

Exempt Organization Declaration and Signature for Electronic Filing

For calendar year 2008, or tax year beginning 07/01, 2008, and ending 06/30, 2009

2008

Department of the Treasury
Internal Revenue Service

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

▶ See instructions on back.

Name of exempt organization

KAUA' I MEDICAL CLINIC

Employer identification number

99-0326099

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

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

1a	Form 990 check here	▶ <input checked="" type="checkbox"/>	b	Total revenue, if any (Form 990, line 12)	1b	<u>33873647.</u>
2a	Form 990-EZ check here	▶ <input type="checkbox"/>	b	Total revenue, if any (Form 990-EZ, line 9)	2b	
3a	Form 1120-POL check here	▶ <input type="checkbox"/>	b	Total tax (Form 1120-POL, line 22)	3b	
4a	Form 990-PF check here	▶ <input type="checkbox"/>	b	Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a	Form 8868 check here	▶ <input type="checkbox"/>	b	Balance due (Form 8868, line 3c)	5b	

Part II Declaration of Officer

6 I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2008 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund.

Sign Here

Signature of officer

Date

5/11/10

VP/SYSTEM CONTROLLER
Title

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

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

ERO's Use Only

ERO's signature

Kelli H. Anderson

Date

5/13/10

Check if also paid preparer

Check if self-employed

ERO's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code

ERNST & YOUNG U. S. LLP
TWO NORTH CENTRAL AVENUE, STE 2300
PHOENIX AZ 85004

EIN 34-6565596

Phone no. 602/322-3000

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

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed

Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code

EIN

Phone no.

Return of Organization Exempt From Income Tax

2008

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 2008 calendar year, or tax year beginning 07/01, 2008, and ending 06/30, 2009

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization KAUA' I MEDICAL CLINIC		D Employer identification number 99-0326099
		Doing Business As		E Telephone number (808) 245-1500
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 55 MERCHANT STREET, 24TH FLOOR		G Gross receipts \$ 33,887,124.
		City or town, state or country, and ZIP + 4 HONOLULU, HI 96813		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
F Name and address of principal officer: RAY VARA SAME AS C ABOVE		I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: WWW.WILCOXHEALTH.ORG		H(c) Group exemption number ▶		
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1967 M State of legal domicile: HI		

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: THE KAUA' I MEDICAL CLINIC IS A NONPROFIT MULTI-SPECIALTY CLINIC WHOSE MISSION IS TO SERVE THE KAUA' I COMMUNITY WITH ACCESSIBLE, QUALITY HEALTH CARE THAT SURPASSES EXPECTATIONS.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	7
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	3
	5	Total number of employees (Part V, line 2a)	5	224
	6	Total number of volunteers (estimate if necessary)	6	NONE
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	NONE
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	NONE
Revenue	8	Contribution and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	664,006.	8,065.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	32,580,230.	33,743,272.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	98,048.	-9,391.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	155,881.	131,701.
	12		33,498,165.	33,873,647.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		NONE
	14	Benefits paid to or for members (Part IX, column (A), line 4)		NONE
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	25,801,074.	27,574,250.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		NONE
	b	Total fundraising expenses, Part IX, column (D), line 25		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	17,122,983.	15,257,740.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	42,924,057.	42,831,990.
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	-9,425,892.	-8,958,343.
	20	Total assets (Part X, line 16)	Beginning of Year	End of Year
	21	Total liabilities (Part X, line 26)	6,855,483.	7,842,334.
	22	Net assets or fund balances. Subtract line 21 from line 20	3,824,140.	4,558,643.
		3,031,343.	3,283,691.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here ▶ Signature of officer _____ Date _____

▶ Type or print name and title _____

Paid Preparer's Use Only	Preparer's signature ▶ <i>Kelli A Woodall</i>	Date 5/14/10	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ ERNST & YOUNG U. S. LLP TWO NORTH CENTRAL AVENUE, STE 2300 PHOENIX, AZ 85004	EIN ▶ 34-656596	Phone no. ▶ 602/322-3000	

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2008)

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

THE KAUA' I MEDICAL CLINIC IS A NONPROFIT MULTI-SPECIALTY CLINIC WHOSE MISSION IS TO SERVE THE KAUA' I COMMUNITY WITH ACCESSIBLE, QUALITY HEALTH CARE THAT SURPASSES EXPECTATIONS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes" describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

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

4a (Code:) (Expenses \$ 35,522,452. including grants of \$) (Revenue \$ 33,874,972.)
SEE SCHEDULE O

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

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

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

4e Total program service expenses ▶ \$ 35,522,452. (Must equal Part IX, Line 25, column (B).)

Part IV Checklist of Required Schedules

Table with 3 columns: Question number, Yes, No. Rows 1-27 detailing various organizational requirements and reporting obligations.

Part IV Checklist of Required Schedules *(continued)*

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>		X
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	X	
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	X	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a through 12b regarding IRS filings and tax compliance.

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include questions about voting members, family relationships, management delegation, organizational changes, and document retention.

Section B. Policies

Table with 3 columns: Question, Yes, No. Rows include questions about conflict of interest policies, whistleblower policies, document retention, and compensation review.

Section C. Disclosure

Table with 2 columns: Question, Answer. Rows include questions about state filing requirements, public inspection of forms, and disclosure of governing documents.

Part VIII Statement of Revenue

99-0326099

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	8,065.				
	e Government grants (contributions) . .	1e					
	f All other contributions, gifts, grants, and similar amounts not included above .	1f					
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f ▶			8,065.			
Program Service Revenue	Business Code						
	2a NET PATIENT REVENUES		900099	21,635,282.	21,635,282.		
	b CAPITATION REVENUE		900099	3,428,248.	3,428,248.		
	c MEDICARE / MEDICAID REVENUE		900099	8,590,811.	8,590,811.		
	d RENTAL INCOME		900099	88,931.	88,931.		
	e _____						
	f All other program service revenue						
g Total. Add lines 2a-2f ▶			33,743,272.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			4,086.			4,086.
	4 Income from investment of tax-exempt bond proceeds . . . ▶			NONE			
	5 Royalties ▶			NONE			
	6a Gross Rents	(i) Real	(ii) Personal				
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss) ▶				NONE		
	7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b Less: cost or other basis and sales expenses				13,477.		
	c Gain or (loss)				-13,477.		
	d Net gain or (loss) ▶				-13,477.		-13,477.
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18. a						
	b Less: direct expenses b						
	c Net income or (loss) from fundraising events ▶				NONE		
	9a Gross income from gaming activities. See Part IV, line 19. a						
	b Less: direct expenses b						
	c Net income or (loss) from gaming activities ▶				NONE		
10a Gross sales of inventory, less returns and allowances a							
b Less: cost of goods sold b							
c Net income or (loss) from sales of inventory. ▶				NONE			
Miscellaneous Revenue			Business Code				
11a MEDICAL RECORDS			900099	79,444.	79,444.		
b INTEREST ON LATE PAYMENTS			900099	2,387.	2,387.		
c PHYSICIAN DIRECTORSHIP FEE			900099	1,422.	1,422.		
d All other revenue			900099	48,448.	48,448.		
e Total. Add lines 11a-11d ▶				131,701.			
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶				33,873,647.	33,874,973.	NONE	-9,391.

Part IX Statement of Functional Expenses

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

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

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	NONE			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	NONE			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE			
4 Benefits paid to or for members	NONE			
5 Compensation of current officers, directors, trustees, and key employees	1,075,881.	1,075,881.	NONE	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE			
7 Other salaries and wages	23,218,498.	22,768,678.	449,820.	
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions) . .	584,158.	521,244.	62,914.	
9 Other employee benefits	1,543,197.	1,361,645.	181,552.	
10 Payroll taxes	1,152,516.	1,086,002.	66,514.	
11 Fees for services (non-employees):				
a Management	NONE			
b Legal	NONE			
c Accounting	106,877.	NONE	106,877.	
d Lobbying	NONE			
e Professional fundraising services. See Part IV, line 17	NONE			
f Investment management fees	NONE			
g Other	4,691,186.	2,593,933.	2,097,253.	
12 Advertising and promotion	35,494.	6,022.	29,472.	
13 Office expenses	1,896,693.	1,810,117.	86,576.	
14 Information technology	621,682.	NONE	621,682.	
15 Royalties	NONE			
16 Occupancy	1,117,334.	989,334.	128,000.	
17 Travel	106,553.	81,798.	24,755.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE			
19 Conferences, conventions, and meetings	165.	NONE	165.	
20 Interest	NONE			
21 Payments to affiliates	NONE			
22 Depreciation, depletion, and amortization . . .	893,351.	783,091.	110,260.	
23 Insurance	801,176.	765,093.	36,083.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a CORPORATE ALLOCATION -----	3,071,365.	NONE	3,071,365.	
b BAD DEBT -----	1,321,897.	1,321,897.	NONE	
c UTILITIES -- OTHER -----	289,590.	289,590.	NONE	
d OTHER PURCHASES -----	113,026.	64,989.	48,037.	
e OTHER EXPENSES -----	191,351.	3,138.	188,213.	
f All other expenses -----				
25 Total functional expenses. Add lines 1 through 24f	42,831,990.	35,522,452.	7,309,538.	
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash - non-interest-bearing	-554,694.	1	-138,915.
	2 Savings and temporary cash investments	284,408.	2	1,533,882.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,228,398.	4	1,779,599.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sales or use	5,151.	8	1,824.
	9 Prepaid expenses and deferred charges	16,290.	9	22,641.
	10a Land, buildings, and equipment: cost basis	10a 6,777,099.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D.	10b 3,476,404.	4,096,947.	10c 3,300,695.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	1,778,983.	15	1,342,608.
16 Total assets. Add lines 1 through 15 (must equal line 34)	6,855,483.	16	7,842,334.	
Liabilities	17 Accounts payable and accrued expenses	3,231,731.	17	4,014,472.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	592,409.	25	544,171.
	26 Total liabilities. Add lines 17 through 25.	3,824,140.	26	4,558,643.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	3,031,343.	27	3,283,691.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	3,031,343.	33	3,283,691.
34 Total liabilities and net assets/fund balances	6,855,483.	34	7,842,334.	

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b	Were the organization's financial statements audited by an independent accountant?		X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?		
2c			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b	If "Yes," did the organization undergo the required audit or audits?		
3b			

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1-3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10.

12 Gross receipts from related activities, etc. (See instructions.)
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here.
16b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here.
17a 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here.
17b 10%-facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here.
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support.

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2004, (b) 2005, (c) 2006, (d) 2007, (e) 2008, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income; 13 Total support; 14 First five years.

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

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Line number, Percentage. Rows include: 15 Public support percentage for 2008; 16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Line number, Percentage. Rows include: 17 Investment income percentage for 2008; 18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h.

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here.

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here.

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

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Name of the organization

Employer identification number

KAUA' I MEDICAL CLINIC

99-0326099

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?

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

1 Purpose(s) of conservation easements held by the organization (check all that apply). 2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year. Table with 2 columns: Held at the End of the Year. Rows include: a Total number of conservation easements, b Total acreage restricted by conservation easements, c Number of conservation easements on a certified historic structure included in (a), d Number of conservation easements included in (c) acquired after 8/17/06, 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?, 6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenues included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X. 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items: a Revenues included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X.

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

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition, b Scholarly research, c Preservation for future generations, d Loan or exchange programs, e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

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

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

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

Table with 6 columns: (a) Current Year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a Beginning of year balance, 1b Contributions, 1c Investment earnings or losses, 1d Grants or scholarships, 1e Other expenditures for facilities and programs, 1f Administrative expenses, 1g End of year balance.

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

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

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

- (i) unrelated organizations
(ii) related organizations

Table with 3 columns: Question, Yes, No. Rows: 3a(i), 3a(ii), 3b.

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

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

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

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Depreciation, (d) Book value. Rows: 1a Land, 1b Buildings, 1c Leasehold improvements, 1d Equipment, 1e Other, Total.

Part XIV Supplemental Information (continued)

SCHEDULE D - FIN 48 FOOTNOTE

PART X

EFFECTIVE JULY 1, 2007, THE COMPANY ADOPTED PROVISIONS OF FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) INTERPRETATION NO. 48, ACCOUNTING FOR INCOME TAXES (FIN 48). FIN 48 ADDRESSES THE ACCOUNTING UNCERTAINTY IN INCOME TAXES RECOGNIZED FOR AN ENTERPRISE'S FINANCIAL STATEMENTS AND PRESCRIBES A THRESHOLD OF MORE LIKELY THAN NOT FOR RECOGNITION AND DERECOGNITION OF TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. FIN 48 ALSO PROVIDES RELATED GUIDANCE ON MEASUREMENT, CLASSIFICATION, INTEREST AND PENALTIES, AND DISCLOSURE. AS A RESULT OF THE IMPLEMENTATION OF FIN 48, THE COMPANY DETERMINED THAT THE PROVISIONS OF FIN 48 DID NOT HAVE A MATERIAL EFFECT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2009 AND 2008.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

KAUA' I MEDICAL CLINIC

Employer identification number

99-0326099

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

a Receive a severance payment or change of control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

	Yes	No
1b		
2		
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X

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

Schedule J (Form 990) 2008

Part III Supplemental Information

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

SCHEDULE J, PART I, QUESTION 3

QUESTIONS REGARDING COMPENSATION

THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER IS PAID BY ITS TAX EXEMPT PARENT, HPH, AND IS DISCLOSED AS A PERSON PAID BY A RELATED ORGANIZATION.

SEE SCHEDULE O FOR 990 PART VI, LINE 15A FOR THE PROCESS USED BY HPH TO DETERMINE COMPENSATION.

SCHEDULE J, PART I, QUESTION 4B

SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN

PAID BY RELATED ORGANIZATION:

WARREN CHAIKO	\$18,712
CHARLES R. CHING	\$40,512
ARTHUR GLADSTONE	\$26,000
EARL INOUYE	\$29,872
GAIL LERCH	\$53,872
TERRY LONG	\$21,650
SUSAN MASUMOTO-NONAKA	\$15,393

Part III Supplemental Information

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

DAVID OKABE \$61,866

VIRGINIA PRESSLER-FISHER, M.D. \$34,084

STEVEN ROBERTSON \$37,886

HILTON RAETHEL \$25,760

KENNETH B. ROBBINS, M.D. \$70,369

CHARLES A. STED \$171,539

RAYMOND P. VARA, JR. \$113,706

PAULA DIAS \$21,395

LYNNE JOSEPH \$14,974

SCHEDULE J, PART I, QUESTION 7

NON-FIXED PAYMENTS TO PERSONS LISTED ON PART VII, SECTION A, LINE 1A

NON-FIXED PAYMENTS ARE MADE TO EXECUTIVES BASED ON SYSTEM GOALS THAT ARE

NOT BASED ON A PERCENTAGE OF NET EARNINGS. NON-FIXED PAYMENTS MADE TO

PHYSICIANS ARE BASED ON CLINICAL PERFORMANCE MEASURES.

**SCHEDULE J-1
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

KAUAI I MEDICAL CLINIC

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

Employer identification number

99-0326099

Continuation Sheet for Schedule J (Form 990)

▶ Attach to Form 990 to list additional information regarding compensation.

OMB No. 1545-0047

2008

Open to Public Inspection

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(i) THOMAS WILLIAMSON, M. D.	184,035.	NONE	NONE	7,349.	4,621.	196,005.	88,393.
(ii) MARK MAGELSEN, M. D.	234,282.	NONE	38,813.	9,200.	11,830.	294,125.	128,749.
(i) DAVID ROVINSKY, M. D.	513,449.	NONE	NONE	9,200.	11,291.	533,940.	260,301.
(ii) CHARLES A. STED	698,977.	203,227.	192,366.	274,431.	770.	1,369,771.	528,826.
(i) RAYMOND P. VARA JR.	559,000.	130,955.	7,800.	201,705.	13,852.	913,312.	278,900.
(ii) DAVID OKABE	383,410.	89,902.	22,998.	114,884.	12,527.	623,721.	207,098.
(i) KENNETH B. ROBBINS, M. D.	376,337.	83,100.	57,043.	138,775.	13,444.	668,699.	240,142.
(ii) GAIL LERCH	288,188.	70,803.	53,294.	113,100.	11,940.	537,325.	195,894.
(i) CHARLES R. CHING	281,213.	66,981.	21,112.	82,372.	11,158.	462,836.	156,921.
(ii) VIRGINIA PRESSLER-FISHER,	299,871.	69,357.	9,478.	78,063.	25,156.	481,925.	157,108.
(i) STEVEN ROBERTSON	271,581.	64,488.	NONE	79,020.	25,383.	440,472.	132,500.
(ii) EARL INOUYE	211,985.	29,339.	21,836.	55,497.	748.	319,405.	105,690.
(i) TERRY LONG	191,475.	27,702.	NONE	47,654.	5,708.	272,539.	95,550.
(ii) HILTON RAETHEL	188,279.	25,708.	1,380.	35,957.	659.	251,983.	93,190.
(i) WARREN CHAIKO	191,997.	27,688.	21,609.	29,637.	14,622.	285,553.	115,709.
(ii) SUSAN MASUMOTO-NONAKA	180,035.	24,697.	NONE	25,300.	22,475.	252,507.	90,825.

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

Schedule J-1 (Form 990) 2008

Name of the organization

KAUVA I MEDICAL CLINIC

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

► Attach to Form 990 to list additional information regarding compensation.

Employer identification number

99-0326099

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(i) ARTHUR GLADSTONE	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(ii) ARTHUR GLADSTONE	256,594.	42,345.	36,865.	36,925.	18,679.	391,408.	147,259.
(i) SURENDRA RAO, M. D.	958,911.	NONE	NONE	9,200.	11,123.	979,234.	NONE
(ii) SURENDRA RAO, M. D.	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) TREVOR R. THOMPSON, M. D.	473,859.	NONE	NONE	9,200.	11,153.	494,212.	NONE
(ii) TREVOR R. THOMPSON, M. D.	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) MICHAEL L. MAY, M. D.	460,110.	NONE	NONE	9,200.	4,632.	473,942.	233,159.
(ii) MICHAEL L. MAY, M. D.	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) ALLEN JOHNSON, M. D.	453,424.	NONE	NONE	9,200.	8,070.	470,694.	NONE
(ii) ALLEN JOHNSON, M. D.	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) JOHN FUNAI, M. D.	406,580.	NONE	30,430.	2,300.	8,070.	447,380.	249,803.
(ii) JOHN FUNAI, M. D.	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) JOHN J. CULLINEY, M. D.	451,560.	25,900.	NONE	9,200.	11,830.	498,490.	235,025.
(ii) JOHN J. CULLINEY, M. D.	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) PAULA DIAS	176,490.	25,762.	17,804.	NONE	NONE	220,056.	105,300.
(ii) PAULA DIAS	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) JOHN HARLACHER	96,977.	4,963.	NONE	5,918.	10,978.	118,836.	NONE
(ii) JOHN HARLACHER	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) LYNNE JOSEPH	151,357.	27,792.	NONE	26,400.	17,410.	222,959.	39,378.
(ii) LYNNE JOSEPH	NONE	NONE	NONE	NONE	NONE	NONE	NONE
(i) _____	_____	_____	_____	_____	_____	_____	_____
(ii) _____	_____	_____	_____	_____	_____	_____	_____
(i) _____	_____	_____	_____	_____	_____	_____	_____
(ii) _____	_____	_____	_____	_____	_____	_____	_____
(i) _____	_____	_____	_____	_____	_____	_____	_____
(ii) _____	_____	_____	_____	_____	_____	_____	_____
(i) _____	_____	_____	_____	_____	_____	_____	_____
(ii) _____	_____	_____	_____	_____	_____	_____	_____
(i) _____	_____	_____	_____	_____	_____	_____	_____
(ii) _____	_____	_____	_____	_____	_____	_____	_____
(i) _____	_____	_____	_____	_____	_____	_____	_____
(ii) _____	_____	_____	_____	_____	_____	_____	_____

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

**SCHEDULE J-2
(Form 990)**

Continuation Sheet for Form 990

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Name of the Organization KAUA' I MEDICAL CLINIC	Employer Identification number 99-0326099
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Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
THOMAS WILLIAMSON, M. D. CHAIR, BOARD OF DIRECTOR	1.	X		X			184,035.	NONE	11,970.	
MALVIN DOHRMAN VICE CHAIR, BOARD OF DIRECTOR	1.	X		X			NONE	NONE	NONE	
TOM CANUTE BOARD OF DIRECTOR	1.	X					NONE	NONE	NONE	
TRINETTE KAUI BOARD OF DIRECTOR	1.	X					NONE	NONE	NONE	
MARK MAGELSSSEN, M. D. BOARD OF DIRECTOR	40.	X					273,095.	NONE	21,030.	
DAVID ROVINSKY, M. D. BOARD OF DIRECTOR	40.	X					513,449.	NONE	20,491.	
CHARLES A. STED BOARD OF DIRECTOR	6.	X					NONE	1,094,570.	275,201.	
RAYMOND P. VARA JR. PRESIDENT & CEO	5.			X			NONE	697,755.	215,557.	
DAVID OKABE EVP, CFO & TREASURER	1.			X			NONE	496,310.	127,411.	
KENNETH B. ROBBINS, M. D. EVP & CMO	10.			X			NONE	516,480.	152,219.	
GAIL LERCH EVP	1.			X			NONE	412,285.	125,040.	
CHARLES R. CHING SVP, GENL. COUNSEL & SECRETARY	4.			X			NONE	369,306.	93,530.	
VIRGINIA PRESSLER-FISHER, M. D. EVP	1.			X			NONE	378,706.	103,219.	
STEVEN ROBERTSON SVP & CIO	1.			X			NONE	336,069.	104,403.	
EARL INOUYE VP & SYSTEM CONTROLLER	4.			X			NONE	263,160.	56,245.	
TERRY LONG VP	8.			X			NONE	219,177.	53,362.	
HILTON RAETHEL VP	5.			X			NONE	215,367.	36,616.	
WARREN CHAIKO VP	4.			X			NONE	241,294.	44,259.	
SUSAN MASUMOTO-NONAKA VP	1.			X			NONE	204,732.	47,775.	
ARTHUR GLADSTONE VP & CNE	1.			X			NONE	335,804.	55,604.	
KEOKI CLEMENTE COMPLIANCE OFFICER	1.			X			NONE	91,485.	12,564.	

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

Schedule J-2 (Form 990) 2008

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons
 ▶ Attach to Form 990 or Form 990-EZ.
 ▶ To be completed by organizations that answered
 "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,
 or Form 990-EZ, Part V, lines 38b or 40b.

OMB No. 1545-0047

2008

Open To Public Inspection

Name of the organization

KAUA' I MEDICAL CLINIC

Employer identification number

99-0326099

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

- 2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$ _____
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total ▶ \$ _____										

Part III Grants or Assistance Benefitting Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
DAVID ROVINSKY, MD	BOARD OF DIRECTOR OF KMC	92,000.	WIFE IS AN EMPLOYED PHYSICIAN		X

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

KAUA' I MEDICAL CLINIC

Employer identification number

99-0326099

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

FORM 990, PART III, LINE 4

ESTABLISHED IN 1967, KAUA' I MEDICAL CLINIC HAS PROVIDED THE RESIDENTS AND

VISITORS OF KAUA' I WITH AFFORDABLE AND ACCESSIBLE PRIMARY AND SPECIALTY

CARE FOR MORE THAN 40 YEARS. AN AFFILIATE OF HAWAI' I PACIFIC HEALTH, THE

STATE' S LARGEST HEALTH CARE PROVIDER, KAUA' I MEDICAL CLINIC WORKS IN

PARTNERSHIP WITH WILCOX MEMORIAL HOSPITAL AS PART OF WILCOX HEALTH.

TOGETHER, THEY PROVIDE PRIMARY AND SECONDARY CARE, OFFERING MORE THAN 20

MEDICAL SPECIALTIES AT FOUR LOCATIONS ON KAUA' I. THE MAIN CLINIC IS IN

LIHUE, WITH THREE SATELLITE LOCATIONS IN KAPAA, KOLOA AND ELEELE. KAUA' I

MEDICAL CLINIC EMPLOYS 76 PROVIDERS AND 120 DIRECT SUPPORT STAFF. TOTAL

PATIENT VISITS TO THE CLINICS INCREASED TO 229,703 IN FISCAL YEAR 2009.

KAUA' I MEDICAL CLINIC IS KAUAI' S ONLY MULTI-SPECIALTY MEDICAL GROUP AND

ONE OF HAWAII' S LARGEST AND MOST COMPREHENSIVE MEDICAL PRACTICES. IT

PROVIDES CARE IN CARDIOLOGY, DERMATOLOGY, FAMILY MEDICINE,

GASTROENTEROLOGY, GENERAL MEDICINE, GENERAL SURGERY, HEMATOLOGY,

INFECTIOUS DISEASES, INTERNAL MEDICINE, NEUROLOGY, OBSTETRICS AND

GYNECOLOGY, ONCOLOGY, ORTHOPEDIC SURGERY, OTOLARYNGOLOGY, PEDIATRICS,

PHYSIATRY, PODIATRY, RHEUMATOLOGY AND UROLOGY. THIS RANGE OF SERVICES,

TOGETHER WITH MULTIPLE LOCATIONS, MAKE TOP-QUALITY CARE AND THE LATEST

MEDICAL TECHNOLOGY MORE ACCESSIBLE FOR KAUA' I RESIDENTS. IN ADDITION, THE

CLINICS OFFER PATIENTS ACCESS TO APPOINTMENT SCHEDULING, URGENT CARE

SERVICES, CHRONIC DISEASE HEALTH MANAGEMENT PROGRAMS, DIABETES

CONSULTATION AND EDUCATION, DIAGNOSTIC IMAGING, FINANCIAL COUNSELING, AND

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990

▶ **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Employer identification number

AN ON-SITE PHARMACY.

KAUA' I MEDICAL CLINIC PLAYS AN ACTIVE ROLE AS A COMMUNITY PARTNER BY

EXTENDING CARE OUTSIDE ITS WALLS THROUGH HEALTH EDUCATION, PREVENTION

PROGRAMS AND SUPPORT GROUPS. IN FISCAL 2009, THESE INCLUDED DIABETES

EDUCATION AND SUPPORT GROUPS FOR INSULIN PUMP USERS, A SPEAKER' S SERIES

ON SPORTS MEDICINE, ACTIVE PARTICIPATION IN WATER SAFETY AND INJURY

PREVENTION, AND PARTICIPATION IN ANNUAL HEALTH FAIRS. THE CLINIC HELPED

SPONSOR THE ARTHRITIS WALK AND OLD KOLOA SUGAR MILL WALK/RUN, ITS BONE

AND JOINT CENTER SPONSORED KIDS SUMMER FEST TO RAISE AWARENESS OF THE

IMPORTANCE OF PHYSICAL ACTIVITY, AND ITS CARDIOLOGY DEPARTMENT, TOGETHER

WITH WILCOX MEMORIAL HOSPITAL, SPONSORED A "HEART HEALTHY" COMMUNITY

EVENT.

IN ADDITION, STAFF SUPPORTED THEIR COMMUNITY BY PARTICIPATING IN ANNUAL

CHARITABLE ENDEAVORS, INCLUDING THE PARADE OF LIGHTS, THE AMERICAN CANCER

SOCIETY' S RELAY FOR LIFE, TOYS FOR TOTS, THE ALOHA UNITED WAY WALK, THE

MARCH OF DIMES WALKAMERICA, BLUE JEANS FOR BABIES, KAUA' I FOODBANK, AND

BY PROVIDING PHYSICIAN SUPPORT TO LOCAL HIGH SCHOOL FOOTBALL TEAMS.

KAUA' I MEDICAL CLINIC TREATS ALL PATIENTS, REGARDLESS OF THEIR ABILITY TO

PAY, THUS SERVING TOGETHER WITH WILCOX MEMORIAL HOSPITAL AS ONE OF THE

COMMUNITY' S SAFETY NET PROVIDERS OF HEALTH CARE. AN ESTABLISHED CHARITY

CARE POLICY SETS GUIDELINES ON WHICH PATIENTS QUALIFY FOR FREE OR

DISCOUNTED CARE. IN FISCAL YEAR 2009, KAUA' I MEDICAL CLINIC PROVIDED

Name of the organization

Employer identification number

KAUA' I MEDICAL CLINIC

99-0326099

REASON FOR NOT FILING FORM 990-T
FORM 990, PART V, LINE 3B
OPTICAL SHOP CLOSED DURING FY 2008

Name of the organization

Employer identification number

KAUA' I MEDICAL CLINIC

99-0326099

MEMBERS OR STOCKHOLDERS

FORM 990, PART VI, LINE 6

HAWAI' I PACIFIC HEALTH IS THE SOLE MEMBER WHO HAS THE RIGHT TO

PARTICIPATE IN THE ORGANIZATION' S GOVERNANCE WITH THE RIGHT TO ELECT THE

MEMBERS OF THE GOVERNING BODY AND/OR APPROVE SIGNIFICANT DECISIONS OF THE

GOVERNING BOARD.

Name of the organization

Employer identification number

KAUA' I MEDICAL CLINIC

99-0326099

ORGANIZATION ELECTS ONE OR MORE MEMBERS OF THE GOVERNING BODY

FORM 990, PART VI, LINE 7A

HAWAI' I PACIFIC HEALTH IS THE SOLE MEMBER AND HAS THE POWER TO APPROVE

THE ELECTION OF MEMBERS OF THE GOVERNING BODY. HAWAI' I PACIFIC HEALTH,

AS MEMBER, ALSO HAS THE POWER TO ELECT ONE OR MORE EX OFFICIO VOTING

MEMBERS OF THE GOVERNING BODY.

Name of the organization KAUA' I MEDICAL CLINIC	Employer identification number 99-0326099
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DESCR CLASSES OF PERSONS, DECISIONS REQUIRING APPR & TYPE OF VOTING RIGHTS

FORM 990, PART VI, QUESTION 7B

THE MEMBER SHALL HAVE THE EXCLUSIVE POWER TO TAKE AND DIRECT THE FOLLOWING ACTIONS OF THE CORPORATION: (1) NOMINATE CANDIDATES TO THE BOARD FOR THE FOLLOWING POSITIONS: THE PRESIDENT/CHIEF EXECUTIVE OFFICER, TREASURER, SECRETARY, EXECUTIVE VICE-PRESIDENT/CHIEF FINANCIAL OFFICER, OTHER EXECUTIVE VICE-PRESIDENTS, SENIOR VICE-PRESIDENTS, ASSISTANT SECRETARIES, AND ALL VICE-PRESIDENTS EXCEPT THE OPERATING UNIT VICE-PRESIDENTS, AS SUCH TERM IS DEFINED IN THE BYLAWS; (2) DELEGATE MANAGEMENT AUTHORITIES FROM THE BOARD TO OFFICERS OR COMMITTEES OF THE CORPORATION IN ACCORDANCE WITH A DELEGATED AUTHORITIES MATRIX ADOPTED BY THE MEMBER BOARD; (3) AMEND THE BYLAWS; (4) THE CORPORATION'S PARTICIPATION IN ALL LONG TERM FINANCING TRANSACTIONS WHICH ARE IN EXCESS OF ONE (1) YEAR AND/OR FOR ONE MILLION DOLLAR (\$1,000,000) OR MORE; (5) SELECT BANKS, TRUST COMPANIES, OR OTHER DEPOSITORIES TO WHICH THE CORPORATION'S FUNDS SHALL BE DEPOSITED; (6) DIRECT, MANAGE AND CONTROL THE CUSTODY, ADVISORY SERVICE AND ASSET MANAGEMENT OF THE FINANCIAL ASSETS OF THE CORPORATION; (7) EFFECT INTER-CORPORATE TRANSFERS BY AND BETWEEN THE CORPORATION AND ANY AFFILIATE; (8) DEVELOP AND IMPLEMENT THE GENERAL POLICIES REGARDING THE CORPORATION'S PHYSICIAN AND EXECUTIVE COMPENSATION AND BENEFIT PLANS; (9) FORM A NEW CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP OR OTHER ORGANIZATION THAT IS OWNED SOLELY BY THE CORPORATION; (10) EXCEPT AS OTHERWISE PROVIDED IN THE BYLAWS OR AS REQUIRED BY THE LAW OF THE STATE OF HAWAI`I, SELL, LEASE OR OTHERWISE TRANSFER FIFTY PERCENT (50%) OR MORE OF THE THEN CURRENT AMOUNT, AS REPORTED UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF THE TOTAL ASSETS HELD BY WILCOX MEMORIAL HOSPITAL, KAUA' I MEDICAL CLINIC,

Name of the organization KAUA' I MEDICAL CLINIC	Employer identification number 99-0326099
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WILCOX HEALTH FOUNDATION, AND G. N. WILCOX HEALTH CENTER PROPERTIES (THE "WILCOX AFFILIATES"); (11) EXCEPT AS PROVIDED IN THE BYLAWS OR AS REQUIRED BY THE LAWS OF THE STATE OF HAWAI`I, SELL, LEASE OR TRANSFER OF OPERATIONS OR ACTIVITIES OF THE WILCOX AFFILIATES WHICH GENERATE FIFTY PERCENT (50%) OR MORE OF THE TOTAL NET REVENUES, AS REPORTED UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF THE WILCOX AFFILIATES DURING THE PRIOR FISCAL YEAR; (12) CLOSE THE CLINICAL FACILITIES OWNED AND OPERATED BY THE CORPORATION; PROVIDED, THAT, AFTER THE EFFECTIVE DATE OF THE BYLAWS, ANY ELIMINATION OF A CLINICAL SERVICE PROVIDED BY THE CORPORATION MUST ALSO BE APPROVED BY THE BOARD; (13) CONVERT THE CLINIC OWNED AND OPERATED BY THE CORPORATION INTO A FACILITY NO LONGER OFFERING MEDICAL SERVICES; PROVIDED, THAT, AFTER THE EFFECTIVE DATE OF THE BYLAWS, ANY ELIMINATION OF A CLINICAL SERVICE PROVIDED BY THE CORPORATION MUST ALSO BE APPROVED BY THE BOARD; (14) AFTER CONSULTING WITH THE BOARD, REMOVE THE PRESIDENT/CHIEF EXECUTIVE OFFICER, EXECUTIVE VICE-PRESIDENT/CHIEF FINANCIAL OFFICER, TREASURER, SECRETARY, OTHER EXECUTIVE VICE-PRESIDENTS, SENIOR VICE-PRESIDENTS, ASSISTANT SECRETARIES, AND ALL VICE-PRESIDENTS EXCEPT THE OPERATING UNIT VICE-PRESIDENTS; PROVIDED, HOWEVER, THAT TO REMOVE OR TERMINATE THE PRESIDENT/CHIEF EXECUTIVE OFFICER WILL REQUIRE THE PRESIDENT/CHIEF EXECUTIVE OFFICER OF THE MEMBER TO FULLY COLLABORATE AND CONSULT WITH THE BOARD AND SEEK THE BOARD'S ADVANCE CONSENT FOR SUCH REMOVAL OR TERMINATION. IF THE BOARD DOES NOT CONCUR WITH THE PROPOSED REMOVAL OR TERMINATION OF THE PRESIDENT/CHIEF EXECUTIVE OFFICER, SUCH REMOVAL OR TERMINATION WILL REQUIRE THE APPROVAL OF A MAJORITY OF THE MEMBERS ON THE MEMBER BOARD; (15) AFTER CONSULTING WITH THE BOARD, DEVELOP AND PROMULGATE THE CORPORATE GOALS AND THE LONG RANGE AND STRATEGIC PLANS OF THE

Name of the organization KAUA' I MEDICAL CLINIC	Employer identification number 99-0326099
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CORPORATION; AND (16) AFTER CONSULTING WITH THE BOARD, DEVELOP AND IMPLEMENT THE ANNUAL CAPITAL, OPERATING, AND CASH FLOW BUDGETS.

THE CORPORATION SHALL NOT TAKE THE FOLLOWING ACTIONS WITHOUT FIRST OBTAINING MEMBER BOARD APPROVAL: (1) ADD ANY DIRECTOR TO THE BOARD; (2) REMOVE ANY DIRECTOR FROM THE BOARD; (3) AMEND THE ARTICLES; (4) ENTER INTO ANY UNBUDGETED CONTRACTS ON BEHALF OF THE CORPORATION WHICH REQUIRE ANNUAL PAYMENTS ON BEHALF OF THE CORPORATION EXCEEDING ONE MILLION DOLLARS (\$1,000,000) IN VALUE; (5) ACQUIRE ASSETS WORTH OVER ONE MILLION DOLLARS (\$1,000,000); (6) ACQUIRE SHARES IN ANOTHER CORPORATION; (7) SELL, LEASE OR OTHERWISE TRANSFER FIFTY PERCENT (50%) OR MORE OF THE THEN CURRENT AMOUNT, AS REPORTED UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF THE TOTAL ASSETS HELD BY THE WILCOX AFFILIATES; (8) SELL, LEASE, EXCHANGE OR DISPOSE OF FIFTY PERCENT (50%) OR MORE OF THE PROPERTY AND ASSETS HELD BY THE CORPORATION TO ANY ENTITY THAT IS NOT AN AFFILIATE; (9) SELL, LEASE OR TRANSFER OF OPERATIONS OR ACTIVITIES OF THE WILCOX AFFILIATES WHICH GENERATE FIFTY PERCENT (50%) OR MORE OF THE TOTAL NET REVENUES, AS REPORTED UNDER GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, OF THE WILCOX AFFILIATES DURING THE PRIOR FISCAL YEAR; (10) MERGE THE CORPORATION WITH ANY ENTITY; (11) DISSOLVE OR LIQUIDATE THE CORPORATION; (12) ISSUE THE CORPORATION'S MEMBERSHIP TO ANYONE OTHER THAN THE MEMBER; (13) FORM A JOINT VENTURE OR OTHER BUSINESS RELATIONSHIP (OTHER THAN THE ORDINARY COURSE OF BUSINESS CONTRACTS) BETWEEN THE CORPORATION AND ANY PERSON OR ENTITY; AND (14) DEVELOP A NEW LINE OF BUSINESS OR A NEW SERVICE.

Name of the organization KAUA' I MEDICAL CLINIC	Employer identification number 99-0326099
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REVIEW OF THE 990'S BY THE ORGANIZATION'S GOVERNING BODY

FORM 990, PART VI, LINE 10

VARIOUS SCHEDULES OF THE 990'S ARE PREPARED PRIMARILY BY STAFF WITHIN THE ACCOUNTING AREA OF THE ORGANIZATION WORKING WITH VARIOUS OTHER AREAS OF THE ORGANIZATION SUCH AS MANAGEMENT OF THE OPERATING UNITS, HR, LEGAL, ETC. DISCLOSURE NARRATIVES ARE WRITTEN AND COMPILED INTERNALLY BASED ON INPUT AND DISCUSSION WITH FINANCIAL ANALYSTS AND THE CHIEF OPERATING OFFICER / EXECUTIVE DIRECTOR OF THE REPORTING ENTITY. THE CHIEF OPERATING OFFICER / EXECUTIVE DIRECTOR OF EACH REPORTING ENTITY REVIEWS AND APPROVES THE DISCLOSURE NARRATIVES WHICH DESCRIBES THE MISSION/PURPOSE AND PROGRAM ACCOMPLISHMENTS OF THEIR ORGANIZATION.

SENIOR MANAGEMENT OF THE HEALTH CARE SYSTEM REVIEWS THE 990'S OF EACH FILING ORGANIZATION WITHIN THE HEALTH CARE SYSTEM. ONCE SENIOR MANAGEMENT HAS COMPLETED ITS REVIEW, THE 990'S ARE THEN PROVIDED TO THE GOVERNANCE AND NOMINATING COMMITTEE OF THE HEALTH CARE SYSTEM'S BOARD OF DIRECTORS FOR THEIR REVIEW.

THE GOVERNANCE AND NOMINATING COMMITTEE OF THE PARENT ENTITY'S (HPH) BOARD PROVIDES OVERSIGHT FOR THE 990 REPORTING AND REVIEWS THE 990'S FOR EACH ENTITY PRIOR TO FILING. IN ADDITION, THE 990'S FOR EACH ENTITY IS MADE AVAILABLE TO THE HPH BOARD OF DIRECTORS THROUGH A BOARD MEMBER PORTAL FOR REVIEW PRIOR TO THE FILING OF THE 990. COPIES OF THE 990'S ARE MADE AVAILABLE TO THE BOARD MEMBERS OF EACH SUBSIDIARY UNIT OF HPH AND IS PHYSICALLY LOCATED AT EACH FACILITY'S SITE FOR THE BOARD MEMBER TO REVIEW PRIOR TO FILING.

Name of the organization

KAUA' I MEDICAL CLINIC

Employer identification number

99-0326099

THE 990'S WILL BE POSTED TO HPH'S WEB SITE FOR PUBLIC ACCESS AFTER THE
FILING OF THE RETURNS WITH THE IRS.

Name of the organization KAUA' I MEDICAL CLINIC	Employer identification number 99-0326099
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CONFLICT OF INTEREST (COI) POLICY

FORM 990, PART VI, LINE 12C

ANNUALLY, EACH DIRECTOR, OFFICER, KEY EMPLOYEE AND MEMBER OF A COMMITTEE WITH BOARD DELEGATED POWERS SHALL ANNUALLY SIGN A STATEMENT WHICH AFFIRMS THAT SUCH PERSON: RECEIVED A COPY OF THE COI POLICY; HAS READ AND UNDERSTANDS THE POLICY; AGREES TO COMPLY WITH THE POLICY; AND UNDERSTANDS THAT THE ORGANIZATION IS A CHARITABLE ORGANIZATION AND THAT IN ORDER TO MAINTAIN ITS FEDERAL TAX EXEMPTION, THE ORGANIZATION MUST ENGAGE PRIMARILY IN ACTIVITIES WHICH ACCOMPLISH ONE OR MORE OF ITS TAX-EXEMPT PURPOSES.

THE IN-HOUSE LEGAL DEPARTMENT DISTRIBUTES THE STATEMENT REQUEST AND REVIEWS THE COI STATEMENTS RETURNED. IDENTIFIED CONFLICTS OF INTEREST ARE PRESENTED TO THE BOARD FOR REVIEW, DELIBERATION AND CONFIRMATION/REFUTATION THAT A CONFLICT OF INTEREST EXISTS. IF A CONFLICT OF INTEREST HAS BEEN FOUND, THE INDIVIDUAL MAY ADDRESS THE BOARD AND EXPLAIN THE TRANSACTION OR ARRANGEMENT CAUSING THE CONFLICT. AFTER THE PRESENTATION, THE INDIVIDUAL IS EXCUSED FROM THE MEETING AND SHALL NOT PARTICIPATE WITH ANY DISCUSSION OR VOTE ON MATTERS PERTAINING TO THE TRANSACTION OR ARRANGEMENT.

IN MEETINGS WHERE APPLICATION OF THE COI POLICY OCCURS, THE MEETING MINUTES INCLUDE NATURE OF THE FINANCIAL INTEREST/CONFLICT, NAME(S) OF THE PERSON(S) WITH THE POTENTIAL OR ACTUAL CONFLICT, ANY ACTION TAKEN TO ASSIST IN THE DETERMINATION OF WHETHER A CONFLICT EXISTED, INCLUDING ANY DISCUSSION OF ALTERNATIVE ARRANGEMENTS, THE BOARD'S DECISION(S) REGARDING THE CONFLICT AND NAMES OF PERSON PRESENT IN THE DISCUSSION AND VOTES

Name of the organization

KAUA' I MEDICAL CLINIC

Employer identification number

99-0326099

RELATING TO THE TRANSACTION OR ARRANGEMENT.

Name of the organization

Employer identification number

KAUA' I MEDICAL CLINIC

99-0326099

PROCESSES FOR DETERMINING COMPENSATION

FORM 990, PART VI, LINE 15A & 15B

COMPENSATION FOR HPH EXECUTIVES (VICE PRESIDENT AND ABOVE) IS SET BY THE

INDEPENDENT BOARD MEMBERS WHO ARE MEMBERS OF THE HPH COMPENSATION

COMMITTEE. ON AN ANNUAL BASIS THE HPH BOARD CHAIRPERSON (WHO IS

INDEPENDENT) SELECTS A NEUTRAL THIRD PARTY EXECUTIVE COMPENSATION

CONSULTANT TO REVIEW THE EXECUTIVE' S COMPENSATION AND BENEFITS. THE

CONSULTANT PROVIDES A WRITTEN REPORT TO THE COMPENSATION COMMITTEE AT ITS

ANNUAL MEETING. INCLUDED IN THE REPORT IS MARKET BASED DATA FROM LIKE

ORGANIZATIONS. THE COMPENSATION COMMITTEE MAKES FINAL DECISIONS

REGARDING COMPENSATION AND BENEFITS AT THE MEETING AFTER REVIEW AND

DISCUSSION OF THE CONSULTANT' S REPORT. COMMUNITY BASED DIRECTORS OF THE

ORGANIZATION ARE NOT COMPENSATED.

CERTAIN EMPLOYED PHYSICIANS MAY BE OFFICERS OR AN IDENTIFIED KEY EMPLOYEE

OF THE REPORTING OR RELATED ORGANIZATION. PHYSICIAN COMPENSATION IS ALSO

HANDLED IN THE SAME MANNER AS EXECUTIVE COMPENSATION, WITH THE HPH

COMPENSATION COMMITTEE RECEIVING A REPORT FROM A NEUTRAL CONSULTANT AND

FOLLOWING THE SAME PROCESS AS DESCRIBED ABOVE.

Name of the organization

Employer identification number

KAUA'I MEDICAL CLINIC

99-0326099

AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY, & FIN STMTS TO GEN PUBLIC
 FORM 990, PART VI, LINE 19
 THE CONFLICT OF INTEREST POLICY AND STANDARDS OF CONDUCT ARE AVAILABLE ON
 THE HAWAI'I PACIFIC HEALTH WEBSITE. THE CONSOLIDATED AUDITED FINANCIAL
 STATEMENTS WILL BE MADE AVAILABLE TO THE PUBLIC VIA THE HAWAI'I PACIFIC
 HEALTH WEBSITE.

Name of the organization

Employer identification number

KAUA' I MEDICAL CLINIC

99-0326099

CONSOLIDATED FINANCIAL STATEMENTS

FORM 990, PART XI, LINE 2B

THE ORGANIZATION IS INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF

HAWAI' I PACIFIC HEALTH.

Name of the organization KAUA' I MEDICAL CLINIC	Employer identification number 99-0326099
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SCHEDULE J-2 COLUMN B

MEMBERS OF THE BOARD LISTED ON SCHEDULE J-2 ALSO DEVOTE TIME TO RELATED

ORGANIZATIONS AS LISTED BELOW:

	HPH	PIC	KHF	KMS	KMC	KMCPM	KMCWC	SF	SCH	WHF	WMH
ASHTON	40	1				2	2		2		1
BOYD		40									
BRUGGEMANN	1		1	1	3	6	11		15		4
CHAHANOVICH	1					55					
CHAIKO	10			1	4	10	15		10		5
CHING	30	2	1	3	4	1	4	1	3	1	5
CLARK	1									1	60
CLEMENTE					1						1
CULLINEY					1						1
DIAS					1		40		1		1
FOX	4					6	10		10		4
GIBSON		1						1	1		
GLADSTONE	5				1	1	1		50		1
HADDEN	1								50		
HARLACHER					1						1
HAZENFIELD						20					
HEDBERG								1	1		
INOUYE	25		1	2	4	1	5		6		12
JOSEPH											50

Name of the organization KAUA' I MEDICAL CLINIC	Employer identification number 99-0326099
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	HPH	PIC	KHF	KMS	KMC	KMCPM	KMCWC	SF	SCH	WHF	WMH
KANESHIRO			1	1							
KIKUCHI											34
KNUDSEN	15										
KURREN	1										
KUSANO	1		1		5		9		20		
LERCH	40		1	1	5		5		5		1
LONG	30		1	1	8	1	1		1		16
MAGELSEN					40						
MASUMOTO											
-NONAKA	20		1	1	8		10		12		9
MATSUMOTO			1				1				
MORTON					6		45				
NAKAMURA	1		30								
NIKAIDO							40				
OKABE	35	1	1	1	1	3	4	1	6	1	3
PIETSCH	1								1		
PRESSLER											
-FISHER	45		1	1	1	1	1	1	2		2
RAETHEL	15			5	5	5	10		10		5
ROBBINS	10		1	10				1	40		1
ROBERTSON	15		1	1	8		12		15		8
ROBINSON		20						6		1	
ROVINSKY				40							

Name of the organization

Employer identification number

KAUA' I MEDICAL CLINIC

99-0326099

	HPH	PIC	KHF	KMS	KMC	KMCPM	KMCWC	SF	SCH	WHF	WMH
SARUWATARI	1								1		
SCHULZ	1								1		
SHIGEMITSU									50		
SMITH	1			5			55				
STED	32	1	3	1	6	2	2	1	3	1	8
VARA	5	5			5	10	10	1	15		

Name of the organization KAUA' I MEDICAL CLINIC	Employer identification number 99-0326099
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LEGEND OF ACRONYMS

HPH HAWAI' I PACIFIC HEALTH

KHF KAPI' OLANI HEALTH FOUNDATION

KMS KAPI' OLANI MEDICAL SPECIALISTS

KMC KAUA' I MEDICAL CLINIC

KMCPM KAPI' OLANI MEDICAL CENTER AT PALI MOMI

KMCWC KAPI' OLANI MEDICAL CENTER FOR WOMEN & CHILDREN

PIC PROVIDERS INSURANCE CORPORATION

SF STRAUB FOUNDATION

SCH STRAUB CLINIC & HOSPITAL

WHF WILCOX HEALTH FOUNDATION

WMH WILCOX MEMORIAL HOSPITAL

Part V Transactions With Related Organizations

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

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

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

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

	(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1)	SEE SCHEDULE R-1		
(2)			
(3)			
(4)			
(5)			
(6)			

Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
HAWAII PACIFIC HEALTH 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0246363	HOLDING CO.	HI	501 (C) (3)	11B TYPE II	N/A
KAPI'OLANI MEDICAL CTR WOMEN & CHILDREN 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0177350	HOSPITAL	HI	501 (C) (3)	3	N/A
KAPI'OLANI HEALTH FOUNDATION 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0246364	FUNDRAISING	HI	501 (C) (3)	7	N/A
KAPI'OLANI MEDICAL SPECIALISTS 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0322406	HEALTHCARE	HI	501 (C) (3)	9	N/A
KAPI'OLANI MEDICAL CENTER AT PALI Momi 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0274038	HOSPITAL	HI	501 (C) (3)	3	N/A
WILCOX MEMORIAL HOSPITAL 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0074365	HOSPITAL	HI	501 (C) (3)	3	N/A
WILCOX HEALTH FOUNDATION 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0204242	FUNDRAISING	HI	501 (C) (3)	7	N/A
STRAUB CLINIC & HOSPITAL 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 91-2151670	HOSPITAL	HI	501 (C) (3)	3	N/A
STRAUB FOUNDATION 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 99-0109350	RESEARCH/EDU	HI	501 (C) (3)	7	N/A
PROVIDERS INSURANCE CORPORATION 55 MERCHANT STREET, 24TH FLOOR HONOLULU, HI 96813 71-0893000	NFP INSURANCE	HI	501 (C) (3)	11B TYPE II	N/A

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

(A)	(B)	(C)
Name of other organization	Transaction type (a-r)	Amount involved
(7) STRAUB CLINIC & HOSPITAL	P	171,445.
(8) STRAUB CLINIC & HOSPITAL	R	62,304.
(9) WILCOX MEMORIAL HOSPITAL	Q	111,505.
(10) WILCOX MEMORIAL HOSPITAL	P	1,873,229.
(11) KAPI' OLANI MEDICAL CENTER FOR WOMEN&CHILDREN	P	73,727.
(12) PROVIDERS INSURANCE CORPORATION	Q	735,805.
(13) KAPI' OLANI MEDICAL CENTER AT PALI MOMI	Q	63,146.
(14)		
(15)		
(16)		
(17)		
(18)		
(19)		
(20)		
(21)		
(22)		
(23)		
(24)		

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS
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NAME AND ADDRESS -----	DESCRIPTION OF SERVICES	COMPENSATION -----
COMPHEALTH INC. 6440 SOUTH MILLROCK DRIVE, SUITE 175 SALT LAKE, UT 84121	HEALTHCARE STAFFING	436,151.
SHIOI CONTRUCTION, INC. 98-724 KUAHAO PLACE PEARL CITY, HI 96782	CONSTRUCTION	176,120.
VIRTUAL RADIOLOGIC PROFESSIONALS P. O. BOX 1521 MINNEAPOLIS, MN 55480	PATIENT CARE	153,930.
ECG MANAGEMENT CONSULTANTS, INC. 1111 THIRD AVENUE, SUITE 2700 SEATTLE, WA 98101	MGMT & IT CONSULTING	135,080.
	TOTAL COMPENSATION	----- 901,281. =====