may appoint a

substitute Trustee to serve temporarily until the appointment or election of the successor to the institutional office. The substitute Trustee during his or her tenure shall have all the powers and perform all the duties of a Trustee.

(b) At Large Trustees. A person serving as an at large Trustee shall cease to be a Trustee upon the expiration of the term of his or her office and the election and qualification of his or her successor or upon his or her removal or resignation from such office or upon his or her death or resignation as a Trustee. A vacancy may be filled by the affirmative vote of a majority of the Trustees then in office, though less than a quorum. The Trustee so appointed shall hold office for the unexpired term of the vacant office, and until his or her successor is duly elected and qualified or until his or her resignation or removal.

Section 5. Trustee(s) Emeritus. The Board may elect at any annual or special meeting one or more persons who formerly served on the Board to serve as Trustee(s) Emeritus. Such persons shall serve at the pleasure of the Board, shall receive notices of all Board meetings, may attend and participate in meetings and may serve on committees. Trustees Emeritus shall have no vote on any matter, shall not be counted for purposes of satisfying quorum requirements for Board action and shall not be held liable for any action taken at any meeting.

Section 6. Honorary Trustees. The Board may elect at any annual or special meeting one or more persons as honorary trustees. Such persons may, from time to time, be invited to attend and participate in meetings or other functions of the Board, but shall otherwise have no vote on any matter, shall not be counted for purposes of satisfying quorum requirements for Board action and shall not otherwise have, except in the discretion of the Board, any rights, powers, duties or obligations as a trustee. They shall not be held liable for any action taken at any meeting of the Board.

Section 7 Annual Meetings The annual meeting of the Board shall be held each year during the month of April at such time as is determined by the Chairperson of the Corporation or such other date and time as shall be designated from time to time by the Board. The annual meeting shall be for the purpose of appointing officers, electing at large Trustees and transacting such other business as may properly come before the meeting.

Section 8 Regular Meetings The Board shall meet as frequently as it deems necessary but in no event less than six times a year.

Section 9 Special Meetings Special meetings of the Board may be called at any time by the Chairperson or President and Chief Executive Officer of the Corporation. Special meetings shall be called by the President and Chief Executive Officer of the Corporation on the written request of four Trustees and shall be held not more than fourteen days after receipt of such request. Notice of a special meeting shall specify the purpose of the meeting, as well as the time and place of the meeting, and the business transacted at such meeting shall be limited to such purpose.

Section 10 Place of Meetings All meetings of the Board shall be held at such place as shall be determined by the Board, either within or outside the State of Michigan.

Section 11 Notice Notice of an annual, regular, special or adjourned meeting of the Board shall be given to every Trustee either in person or by mail, telephone, facsimile, email or telegram, addressed to each Trustee at his or her address as it appears on the records of the Corporation, with postage thereon prepaid. Notice may be given in one way to one Trustee and in another way to another. Any notice by mail shall be deemed to be given at the time when the notice is deposited in a post office or official depository under the exclusive care and custody of the United States Postal Service. Notice of the annual or any regular meeting of the Board shall be given at least ten days before the meeting unless given on an annual basis by notice of an

annual schedule of meetings adopted by the Board at the annual meeting. Notice of any special or adjourned meeting shall be given in person or by telephone, facsimile, email or telegram at least twenty-four hours before the meeting or by mail at least five days before the meeting, unless a greater notice period is provided in the Michigan Act or otherwise by law.

Section 12 Waiver of Notice Attendance of a Trustee at a meeting constitutes a waiver of notice of the meeting except when a Trustee attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Notice also may be waived in writing by any Trustee by filing a waiver with the Chairperson of the Corporation either before or after the meeting. The waiver of notice need not specify the purpose or place of the meeting.

Section 13 Quorum and Valid Trustee Action At all meetings of the Board, a majority of the Trustees then in office shall constitute a quorum for the transaction of business. The resolution or action of a majority of the Trustees present at any meeting at which a quorum is present shall be the valid action or resolution of the Board, unless the vote of a larger number is specifically required by law, by the Articles of Incorporation or by these Bylaws. If a quorum initially is not present at any meeting of the Board, the members present may adjourn the meeting from time to time and to another place, provided notice is given to the absent Trustees. At such adjourned meeting any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 14 Written Consents Any action required or permitted by the Michigan Act to be taken at any meeting of the Board may be taken without a meeting, without prior notice and without a vote, if all members of the Board consent thereto in writing. The written consents shall be filed with the minutes of proceedings of the Board. Such consents shall have the same effect as a vote of the Board for all purposes.

Section 15 Telephone Conference Call Members of the Board, or any committee designated by the Board, may participate in a meeting of the Board or committee by a conference telephone or similar communications equipment by which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants Participation in a meeting pursuant to this Section constitutes presence in person at such meeting

ARTICLE IV

BOARD OF GOVERNORS

Section 1 Duties The Board of Governors shall be a non-fiduciary body of the Corporation It shall be kept informed of the state of affairs of the Corporation and shall provide advice and counsel to the Board and Corporation management

Section 2 Membership The Board of Governors shall consist of all Board and committee members of the Corporation, all members of the boards of trustees and board committees of all Medical Center hospitals and such other members as may be appointed, from time to time, by the Board The Board of Governors shall be chaired by the Immediate Past Chairperson of the Corporation

Section 3 Meetings of the Board of Governors At least two (2) regular meetings of the Board of Governors shall be scheduled each calendar year

ARTICLE V

COMMITTEES

Section 1 Executive Committee There shall be an Executive Committee of the Board. The Executive Committee shall be chaired by the Chairperson of the Corporation. The Executive Committee shall consist of not more than thirteen members of the Board, nominated by the Chairperson of the Board and approved by the Board. The Executive Committee shall meet only when action is needed on a matter and when it is not practical for the Board to meet. The Executive Committee shall meet on the call of the Chairperson. Except as otherwise provided by resolution of the Board, the Executive Committee shall exercise the power and authority of the Board when necessary or advisable between meetings of the Board and shall exercise such other powers as may be assigned to it from time to time by the Board, subject to applicable law. The Executive Committee shall report to the Board on its actions at the next meeting of the Board and such actions shall be subject to revision and alteration by the Board at such meeting, provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 2 Governance and Nominating Committee There shall be a Governance and Nominating Committee consisting of three or more Trustees appointed by the Chairperson. The Governance and Nominating Committee shall recommend to the Board persons to serve as Trustees and officers of the Corporation. The Governance and Nominating Committee shall perform such other duties as may be assigned by the Board. A person need not be nominated by the Governance and Nominating Committee to be elected as a Trustee or officer.

Section 3 Finance Committee The Finance Committee shall oversee the financial matters of the Corporation in a manner supportive of its mission, while assuring that assets are appropriately safeguarded. The Finance Committee shall further endeavor to ensure that the Corporation achieves a satisfactory level of operating profitability, is cost competitive and is perceived by the community and rating agencies as being a fiscally sound organization. It shall

make recommendations to the Board regarding material financial matters, including the Corporation, Medical Center hospitals and subsidiary operating budgets, debt financings, capital projects, mergers, acquisitions and divestitures in accordance with the Corporation's policies and prudent business judgement. The Committee shall also, among other things, review key financial performance measures and trendlines and oversee the implementation of any corrective action plans which may be required.

Section 4 Investment Committee. The Investment Committee shall be a subcommittee of the Finance Committee. The Investment Committee shall oversee the determination of overall investment policies and guidelines with respect to portfolio mix and risk appetite. It shall also provide guidance, review and approve the selection or termination of money managers and custodians. The Investment Committee shall make regular reports to the Finance Committee and the Board. The Secretary of the System Investment Committee is the Vice President – Finance and Treasurer of the Corporation or his or her designee.

Section 5 Joint Conference and Quality Assurance Committee. The Joint Conference and Quality Assurance Committee shall facilitate open communication between the Board and the Corporation medical staff. It shall also evaluate and approve Corporation medical staff policies and criteria for membership and clinical privileges, act upon all recommendations regarding the appointment/reappointment to the medical staff and delineation of clinical privileges. It shall further act upon recommendations regarding membership in Corporation owned or affiliated managed care organizations. The Committee shall also handle disputes related to medical staff membership and/or privileges and make recommendations to the Board. Further, the Committee shall oversee quality assessment and improvement activities by receiving and assessing regular reports of established indicators and monitors. Members of the Joint Conference and Quality Assurance Committee shall consist of a balanced representation

of Trustees of the Board and Corporation medical staff members. There shall be at least seven (7) members of which three (3) must be practicing Corporation medical staff physicians. Ex-officio members shall include the President/Chief Executive Officer, Chief Medical Officer and Chief Nursing Officer of the Corporation, President of the Corporation medical staff and Dean of the WSU School of Medicine.

Section 6 Organization and Compensation Committee. The Organization and Compensation Committee shall review and approve executive compensation programs and practices and organizational changes and strategies for key management employees within the Corporation. The Committee shall ensure that the Corporation's executive compensation program will compliment its efforts to attract, retain and motivate key officers. The Organization and Compensation Committee shall also review the performance and establish the compensation of the Corporation President/Chief Executive Officer and other key executives based upon established performance measures. It shall further review promotions and/or recruitment of key executive positions based upon the recommendation of the President/Chief Executive Officer and shall, at least annually, conduct a progression and succession review regarding senior executive positions. The Committee shall also address any other matters delegated to it by the Board.

Section 7 Development Committee. The Development Committee shall oversee the fundraising and constituency building programs of the Corporation and ensures that ethical standards of philanthropic fundraising are maintained. The Committee shall create and participate in an annual fundraising plan for the Corporation which may include programs such as annual campaigns, special events, donor acquisition campaigns and major gift campaigns. It shall also evaluate the effectiveness of various fundraising vehicles and participate in strategic planning for the development function. It shall further participate in the development of special

purpose fundraising groups that are created to support strategic initiatives and programs of the Corporation, Medical Center institutions and subsidiaries

Section 8 Corporate Responsibility Committee The Corporate Responsibility Committee shall advise management and the Board on policies and actions designed to maintain the Corporation's position as a socially responsible corporate citizen. The Committee shall provide a forum for discussion and examination of issues and trends within the socio-political environment and facilitate the Corporation's responsiveness in advance of legislation or potentially adverse public policy. The Committee shall further review the Corporation's plans and objectives in such areas as affirmative action, EEO and the use of minority vendors.

Section 9 Audit and Corporate Compliance Committee The Audit and Corporate Compliance Committee shall assist the Board in fulfilling its oversight responsibilities relating to the Corporation's financial statements and reporting processes, internal control systems, the annual independent audit of the Corporation's financial statements and the activities of the Chief Compliance Officer. The Committee shall seek to ensure the Corporation's compliance with legal and regulatory requirements and ethical business practices. In discharging its oversight role, the Committee has the power to conduct or authorize investigations in any matter brought to its attention and shall have access to all books, records, and personnel of the Corporation, Medical Center institutions, subsidiaries and affiliates.

Section 10 Corporation/Medical Center Hospital Communications Committees From time to time there may be one or more Corporation/Medical Center Communications Committees formed on an as-needed basis to enhance communication between or among the Corporation and one or more of the Medical Center hospitals. Such committees shall discuss and, if possible, resolve outstanding issues, disputes or concerns that have arisen between or among them. Members shall consist of such Medical Center hospital board and management

representatives as the chairperson of such Medical Center hospital shall designate, together with such Trustees and senior management representatives of the Corporation as the Chairperson of the Corporation shall designate Meetings of such committees may be called by the Chairperson or President and Chief Executive Officer or by the Medical Center hospital chairperson or president

Section 11 Additional Committees The Board may from time to time by resolution, establish one or more additional committees with such powers and authority as the Board deems appropriate

Section 12 Committee Membership Each committee of the Board shall be composed of one or more Trustees Subject to Section 15 of this Article, each committee may have additional members who are not Trustees Unless otherwise provided in these Bylaws or by resolution of the Board, the Chairperson of the Corporation shall designate the number and appoint the members of all committees Members of committees shall serve at the pleasure of the Board

Section 13 Chairpersons of Committees Unless otherwise provided in these Bylaws or by resolution of the Board, the Chairperson of the Board shall designate and may remove all committee chairpersons The chairpersons of the following committees shall be designated from among the Trustees Finance, Governance and Nominating, Joint Conference and Quality Assurance, Organization and Compensation Committee, Development Committee, Corporate Responsibility Committee and Audit and Corporate Compliance Committee

Section 14 Powers and Action of Committees Each committee shall adopt a charter and procedures consistent with the provisions of these Bylaws Subject to the limitations set forth in the Michigan Act and any other limitations provided by law, a committee shall have and may exercise such powers as are prescribed in these Bylaws or by resolution of the Board

Except as otherwise provided in Section 15 of this Article a quorum for the transaction of the business and affairs of a committee shall be a majority of its members, the resolution or action of the majority of the members of any committee present at a meeting at which a quorum is present shall be the valid action or resolution of the committee, and any action required or permitted to be taken by vote at any meeting of a committee may be taken without a meeting if, before or after the action, all members of the committee consent thereto in writing and the written consents are filed with the minutes of the proceedings of the committee. Each committee shall keep regular minutes of its meetings, which shall be delivered regularly to the Board and shall make such report to the Board or the Chairperson of the Corporation as either may request.

Section 15 Committees Exercising Powers and Authority of the Board. To the extent provided in these Bylaws in the case of a committee established hereunder or to the extent provided in the resolution of the Board in the case of a committee established by the Board, a committee may exercise delegated powers and authority of the Board in the management of the business and affairs of the Corporation, subject to the limitations set forth in the Michigan Act and any other limitation provided by law, the Articles of Incorporation and these Bylaws. A committee shall exercise such delegated powers and authority only by the affirmative vote of committee members who are then Trustees at a meeting at which a quorum of such Trustee members is present and voting or by the unanimous written consent, filed with the minutes of the committee, of all such Trustee members serving on the committee. If a committee exercising such powers and authority has members who are not Trustees, such non-Trustee members shall not be counted for the purpose of determining the presence of a quorum and shall not vote on matters constituting such exercise.

ARTICLE VI

OFFICERS

Section 1 Officers The officers of the Corporation shall be appointed by the Board, and shall consist of a Chairperson, a President and Chief Executive Officer, a Secretary, and a Treasurer and, if appointed, a Chairperson-elect. The office of Chairperson-elect may not always be filled but must be filled at least one year prior to the expected retirement of the incumbent Chairperson. In the Chairperson's absence, the Chairperson-elect shall assume the duties and role of the Chairperson, and if there is no Chairperson-elect, the Chairperson of the Finance Committee shall assume such duties and role. All officers shall serve at the pleasure of the Board.

Section 2 Other Officers The Board may, from time to time, appoint one or more Vice Chairpersons and Vice Presidents and such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 3 Compensation The compensation, if any, for each officer of the Corporation for his or her services to the Corporation as an officer shall be fixed in a reasonable amount as determined by the Board or by procedures approved by the Board.

Section 4 Vacancies Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise shall be filled by the Board. An officer may resign by written notice to the Chairperson. A resignation is effective upon its receipt by the Chairperson or at a subsequent date specified in the notice of resignation.

Section 5 Duties of Chairperson The Chairperson shall preside at all meetings of the Board and shall see that all orders and resolutions of the Board are carried into effect. The Chairperson shall provide leadership in the governance of the Corporation, in collaboration

with the President and Chief Executive Officer, and in connection therewith, shall recommend governance policies and procedures for the Corporation. Unless otherwise designated by the Board, the Chairperson shall be an ex officio voting member of all committees of the Corporation and shall perform such other duties as are determined from time to time by the Board.

Section 6 Duties of Secretary The Secretary shall act under the direction of and be accountable to the Chairperson if the Secretary is a Trustee and if not, to the President and Chief Executive Officer. Subject to the direction of the Chairperson, he or she shall attend all meetings of the Board and record or cause the proceedings to be recorded. He or she shall perform like duties for committees of the Board when requested by the Board. He or she shall give, or cause to be given, notice of all annual, regular and special meetings of the Board, and shall perform such other duties as may be prescribed from time to time by the Board. He or she shall keep in safe custody the seal of the Corporation, if any, and, when authorized by the Chairperson or the Board, cause it to be affixed to any instrument requiring it. He or she shall prepare and file or cause to be prepared and filed all corporate reports and records required by law, sign or attest all instruments on behalf of the Corporation as he or she shall be authorized by law or the Board to do and keep in safe custody all books and records of the Corporation.

Section 7 Duties of Treasurer The Treasurer shall act under the direction of and be accountable to the Chairperson, if the Treasurer is a Trustee and if not, to the President and Chief Executive Officer. He or she shall keep or require to be kept full and accurate accounts of the corporate funds and securities in books belonging to the Corporation. He or she shall perform such other duties as the Board may from time to time prescribe. He or she may affix or cause to be affixed the seal of the Corporation to documents requiring the seal.

Section 8 Customary Powers To the extent the powers and duties of the several officers are not provided from time to time by resolution, these Bylaws or the directive of the Board, the officers shall have all powers incident to their offices and shall discharge the duties customarily and usually held and performed by like officers of corporations similar in organization and business purposes to this Corporation

Section 9 Acting Officers The Board may appoint any person to perform the duties of an officer whenever, for any reason, it is impractical for the officer to act personally An acting officer so appointed shall have the power and be subject to all the restrictions upon the officer to whose office he or she is appointed, unless otherwise provided by resolution of the Board, and shall exercise such powers and perform such duties as shall be determined from time to time by the Board

ARTICLE VII

PRESIDENT AND CHIEF EXECUTIVE OFFICER

Section 1 Selection, Authorities, Duties and Responsibilities As chief executive officer of the Corporation, the President and Chief Executive Officer shall, under the direction of the Board, have full charge of all activities and employees of the Corporation He or she shall appoint and employ such staff as shall be required to conduct the business and affairs of the Corporation He or she shall make recommendations to the Board from time to time regarding any phase of policy or administration, all to the end that the Board shall establish all major policies and be kept generally informed on matters relating to the operation and administration of the Corporation He or she shall have power, on behalf of the Board, to perform all acts, execute and deliver all documents, and take all steps that he or she may deem necessary or desirable in order to effectuate the actions and policies of the Board The

performance of the President and Chief Executive Officer shall periodically be evaluated by the Board

Section 2 Additional Authorities, Duties and Responsibilities As part of his or her authorities, duties and responsibilities, the President and Chief Executive Officer shall

- (a) Make recommendations to the Board and its committees from time to time regarding any phase of policy or administration,
- (b) Apply and implement all orders, resolutions and policies established by the Board and advise on their formulation and implementation,
- (c) Within the authority delegated by the Board, establish an organizational structure for the management of the affairs of the Corporation, appoint, and establish formal means of accountability for, subordinate management personnel and delegate appropriate management authority to such personnel, and establish written operating programs for the sound management of the finances, facilities and personnel of the Corporation,
- (d) Along with the Chairperson of the Corporation, act as principal spokesperson for the Corporation and the Medical Center hospitals to the news media, to community groups and in other situations requiring public exposition of the Corporation, except to the extent such function is delegated by him or her to other persons, and establish and implement a sound community relations program to ensure positive interpretation of the Corporation and the Medical Center hospitals and the enhancement of their reputations,
- (e) Assist the Corporation's subsidiaries and affiliates and their auxiliaries in the development of support services for the Corporation's health care system and provide coordination between system operations and auxiliary programs,

- (f) Serve as an ex officio voting member of all committees of the Corporation, except as otherwise designated by the Board,
- (g) Receive and review all requests from boards of subsidiaries and affiliates for action by the Board and make recommendations with respect to such requests to the Board, and
- (h) Perform such other duties as may be necessary or desirable in the best interests of the Corporation, including such duties as may be set forth in a position description

ARTICLE VIII

SUBSIDIARIES

Section 1 Missions and Bylaws of Medical Center Hospitals Each of the Medical Center hospitals has a mission which is distinct from that of the others. Any significant modification of the distinctive nature of the mission of a Medical Center hospital shall require concurrence by the board of trustees of that hospital. Each Medical Center hospital shall be responsible for achieving its mission, fulfilling its purposes and operating its facilities in a manner consistent with and complementary to those of the other Medical Center institutions and the Corporation and in accordance with the policies established by the Corporation. The articles of incorporation, bylaws and/or other governing instruments of each Medical Center hospital shall incorporate the relevant provisions of these Bylaws, including without limitation Sections 2-8 of this Article, or provisions having substantially similar effect.

Section 2 Powers and Responsibilities of Medical Center Hospital Boards of Trustees
The board of trustees of each Medical Center hospital shall be a fiduciary body responsible for achieving the mission and fulfilling the purposes of that Medical Center hospital and managing

its business and affairs in a manner consistent with the policies, objectives and mission of the Corporation. Subject to the powers reserved to the Corporation in these Bylaws, including without limitation Section 3 of this Article, and as otherwise provided herein or in the Articles of Incorporation of the Corporation, in the articles of incorporation or bylaws of the respective Medical Center hospital or by applicable law, the board of trustees of each Medical Center hospital shall have the powers and authority necessary and appropriate to its fiduciary duties and responsibilities. In furtherance of the foregoing, but not by way of limitation, the board of trustees of each Medical Center hospital shall have the following powers and responsibilities:

- (a) To oversee the implementation of, and advocacy for, the Medical Center hospital's mission and strategic plan and, where appropriate, recommend revisions to such mission and strategic plan,
- (b) To strive toward providing high quality care with regard to all services delivered, and to monitor the delivery of quality care provided, by the Medical Center hospital, including coordinating with the Joint Conference and Quality Assurance Committee of the Corporation regarding such matters as physician credentialing and previously identified quality of care issues, and in connection therewith to be responsible for delineating the privileges of the medical staff of the Medical Center hospital and for fulfilling the statutory responsibility of the Medical Center hospital for the quality of care rendered,
- (c) To oversee the Medical Center hospital's financial status and performance, including developing, preparing, approving, operating within and meeting its strategic, operating and capital plans and budgets, satisfying applicable criteria and standards established by the Board and incorporating in such plans and budgets any distributions and cash transfers required by the Corporation,

- (d) In coordination with the Development Committee of the Corporation, to oversee an effective development program to assist the Medical Center hospital in carrying out its mission,
- (e) To nominate its board members and appoint its chairperson and president, subject to ratification by the Board
- (f) To establish committees to assist in the functioning of the hospital, which at a minimum shall include a finance committee (which may include audit committee functions) and a medical and quality assurance committee (which shall coordinate its activities with the Joint Conference and Quality Assurance Committee of the Corporation),
- (g) To monitor the effectiveness of the Corporation's delivery of centralized services and to identify issues which need to be addressed with the Corporation in that regard,
- (h) To participate in Corporation/Medical Center Hospital Communication Committees as needed,
- (i) To ensure that major plans and programs are documented and designed to achieve the mission and objectives of the Medical Center hospital and the Corporation,
- (j) To implement policies and an organization and management structure established by the Corporation to achieve the mission and objectives of the Medical Center hospital and the Corporation,
- (k) To review and take action on reports of applicable regulatory, accrediting and external agencies,

- (l) To make, approve and enter into contracts, agreements, letters of intent and other evidences of mutual and/or joint undertakings,
- (m) To take such other actions as it may deem necessary or desirable in the fulfillment of its responsibilities, and
- (n) To confer benefits on the Corporation as its sole member or shareholder in order to facilitate the attainment of the system-wide mission and objectives of the Corporation, including but not limited to, the payment of dividends or distribution of income or profits to the Corporation

Section 3 Powers and Responsibilities of the Corporation in Relation to the Medical Center Hospitals In carrying out its duties and responsibilities for achieving the mission and fulfilling the purposes of the Corporation, the Board shall, acting on behalf of the Corporation as the sole member or shareholder of each Medical Center hospital, have the following powers and responsibilities pursuant to the authorities of the Michigan Act, and specifically Sections 209, 301(3) and 602(j) thereof, and/or as a committee of the members or shareholders, pursuant to the authorities described in Sections 527(3) and 528 of the Michigan Act

- (a) To establish and approve the strategic, operating and capital plans and budgets of each Medical Center hospital, after consultation with and receipt of the advice and recommendations of the board of trustees of each Medical Center hospital, to establish limits beyond which the approval of the Corporation will be required for (i) capital expenditures, (ii) short-term, long-term and alternative indebtedness and obligations (including guaranties and lines of credit) and (iii) acquisitions, leases, encumbrances and dispositions of land, buildings and equipment by each Medical Center hospital, and to establish such other criteria

and standards with regard to the financial performance of each Medical Center hospital as it deems advisable,

- (b) To establish, on behalf of the Medical Center hospital, such policies as it deems necessary or appropriate with regard to the cash and asset management of each Medical Center hospital or to assume management of all or any portion of such cash or other assets on behalf of such hospital,
- (c) To establish, on behalf of the Medical Center hospital, such other policies affecting each Medical Center hospital as the Corporation deems necessary or appropriate to facilitate the attainment of the system-wide mission and objectives of the Corporation,
- (d) To ratify the nominations of the board of trustees and the appointment of the chairperson and president of each Medical Center hospital,
- (e) To approve each Medical Center hospital's role in carrying out the Corporation's mission and strategic plan,
- (f) To cause a Medical Center hospital to guarantee the debts and obligations of other corporations,
- (g) To incur liabilities on behalf of a Medical Center hospital,
- (h) To determine if, when and in what amounts any income or other cash of the Medical Center hospital should be distributed to the Corporation, as sole member or shareholder. Either the Board or the President and Chief Executive Officer of the Corporation may authorize and require that income or other cash of a Medical Center hospital be distributed to the Corporation, as the sole member or shareholder of the Medical hospital, or that cash transfers from the Medical Center hospital be made to support new institutional or system-wide

programs or operations or to fund existing programs or operations requiring subsidization,

- (i) To require participation of Medical Center hospitals in system-wide contracts, ventures and programs,
- (j) To establish such management reporting relationships as shall ensure that all personnel working on behalf of the Medical Center hospital shall contribute to a cohesive, unified and functionally-integrated system,
- (k) To review, evaluate and take such actions as may be necessary in response to the operating, financial and other performance of each Medical Center hospital,
- (l) To establish policies requiring approval by the Corporation of any affiliations, joint ventures and other business relationships of a Medical Center hospital (either with another Medical Center hospital or any other entity),
- (m) To adopt and approve all changes in the articles of incorporation or bylaws of a Medical Center hospital,
- (n) To approve major corporate actions such as mergers, dissolutions, sale of significant assets, etc , and
- (o) To act on all other matters requiring approval by the Corporation as the sole shareholder or member of each Medical Center hospital under the articles of incorporation or bylaws of such hospital or applicable law

To the extent any actions taken by the Corporation pursuant to the foregoing authorities are beyond the scope of powers permitted by Section 528 of the Michigan Act, such actions may be taken by the Corporation pursuant to other authorities described in the Michigan Act Notwithstanding the foregoing, only the board of trustees of each Medical Center hospital shall

have the authority to adopt an agreement of merger or consolidation or to recommend the sale, lease or exchange of all or substantially all of the Medical Center hospital's property and assets

Section 4 Boards of Trustees - Medical Center Hospitals The composition and size of the board of trustees of each Medical Center hospital shall be determined by that board. Neither the Chairperson nor the Chairperson-elect of the Corporation shall serve as chairperson of a Medical Center hospital. A member of the board of trustees of a Medical Center hospital may be removed with or without cause by the Board, acting on behalf of the Corporation as the sole member or shareholder of such hospital, upon a determination by the Board that such removal is in the best interest of the Medical Center hospital after consultation by the Chairperson of the Corporation with the chairperson of the Medical Center hospital. In the event that the chairperson of the Medical Center hospital does not concur in the action, the removal may be accomplished by the Corporation but only after further discussion by the Chairperson and the officers of the Corporation with the chairperson and officers of the Medical Center hospital. A trustee of a Medical Center hospital also may be removed at any time with or without cause by the board of trustees of the Medical Center hospital, but only upon receipt of the concurrence of the Chairman of the Corporation.

Section 5 Presidents- Medical Center Hospitals The duties and responsibilities of the president of each Medical Center hospital (described in these Bylaws as the "president," whether such person is actually designated by a Medical Center hospital as its president, chief executive officer or president and chief executive officer) shall be established by the President and Chief Executive Officer of this Corporation and, to the extent not inconsistent therewith, by the board of trustees of the Medical Center hospital. The duties and responsibilities of the president of each Medical Center hospital shall include, at a minimum, the following

- (a) To achieve the mission and objectives of the Medical Center hospital in a manner consistent with the collective mission and objectives of the Medical Center institutions and the policies of the Corporation,
- (b) To create and maintain an organizational environment contributing to a synergistic multicorporate system,
- (c) To be accountable and responsible to the President and Chief Executive Officer of the Corporation for enabling the Corporation to fulfill its mission, objectives and purposes insofar as they relate to such hospital, and
- (d) To be accountable and responsible to the Board for enabling the Medical Center hospital to fulfill its mission, objectives and purposes

Section 6 Removal and Suspension of President of Medical Center Hospital A president of a Medical Center hospital may be removed at any time with or without cause by the President and Chief Executive Officer of the Corporation after consultation with the chairperson of the Medical Center hospital. In the event that the chairperson of the Medical Center hospital does not concur in the action, the removal may be accomplished by the President and Chief Executive Officer of the Corporation but only after further discussion by him or her with the chairperson of the Medical Center hospital and the officers of the Corporation. The President and Chief Executive Officer of the Corporation periodically shall meet with each president and, upon request of a chairperson of a Medical Center hospital, with its board of trustees or a committee thereof, to discuss the duties and responsibilities of a president of a Medical Center hospital and to evaluate his or her performance. A president of a Medical Center hospital also may be removed at any time with or without cause by the board of trustees of the Medical Center hospital, but only upon receipt of the concurrence of the President and Chief Executive Officer of the Corporation.

The president of a Medical Center hospital may be suspended by the President and Chief Executive Officer of the Corporation or by the board of trustees of the Medical Center hospital for cause

Section 7 Appointment of President of Medical Center Hospital Whenever a vacancy occurs with respect to the position of president of a Medical Center hospital, the President and Chief Executive Officer of the Corporation shall select an individual to serve on an interim basis until an individual has been nominated by the board of trustees of the Medical Center hospital and his or her appointment has been ratified by the Board

Section 8 Meetings of Medical Center Hospitals The Chairperson and President and Chief Executive Officer of the Corporation shall each have a standing invitation to attend all meetings of the boards of trustees and board committees of all Medical Center hospitals. Minutes shall be distributed to them and agendas made available. In addition, they shall have access to all information relating to such hospitals as may be necessary or desirable to fulfill their duties and responsibilities.

Section 9 Other Subsidiaries The Board may establish, reorganize and/or dissolve other subsidiaries of the Corporation. The Board may further establish such policies as it deems necessary or desirable with respect to the subsidiaries and affiliates of the Corporation. With respect to subsidiaries, the powers of the Corporation shall include, at a minimum, the powers with respect to the Medical Center hospitals described in Section 3 of this Article VIII.

ARTICLE IX

INDEMNIFICATION

Section 1 Indemnification The Corporation shall indemnify, to the fullest extent authorized or permitted by Michigan law, any person, and such person's heirs and legal

representatives, who is made or threatened to be made a party to any action, suit or proceeding whether civil, criminal, administrative or investigative) whether brought by or in the right of the Corporation or otherwise, by reason of the fact that such person is or was a member, shareholder, trustee, director, manager, officer or agent of the Corporation or of a Medical Center hospital or such person served on any formally constituted advisory body or voluntary committee of the Corporation or a Medical Center hospital, or any such person served at the request of the Corporation or a Medical Center hospital as a member, shareholder, trustee, director, manager, officer, employee or agent of any other corporation, business corporation, partnership, joint venture, trust, association or any other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation or a Medical Center hospital and, with respect to any criminal action or proceeding, had no reasonable cause to believe that the conduct was unlawful

Without limitation of the foregoing, in the event and to the extent that the Corporation in its capacity as the sole member or shareholder of a Medical Center hospital has taken action on behalf of the Medical Center hospital in lieu of the board of trustees of the Medical Center hospital as authorized by these Bylaws or the articles of incorporation and bylaws of the Medical Center hospital, the Corporation shall indemnify and hold harmless to the fullest extent authorized or permitted by Michigan law any person, and such persons' heirs and legal representatives, who is made or threatened to be made a party to any action, suit or proceedings (whether civil, criminal, administrative or investigative) whether brought by or in the right of the Corporation or the Medical Center hospital or otherwise by reason of the fact that such person served as a member of the board of trustees of the Medical Center hospital, against

expenses (including attorney's fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by the person in connection with such action, suit or proceeding

Section 2 Liability Insurance Notwithstanding the foregoing, the indemnification provided to any person described in Section 1 above shall be only in excess of any valid and collectible insurance or other source of indemnification available for the benefit of such person, including any benefit available under any insurance or self-insurance plan of the Corporation, and no rights of subrogation are intended to be created hereby Notwithstanding any limit on indemnification under Michigan law, the Corporation may purchase and maintain insurance on behalf of any person described above against any liability asserted against him or her or incurred by him or her in any capacity or arising out of his or her status as such, whether or not the Corporation would otherwise have the power to indemnify under the circumstances

ARTICLE X

EXECUTION OF CONTRACTS AND FINANCIAL PROVISIONS

Section 1 Conveyances and Contracts The Board may authorize any officer, agent or employee to enter into any contract or other instrument on behalf of the Corporation, and such authority may be general or confined to specific instances In addition, the President and Chief Executive Officer of the Corporation, or any officer, agent or employee designated by him or her, may enter into any contract or any other instrument on behalf of the Corporation, provided, however, that to the extent that any such contract or other instrument is required by the Articles of Incorporation, the Bylaws, policies adopted by the Board from time to time or applicable law to be approved by the Board, such approval shall have been obtained prior to the execution of such contract or other instrument Except as herein provided or as authorized by the Board, no officer, agent, or employee other than the Chairperson and President and Chief Executive

Officer shall have any power or authority to bind the Corporation by any contract for any purpose or for any amount

Section 2 Reliance on Authority Any persons dealing with the Corporation or its property in reliance upon any instrument executed in accordance with these Bylaws or duly certified corporate resolutions shall be fully protected thereby, and shall be under no duty to inquire as to the authority of the persons executing such instrument

Section 3 Accounts All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board or the President and Chief Executive Officer of the Corporation may from time to time designate

Section 4 Borrowing To the extent permitted by law, the Corporation may, whenever its general interests and corporate purposes require, borrow money and issue its promissory notes, debentures or bonds for the repayment thereof with interest, and may in like case mortgage, pledge or encumber its property as security for its debts or other lawful engagements or guaranty the debt of any corporation or other entity, whenever it is in the best interests of the Corporation and in furtherance of its purposes

Section 5 Funding of the Corporation. The Board shall have the right to determine the method of funding the Corporation, which may include the assessment of its subsidiaries or affiliates

ARTICLE XI

GENERAL PROVISIONS

Section 1 Signatures All checks, drafts or demands for money and notes of the Corporation shall be signed by the President and Chief Executive Officer of the Corporation

unless the Board or the President and Chief Executive Officer has authorized another officer or person to sign

Section 2 Fiscal Year The fiscal year of the Corporation shall end on December 31 of each year or such other date as shall be fixed from time to time by resolution of the Board

Section 3 Seal The Board may adopt a corporate seal for the Corporation The corporate seal shall have inscribed thereon the name of the Corporation and the words "Corporate Seal, Michigan" The seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced or otherwise

Section 4 Books and Records. The Corporation shall keep within or without the State of Michigan books and records of account and minutes of the proceedings of the Board The Corporation shall keep at its registered office records containing the names and addresses of all Trustees Any of such books, records or minutes may be in written form or in any other form capable of being converted into written form within a reasonable time

Section 5 Internal Affairs These Bylaws shall govern the internal affairs of the Corporation to the extent they are consistent with law and the Articles of Incorporation Nothing contained in these Bylaws shall, however, prevent the imposition by contract of greater voting, notice or other requirements than those set forth in these Bylaws

ARTICLE XII

AMENDMENTS

These Bylaws may be amended or repealed, or new Bylaws adopted, only by the Trustees Thirty days' prior written notice shall be provided to a Medical Center hospital prior to any amendment of these Bylaws which would materially affect such hospital

DETROIT 99998 155 674311-4

THE DETROIT MEDICAL CENTER
38-2571767
2002 FORM 990
PART VII, LINE 93
PROGRAM SERVICE REVENUE

Description	(a) Business Code	(b) Amount	(c) Exclusion Code	(d) Amount	(e) Related/Exempt Function Income
Commercial Lab Revenue	621500	64,702,630			
Less Contractual Adj	621500	(43,878,261)			
Management Fees Affiliate	561000	3,901,874			198,849,793
Management Fees Non-Affiliate					4,887,608
Purchasing Service					79,816,995
Administrative Services - State of Michigan	561499	3,018,545			
Benefit Administration	561499	21,314			4,954,571
TOTALS		<u>27,766,102</u>			<u>288,508,968</u>

THE DETROIT MEDICAL CENTER
38-2571767
2002 FORM 990
PART VII, LINE 103
OTHER REVENUE

Description	(a) Business Code	(b) Amount	(c) Exclusion Code	(d) Amount	(e) Related/Exempt Function Income
Staff Application Fees					49,600
Purchase Discounts					2,429,957
Parking Revenue			03	42,290	
Recovery of Bad Debts					9,213,000
TOTALS				42,290	11,692,557

THE DETROIT MEDICAL CENTER
38-2571767

2002 FORM 990
PART VIII

Relationship of Activities to the Accomplishment of Exempt Purposes

- Line 93 This revenue from providing support services to The Detroit Medical Center (The DMC) Hospitals, who are tax exempt under 501(c)(3), relates to our exempt purpose as described in Part III attachment
- Line 103 **Staff Application Fees** represent a processing fee charged to physicians who request medical staff membership, with privileges, including admitting privileges at any of The DMC Hospitals This application process is one of the support services The DMC provides The DMC Hospitals that allows the hospitals to maintain qualified physicians to provide quality health care
- Line 103 **Purchase Discounts** are the result of volume purchases made during the year These purchases include medical supplies and office supplies used in our exempt activities
- Line 103 **Parking Revenue** Valet parking fees at subsidiary hospitals Valet parking is provided to patients and visitors and is therefore substantially related because visitation is considered supportive therapy and part of patient treatment
- Line 103 **Recovery of Bad Debts** At the time OmniCare was placed into rehabilitation, the DMC had approximately \$55 Million of net accounts receivable which related to the pre-rehabilitation period Based on the insolvency of OmniCare at the rehabilitation date, the DMC recorded a change to fiscal 2001 operations to reserve the amount outstanding during the year ended December 31, 2001 In July of 2002, the DMC entered into an agreement to settle all outstanding amounts from OmniCare for \$9,213,000, half of which was paid in 2002, the other half will be paid in 2003 and 2004 in equal portions

The Detroit Medical Center
38-2571767

2002 Form 990
Part IX

Information Regarding Taxable Subsidiaries

NAME	ADDRESS	EMPLOYER ID NO.	PERCENTAGE OF OWNERSHIP INTEREST	NATURE OF BUSINESS ACTIVITY	TOTAL INCOME	ENDING ASSETS
Radius Health System, Inc	3663 Woodward Ave , Suite 200 Detroit, MI 48201	38-2282743	100%	Health Care	640,235	1,465,391
DMC Health Care Centers, Inc	41935 W 12 Mile Rd Novi, MI 48377	38-2648666	100%	Medical Service	None	214
DMC Insurance, LTD	Marsh & McLean Mgmt Ltd George Town, Grand Cayman, BWI	98-0198240	100%	Liability Ins	32,766,949	152,368,444
Medical Provider Organization	3990 John R (Harper Brush 7) Detroit, MI 48201	38-2823100	100%	Administrative Services	21,862	190,652
Phyx, Inc	27209 Lahser, Suite 222 Southfield, MI 48034	38-3559445	100%	Health Care	2,134	31,285
Childrens Choice of Michigan	3990 John R (Harper Brush 7) Detroit, MI 48201	38-3318267	100%	Cost Reimbursement Health Services	19,892,381	10,859,937

The Detroit Medical Center
EIN 38-2571767

2002 Schedule A (Form 990)
Compensation of the Five Highest Paid Employees Other Than Officers, Directors, Trustees, and Key Employees

(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 & other allowances
John Keels Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit MI 48201	Executive Director, Assoc Hospitals Proc Facility 50 Hours	\$ 151,587	\$ 12,441	\$ -
Barbara Momingstar Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	Sales Representative (Lab) 50 Hours	\$ 152,206	\$ 7,802	\$ -
Sandra Nehlsen Cannarella Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit MI 48201	Technical Director (Lab) 50 Hours	\$ 141,451	\$ 2,264	\$ -
Gail Pabarue Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit MI 48201	Associate General Counsel 50 Hours	\$ 147,704	\$ 9,457	\$ -
Carol Tarnowsky Detroit Medical Center c/o Harper Hospital Administration 3990 John R Detroit, MI 48201	Associate General Counsel 50 Hours	\$ 155,908	\$ 12,271	\$ -
Total number of other employees paid over \$50,000		407		

Detroit Medical Center
EIN: 38-2571767

2002 Schedule A (Form 990)
Part III, Items 2b and 2c

STATEMENTS ABOUT ACTIVITIES

One of the trustees of the filing organization is an officer of Grace Neonatologists, PC. During the year, \$48,333 was paid to Grace Neonatologists, PC for neonatologist physician services. In addition, a loan of \$25,000 was also made to Grace Neonatologists. See schedule attached for Form 990, Part IV, Line 51.

Another trustee of the filing organization is an officer of the accounting firm, Deloitte & Touche. During the year, \$1,160,860 was paid to Deloitte & Touche for tax consulting services.

Another trustee owns significant interests in three companies which do business with the filing organization. \$500,303 was paid to KMT Group for 3rd party recovery services, \$270,833 was paid to M & A Enterprises for business consulting services, and \$166,666 was paid to JEDI Consulting for business consulting services.

Two officers of the filing organization are Directors of CareTech, a for-profit information system service provider which is owned 1/3 by the filing organization.

**THE DETROIT MEDICAL CENTER
38-2571767**

**2002 SCHEDULE A (FORM 990)
PART IV, LINE 13**

INFORMATION ABOUT SUPPORTED ORGANIZATIONS

<u>Name(s) of supported organization(s)</u>	<u>Box Number From Part IV</u>
Children's Hospital of Michigan	07
Detroit Receiving Hospital and University Health Center	07
Harper-Hutzel Hospital	07
Huron Valley Hospital, Inc	07
Sinai Hospital of Greater Detroit	07
Rehabilitation Institute, Inc	07
Wayne State University	06

**The Detroit Medical Center
38-2571767**

**2002 Schedule A, Form 990
Part VI-B**

Description of Lobbying Activities

During 2002, the Detroit Medical Center participated in various meetings and telephone discussions with legislators and sent mailings to legislators in connection with various health care issues. Participation included time spent by internal staff, as well as time spent by contracted lobbying consultants. The primary issues discussed were:

- ▶ Licensure of Canadian nurses and other health professionals
- ▶ Funding for children's hospitals graduate medical education
- ▶ Appropriations for the Department of Community Health and the Medicaid program
- ▶ Funding for graduate medical education
- ▶ Funding for the disproportionate share hospital program
- ▶ Certificate of need standards for covered clinical services
- ▶ Medicaid reimbursement policies impacting the DMC
- ▶ Labor-HHS appropriations and grants for FY 2002-03
- ▶ Medicare funding for hospitals and long-term care facilities
- ▶ Medicaid fee-for-service and managed care timely payment issues
- ▶ Regulation of Medicaid HMOs
- ▶ Certificate of need reform and hospital bed transfer issues
- ▶ Funding for bioterrorism planning and preparedness
- ▶ Increasing access to health care coverage for the uninsured
- ▶ Posting hospital direction signs on interstate highways
- ▶ Funding for the nurse scholarship program
- ▶ Reimbursement for ambulatory surgery programs
- ▶ Legislation regulating physician self-referrals
- ▶ Statewide Trauma Commission
- ▶ Licensure of respiratory therapists
- ▶ Criminal background checks for health care applicants and employees
- ▶ Michigan hospital quality assurance assessment
- ▶ Mental health code revisions
- ▶ Worker's compensation assessments
- ▶ Safe Delivery of Newborn Act
- ▶ Crimes against nursing home patients
- ▶ Wayne County health care program for indigent
- ▶ Whistleblower protection for health care workers

**The Detroit Medical Center
38-2571767**

**2002 Schedule A (Form 990)
Part VI-B**

Description of Lobbying Activities (Continued)

During 2002, the Detroit Medical Center also contributed to the "People Protecting Kids and the Constitution" ballot initiative, which provided information and education on why Michigan voters should vote "no" on Proposal 4, a proposed constitutional amendment to reallocate the tobacco settlement revenue received by the state from cigarette manufacturers

"NORTHEAST BLACKOUT" 71767

- 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 THE DETROIT MEDICAL CENTER	Employer identification number 38-2571767
	Number, street, and room or suite, no. If a PO box, see instructions 3663 WOODWARD AVE., SUITE 200	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions DETROIT MI 48201-2403	

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

Form 990 Form 990-EZ Form 990-T (sec 401(a) or 408(a) trust) Form 1041-A Form 5227 Form 8870

Form 990-BL Form 990-PF Form 990-T (trust other than above) Form 4720 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 NOVEMBER 17, 2003
- 5 For calendar year 2002, or other tax year beginning , 20 and ending , 20
- 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 COMPILE 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 \$ N/A

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 \$ N/A

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 \$ 0.00

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 [Handwritten Signature] Title VP FINANCE Date 8/5/03

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 organization's return (including any prior extensions). This grace period is considered to be a valid extension 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 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

SEP 02 2003

LINDA WEISKOPF, FIELD DIRECTOR, SUBMISSION PROCESSING, OGDEN

Director By

Alternate Mailing Address — Enter the address if you want the copy of this application for an add returned to an address different than the one entered above

Type or print	Name BARBARA E ARMS C/O THE DETROIT MEDICAL CENTER - ATTENTION: TAX-DEPT
	Number and street (include suite, room, or apt no.) Or a PO box number 3663 WOODWARD AVENUE, SUITE 200
	City or town, province or state, and country (including postal or ZIP code) DETROIT, MI 48201

- 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	Employer identification number
	Number, street, and room or suite no. If a PO box, see instructions	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address, see instructions	

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

Form 990
 Form 990-EZ
 Form 990-T (sec 401(a) or 408(a) trust)
 Form 1041-A
 Form 5227
 Form 8870
 Form 990-BL
 Form 990-PF
 Form 990-T (trust other than above)
 Form 4720
 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 _____, 20 ____

5 For calendar year _____, or other tax year beginning _____, 20 ____ and ending _____, 20 ____

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 _____

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 ▶ _____ Title ▶ _____ Date ▶ _____

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 _____

Director _____ By _____ 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	Name
	Number and street (include suite, room, or apt no.) Or a PO box number
	City or town, province or state, and country (including postal or ZIP code)

Form **8868**

(December 2000)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return

OMB No 1545-1709

• 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 File by the due date for filing your return See instructions	Name of Exempt Organization THE DETROIT MEDICAL CENTER	Employer identification number 38-2571767
	Number, street, and room or suite no. if a PO box, see instructions 3663 WOODWARD AVE., SUITE 200	
	City, town or post office, state, and ZIP code For a foreign address, see instructions DETROIT, MI 48201-2403	

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 AUGUST 15, 2003, to file the exempt organization return for the organization named above. The extension is for the organization's return for

▶ calendar year 2002 or

▶ tax year beginning _____, 20____, and ending _____, 20____

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 ▶  Title ▶ V.P. FINANCE TREASURER Date ▶ 5/15/03

For Paperwork Reduction Act Notice, see instruction

Form **8868** (12 2000)