

Form **990**

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

OMB No 1545-0047

2002

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 , and ending

B Check if applicable:

- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type See Specific Instructions.

C Name of organization

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

Number and street (or P.O. box if mail is not delivered to street address)

386 PARK AVENUE SOUTH

City or town, state or country, and ZIP + 4

NEW YORK

NY 10016-8804

Room/suite

D Employer ID number

13-3156952

E Telephone number

212-252-7440

F Accounting method ☐ Cash

☒ Accrual ☐ Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

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 no. of affiliates ☐ Yes ☐ No

H(c) Are all affiliates included? ☐ Yes ☐ No

(If "No," attach list. See instr.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☐ No

I Enter 4-digit GEN ☐ Yes ☐ No

M Check ☒ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

G Web site

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 **623,052**

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

b Indirect public support

c Government contributions (grants)

d Total (add lines 1a through 1c) (cash -- \$ noncash \$)

2 Program service revenue including government fees and contracts (from Part VII, line 93)

3 Membership dues and assessments

4 Interest on savings and temporary cash investments

5 Dividends and interest from securities

6a Gross rents

b Less rental expenses

c Net rental income or (loss) (subtract line 6b from line 6a)

7 Other investment income (describe)

8a Gross amount from sales of assets other than inventory

b Less cost or other basis and sales expenses

c Gain or (loss) (attach schedule)

d Net gain or (loss) (combine line 8c, columns (A) and (B))

9 Special events and activities (attach schedule)

a Gross revenue (not including \$ of contributions reported on line 1a)

b Less direct expenses other than fundraising expenses

c Net income or (loss) from special events (subtract line 9b from line 9a)

10a Gross sales of inventory, less returns and allowances

b Less cost of goods sold

c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)

11 Other revenue (from Part VII, line 103)

12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)

13 Program services (from line 44, column (B))

14 Management and general (from line 44, column (C))

15 Fundraising (from line 44, column (D))

16 Payments to affiliates (attach schedule)

17 Total expenses (add lines 16 and 44, column (A))

18 Excess or (deficit) for the year (subtract line 17 from line 12)

19 Net assets or fund balances at beginning of year (from line 73, column (A))

20 Other changes in net assets or fund balances (attach explanation)

21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)

1a		1d	0
1b		2	221,960
1c		3	210,692
		4	2,067
		5	
6a		6c	
6b		7	
		8d	
8a		9c	155,929
8b		10c	
8c		11	7,943
		12	598,591
		13	459,389
		14	51,043
		15	
		16	
		17	510,432
		18	88,159
		19	139,640
		20	
		21	227,799

EXPENSES

ASSETS

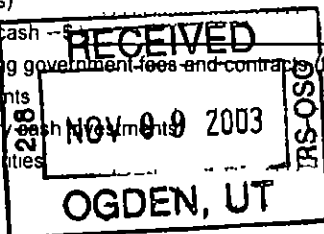
For Paperwork Reduction Act Notice, see the separate instructions

Form **990** (2002)

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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 \$ _____ non-cash \$ _____)	22				
23	Specific assistance to individuals	23				
24	Benefits paid to or for members	24				
25	Compensation of officers, directors, etc	25				
26	Other salaries and wages	26	254,961	229,465	25,496	
27	Pension plan contributions	27				
28	Other employee benefits	28				
29	Payroll taxes	29	30,732	27,659	3,073	
30	Professional fundraising fees	30				
31	Accounting fees	31				
32	Legal fees	32				
33	Supplies	33				
34	Telephone	34	7,742	6,968	774	
35	Postage and shipping	35	14,736	13,262	1,474	
36	Occupancy	36	48,466	43,619	4,847	
37	Equipment rental and maintenance	37	5,792	5,213	579	
38	Printing and publications	38	14,311	12,880	1,431	
39	Travel	39	4,210	3,789	421	
40	Conferences, conventions, and meetings	40	66,743	60,069	6,674	
41	Interest	41				
42	Depreciation, depletion, etc (attach schedule)	42	1,813	1,632	181	
43	Other expenses not covered above (itemize) a	43a				
b	SEE STATEMENT 2	43b	60,926	54,833	6,093	
c		43c				
d		43d				
e		43e				
44	Total functional expenses (add lines 22 - 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	510,432	459,389	51,043	0

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?

HEALTH CARE ADVOCACY

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) & (4) orgs. & 4947(a)(1) trusts but optional for others.)

a EDUCATIONAL SERVICES - SEMINARS ON HEALTH CARE ISSUES.

(Grants and allocations \$) **306,259**
b MEMBERSHIP SERVICES - SEMINARS FOR NEW & PROSPECTIVE MEMBERS.

(Grants and allocations \$) **153,130**

c

(Grants and allocations \$)

d

(Grants and allocations \$)

e Other program services (attach schedule)

(Grants and allocations \$)

f Total of Program Service Expenses (should equal line 44, column (B), Program services)

459,389

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

Note		Where required, attached schedules and amounts within the description column should be for end-of-year amounts only		(A) Beginning of year		(B) End of year
45	Cash - non-interest-bearing			160,186	45	211,035
46	Savings and temporary cash investments				46	
47a	Accounts receivable	47a				
b	Less allowance for doubtful accounts	47b			47c	
48a	Pledges receivable	48a	135,692			
b	Less allowance for doubtful accounts	48b		95,032	48c	135,692
49	Grants receivable				49	
50	Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
51a	Other notes and loans receivable (attach schedule)	51a				
b	Less allowance for doubtful accounts	51b			51c	
52	Inventories for sale or use				52	
53	Prepaid expenses and deferred charges			14,483	53	6,313
54	Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV				54	
55a	Investments-land buildings, and equipment basis	55a				
b	Less accumulated depreciation (attach schedule)	55b			55c	
56	Investments-other (attach schedule)				56	
57a	Land buildings and equipment basis	57a	50,266			
b	Less accumulated depreciation (attach schedule)	57b	49,563	2,516	57c	703
58	Other assets (describe <input type="checkbox"/> SEE STMT 3 <input type="checkbox"/> SEE STMT 4)			16,700	58	16,700
59	Total assets (add lines 45 through 58) (must equal line 74)			288,917	59	370,443
60	Accounts payable and accrued expenses			58,502	60	40,544
61	Grants payable				61	
62	Deferred revenue			90,775	62	102,100
63	Loans from officers, directors, trustees, and key employees (attach schedule)				63	
64a	Tax exempt bond liabilities (attach schedule)				64a	
b	Mortgages and other notes payable (attach schedule)				64b	
65	Other liabilities (describe <input type="checkbox"/>)				65	
66	Total liabilities (add lines 60 through 65)			149,277	66	142,644
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74						
67	Unrestricted			139,640	67	227,799
68	Temporarily restricted				68	
69	Permanently restricted				69	
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74						
70	Capital stock trust principal, or current funds				70	
71	Paid-in or capital surplus, or land building and equipment fund				71	
72	Retained earnings, endowment, accumulated income or other funds				72	
73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)			139,640	73	227,799
74	Total liabilities and net assets / fund balances (add lines 66 and 73)			288,917	74	370,443

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

a Total revenue, gains & other support per audited financial statements ▶	a 623,052	a Total expenses and losses per audited financial statements ▶	a 534,893
b Amounts included on line a but not on line 12, Form 990		b Amounts included on line a but not on line 17, Form 990	
(1) Net unrealized gains on investments \$ _____		(1) Donated services and use of facilities \$ _____	
(2) Donated services and use of facilities \$ _____		(2) Prior year adjustments reported on line 20, Form 990 \$ _____	
(3) Recoveries of prior year grants \$ _____		(3) Losses reported on line 20 Form 990 \$ _____	
(4) Other (specify)		(4) Other (specify)	
SEE STMT 5 \$ 24,461		SEE STMT 6 \$ 24,461	
Add amounts on lines (1) through (4) ▶	b 24,461	Add amounts on lines (1) through (4) ▶	b 24,461
c Line a minus line b ▶	c 598,591	c Line a minus line b ▶	c 510,432
d Amounts included on line 12, Form 990 but not on line a		d Amounts included on line 17, Form 990 but not on line a	
(1) Investment expenses not included on line 6b Form 990 \$ _____		(1) Investment expenses not included on line 6b, Form 990 \$ _____	
(2) Other (specify)		(2) Other (specify)	
Add amounts on lines (1) and (2) ▶	d	Add amounts on lines (1) and (2) ▶	d
e Total revenue per line 12, Form 990 (line c plus line d) ▶	e 598,591	e Total expenses per line 17, Form 990 (line c plus line d) ▶	e 510,432

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

[illegible]

▶ ☐ Yes ☒ No

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 inc. of \$1,000 or more during the year covered by this return?		X
78b	If "Yes," has it filed a tax return on Form 990-T for this year?		
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	
81a	If "Yes," enter the name of the organization NEW YORK HEALTH PURCHASING ALLIANCE and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81b	Enter direct or indirect political expenditures See line 81 instr		X
82a	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
82b	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)		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	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
84b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		X
85	501(c)(4) (5) or (6) organizations a Were substantially all dues nondeductible by members?	N/A	
85a	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
85b	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		
85c	Dues, assessments, and similar amounts from members		
85d	Section 162(e) lobbying and political expenditures		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	N/A	
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	
86a	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12		
86b	Gross receipts, included on line 12, for public use of club facilities		
87a	501(c)(12) orgs Enter a Gross income from members or shareholders		
87b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
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		X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <u>0</u> , section 4912 <u>0</u> , section 4955 <u>0</u>		
89b	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		X
89c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912 4955 and 4958		<u>0</u>
89d	Enter Amount of tax on line 89c, above reimbursed by the organization		<u>0</u>
90a	List the states with which a copy of this return is filed NY		
90b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)		<u>5</u>
91	The books are in care of THE CORPORATION Located at 386 PARK AVE., SO., SUITE 703, NY, NY		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		

Telephone no **212-252-7440**
ZIP + 4 **10016-8804**

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

Note Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by sec 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	CONFERENCE FEES					221,960
b						
c						
d						
e						
f	Medicare/Medicaid payments					
g	Fees and contracts from government agencies					
94	Membership dues and assessments					210,692
95	Interest on savings and temporary cash investments			14	2,067	
96	Dividends and interest from securities					
97	Net rental income or (loss) from real estate					
a	debt-financed property					
b	not debt-financed property					
98	Net rental income or (loss) from personal property					
99	Other investment income					
100	Gain or (loss) from sales of assets other than inventory					
101	Net income or (loss) from special events					155,929
102	Gross profit or (loss) from sales of inventory					
103	Other revenue a					
b	OTHER					7,943
c						
d						
e						
104	Subtotal (add columns (B), (D), and (E))		0		2,067	596,524
105	Total (add line 104 columns (B), (D), and (E))					598,591

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)
93A	CONFERENCE PERMIT NETWORKING OF BUSINESS, HEALTH & GOVERNMENT SECTORS AROUND CRITICAL HEALTH ISSUES.
94	PROVIDE THE FINANCIAL BASE WHICH ENABLES NYBGH TO MEET ITS DEFINED GOALS IN THE HEALTH CARE AREA.

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
N/A	%			
	%			
	%			
	%			

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, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

(b) Did the organization, during the year, pay premiums directly or indirectly

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

Please Sign Here	Under penalties of perjury I declare that I have examined this return, including schedules and attachments, and that the information therein is true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.
	Signature of officer <i>Laurel Pickering</i> Type or print name and title <i>Laurel Pickering, Executive</i>
Paid Preparer's Use Only	Preparer's signature <i>Vincent J. Cannistraro</i>
	Firm's name (or yours if self-employed) <i>VICTOR J. CANNISTRARO</i> address and ZIP + 4 <i>115 KISCO AVE MOUNT KISCO, NY 10549</i>

SCHEDULE A
(Form 990 or 990-EZ)**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),

501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions)

OMB No 1545-0047

2002Department 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 NEW YORK BUSINESS GROUP ON
HEALTH, INC.**

Employer identification number

13-3156952**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 ben plans & deferred compensation	(e) Expense account and other allowances
LAUREL PICKERING BROOKLYN, NY 10003	EXECUTIVE DIRECTOR 40	97,110	0	0
JANAERA GASTON CAMBRIA HEIGHTS, NY	DIRECTOR OF PROGRAMS 40	51,708	0	0
Total number of other employees paid over \$50,000 ▶	0			

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

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

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

Schedule A (Form 990 or 990-EZ) 2002

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

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

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

SEE STMT 7

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)	135,544	149,347	122,000	122,000	528,891
16 Membership fees received	154,877	194,923	192,933	200,108	742,841
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	150,380	184,702	110,375	93,525	538,982
18 Gross inc from int dividends amounts received from pymt on securities loans (section 512(a)(5)) rents royalties & unrelated busn taxable inc (less sec 511 taxes) from businesses acquired by the organization after June 30 1975	2,946	7,074	4,102	4,017	18,139
19 Net income from unrelated business activities not included in line 18					
20 Tax revn levied for the organization's ben & either paid to it or expended on its behalf					
21 The value of serv or fac furnished to the org by a governmental unit without charge Do not incl the value of serv or fac generally furnished to the public without charge					
22 Other income Attach a schedule Do not include gain or (loss) from sale of cap assets STMT 8	22,809	36,741	12,418		71,968
23 Total of lines 15 through 22	466,556	572,787	441,828	419,650	1,900,821
24 Line 23 minus line 17	316,176	388,085	331,453	326,125	1,361,839
25 Enter 1% of line 23	4,666	5,728	4,418	4,197	

26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24	26a	27,237
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	1,361,839
d Add Amounts from column (e) for lines 18 18 18,139 19 19 22 71,968 26b		26d	90,107
e Public support (line 26c minus line 26d total)		26e	1,271,732
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		26f	93.3834%

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

N/A

(2001) (2000) (1999) (1998)

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

N/A

(2001) (2000) (1999) (1998)

c Add Amounts from column (e) for lines 15 15 16 17 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 on 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)

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

(To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**

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)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table-			
If the amount on line 40 is-			
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)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below)

See the instructions for lines 45 through 50 on page 11 of the instructions)

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 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instr)

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

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

Yes	No	Amount
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	

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

Special Events Schedule

Form **990**

2002

For calendar year 2002, or tax year beginning

, and ending

Name _____

Employer Identification Number

THE NEW YORK BUSINESS GROUP ON
HEALTH, INC.

13-3156952

	(A)	(B)	(C)	Others	Total
Gross receipts	180,390	0	0	0	180,390
Less contributions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Gross revenue	180,390	0	0	0	180,390
Less direct expenses	<u>24,461</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,461</u>
Net income (loss)	<u>155,929</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>155,929</u>

Descriptions

A) ANNUAL FUNDRAISING DINNER

B) _____

c) _____

Others _____

13-3156952

Federal Statements

FYE 12/31/2002

Statement 1 - Form 990, Part I, Line 3 - Membership Dues and Assessments

Description	Amount
MEMBERSHIP FEES	\$ 210,692
TOTAL	\$ 210,692

Statement 2 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
	\$	\$	\$	\$
EXPENSES				
OUTSIDE CONSULTANTS	15,695	14,125	1,570	
COMPUTER EXPENSES	5,082	4,574	508	
PROFESSIONAL FEES	12,075	10,867	1,208	
OFFICE EXPENSES	13,256	11,930	1,326	
INSURANCE	4,454	4,009	445	
DUES & SUBSCRIPTIONS	3,071	2,764	307	
DATA PROCESSING	1,469	1,322	147	
NEWSLETTER	5,824	5,242	582	
TOTAL	\$ 60,926	\$ 54,833	\$ 6,093	\$ 0

Statement 3 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

Description	Beginning of Year	Accum Deprec	End of Year	Accum Deprec
OFFICE FURNITURE & EQUIPMENT	\$ 50,266	\$ 47,750	\$ 50,266	\$ 49,563
TOTAL	\$ 50,266	\$ 47,750	\$ 50,266	\$ 49,563

Statement 4 - Form 990, Part IV, Line 58 - Other Assets

Description	Beginning of Year	End of Year
SECURITY DEPOSITS	\$ 16,700	\$ 16,700
TOTAL	\$ 16,700	\$ 16,700

Statement 5 - Form 990, Part IV-A - Other Revenue Included in Financial Statements

Description	Amount
FUNDRAISING EXPENSES	\$ 24,461
TOTAL	\$ 24,461

13-3156952

Federal Statements

FYE 12/31/2002

Statement 6 - Form 990, Part IV-B - Other Expenses Included in Financial Statements

Description	Amount
FUNDRAISING EXPENSES	\$ 24,461
TOTAL	\$ 24,461

Form 990, Part VI, Question 80 - Relation to other organizations

Name of related organization(s)

NEW YORK HEALTH PURCHASING ALLIANCE

Statement 7 - Schedule A, Part III, Line 2d - Payment of Compensation / Reimbursement of Exp

COMPENSATION PAID IN EXCESS OF \$1,000.

Statement 8 - Schedule A, Part IV-A, Line 22 - Other Income

Description	2001	2000	1999	1998
REIMBURSED EXPENSES	\$ 14,230	\$ 29,946	\$ 12,418	\$
OTHER	8,579	6,795		
TOTAL	\$ 22,809	\$ 36,741	\$ 12,418	\$ 0

13-3156952

Federal Statements

FYE 12/31/2002

Special Events Direct Expenses

Description	Amount
COLUMN A	\$
ANNUAL FUNDRAISING DINNER	
COST OF GOODS SOLD	24,461
SUBTOTAL	24,461
TOTAL	24,461

DIRECT EXPENSES OTHER THAN FUNDRAISING EXPENSES
REPORTED ON FORM 990, PAGE 1, LINE 9B.

**THE NEW YORK BUSINESS
GROUP ON HEALTH, INC.**

FINANCIAL STATEMENTS

December 31, 2002

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Independent Auditors' Report

**To the Board of Directors
The New York Business Group on Health, Inc.**

We have audited the accompanying statement of financial position of The New York Business Group on Health, Inc. as of December 31, 2002 and the related statement of activities and changes in net assets, statement of functional expenses and statement of cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from The New York Business Group on Health, Inc.'s December 31, 2001 financial statements and, in our report dated September 10, 2002, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The New York Business Group on Health, Inc. as of December 31, 2002 and the changes in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

 **Victor J. Cannistra, CPA P.C**

**Mount Kisco, New York
August 22, 2003**

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

STATEMENT OF FINANCIAL POSITION

December 31, 2002

(With Comparative Totals as of December 31, 2001)

<u>ASSETS</u>		
	<u>2002</u>	<u>2001</u>
Cash and cash equivalents	\$ 211,035	\$ 160,186
Receivables (Note 7)	135,692	95,032
Prepaid expenses	<u>6,313</u>	<u>14,483</u>
Total Current Assets	353,040	269,701
Office furniture and equipment, less accumulated depreciation of \$49,563 in 2002 and \$47,750 in 2001	703	2,516
Security deposits	<u>16,700</u>	<u>16,700</u>
Total Assets	\$ <u>370,443</u>	\$ <u>288,917</u>
<u>LIABILITIES AND NET ASSETS</u>		
Accrued expenses	\$ 40,544	\$ 58,502
Deferred revenue	<u>102,100</u>	<u>90,775</u>
Total Current Liabilities	<u>142,644</u>	<u>149,277</u>
Net Assets:		
Unrestricted	227,799	139,640
Temporarily restricted	-	-
Permanently restricted	<u>-</u>	<u>-</u>
Total Net Assets	<u>227,799</u>	<u>139,640</u>
Total Liabilities and Net Assets	\$ <u>370,443</u>	\$ <u>288,917</u>

The accompanying notes and independent auditors' report are an integral part of the financial statements

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

**For the Year Ended December 31, 2002
(With Comparative Totals for the Year Ended December 31, 2001)**

	<u>2002</u>			<u>Total</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>2001</u>
Support & Revenue:				
Grants & contributions	\$ 180,390		\$ 180,390	\$ 156,063
Membership fees	210,692		210,692	154,877
Conference fees	221,960		221,960	150,380
Interest	2,067		2,067	2,946
Other fees	7,943		7,943	8,579
Reimbursed expenses (Note 7)			-	14,230
Net assets released from restriction:				
Satisfaction of program restrictions			-	-
Total Support & Revenue	<u>623,052</u>		<u>623,052</u>	<u>487,075</u>
Expenses:				
Program services	459,389		459,389	447,601
Management & general	51,043		51,043	49,735
Fundraising	<u>24,461</u>		<u>24,461</u>	<u>20,519</u>
Total Expenses	<u>534,893</u>		<u>534,893</u>	<u>517,855</u>
Increase (decrease) in net assets	88,159		88,159	(30,780)
Net assets, beginning of year	<u>139,640</u>		<u>139,640</u>	<u>170,420</u>
Net assets, end of year	<u>\$ 227,799</u>	\$ <u> </u>	<u>\$ 227,799</u>	<u>\$ 139,640</u>

The accompanying notes and independent auditors' report are an integral part of the financial statements

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2002
(With Comparative Totals for the Year Ended December 31, 2001)

	2002			Total 2001
	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>	
Expenses:				
Salaries	\$ 229,465	\$ 25,496		\$ 254,961
Payroll taxes & employee benefits	27,659	3,073		31,046
Outside consultants	14,125	1,570		36,833
Printing	12,880	1,431		5,736
Postage & delivery	13,262	1,474		14,736
Rent & utilities	43,619	4,847		37,059
Conferences	60,069	6,674		51,555
Computer expenses	4,574	508		2,293
Telephone	6,968	774		7,919
Professional fees	10,867	1,208		11,571
Travel & entertainment	3,789	421		5,624
Newsletter	5,242	582		10,116
Office expenses	11,930	1,326		13,256
Insurance	4,009	445		4,454
Equipment rental & maintenance	5,213	579		5,792
Fundraising expense			\$ 24,461	24,461
Dues & subscriptions	2,764	307		3,071
Data processing	1,322	147		1,469
Depreciation	<u>1,632</u>	<u>181</u>		<u>1,813</u>
Total Expenses	\$ <u>459,389</u>	\$ <u>51,043</u>	\$ <u>24,461</u>	\$ <u>534,893</u>
				\$ <u>517,855</u>

The accompanying notes and independent auditors' report are an integral part of the financial statements

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

STATEMENT OF CASH FLOWS

**For the Year Ended December 31, 2002
(With Comparative Totals for the Year Ended December 31, 2001)**

	<u>2002</u>	<u>2001</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 88,159	\$ (30,780)
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities:		
Depreciation	1,813	2,214
(Increase) in receivables	(40,660)	(2,942)
(Increase) decrease in prepaid expenses	8,170	(1,994)
(Increase) in security deposits	-	(10,200)
Increase (decrease) in accrued expenses	(17,958)	19,275
Increase in deferred revenue	<u>11,325</u>	<u>65,448</u>
 Cash provided by operating activities	<u>50,849</u>	<u>41,021</u>
 Net increase in cash	50,849	41,021
 Cash and cash equivalents, beginning of year	<u>160,186</u>	<u>119,165</u>
 Cash and cash equivalents, end of year	\$ <u>211,035</u>	\$ <u>160,186</u>

Supplemental disclosure of cash flow information:

Cash paid during the year for:

Interest	\$ -0-	\$ -0-
Income taxes	\$ -0-	\$ -0-

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2002

Note 1 – Organization:

The New York Business Group on Health, Inc. ("NYBGH") was incorporated as a New York not-for-profit corporation in 1983. NYBGH is a membership corporation for organizations of employers in the greater New York area whose general objective is health care cost containment, cost effectiveness and the quality of health care.

NYBGH is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is also exempt under applicable state tax laws. The Organization has been determined not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

Note 2 – Summary of Significant Accounting Policies:

Basis of Accounting

The accompanying financial statements are prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

NYBGH's financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-For-Profit Organizations". Under SFAS No. 117, NYBGH is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets, based on the existence or absence of donor imposed restrictions.

Unrestricted Funds

Resources that have no donor restrictions on their use or purpose and, accordingly, may be used for purposes designated by the Board of Directors.

Restricted Funds

Resources that have been restricted by donor, grantor, or other outside party as to the purposes for which they may be used.

Cash Equivalents

NYBGH considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2002

(Continued)

Note 2 – Summary of Significant Accounting Policies (continued):

Fixed Assets

Fixed assets are recorded at cost reduced by the accumulated depreciation. Depreciation is provided using the straight line method over the estimated useful lives of the assets, which is determined to be 5 years.

Note 3 – Grants Designated for Future Periods:

NYBGH receives grants for specific projects, which are not completed within a single fiscal period. That portion of the grant representing reimbursement of costs to be expended in a future period are deferred to a future year.

Note 4 – Functional Allocation of Expenses:

The costs of providing the various programs and other activities of NYBGH have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited on the basis of management's best judgment.

Note 5 – Commitments and Other Contingencies:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. NYBGH is in an industry, which has substantial regulations, changes in which could affect operating results.

NYBGH maintains its cash balances at financial institutions located within its region. Account balances in excess of Federal Deposit Insurance Corporation limits as of December 31, 2002 were \$101,945.

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2002

(Continued)

Note 5 – Commitments and Other Contingencies (continued):

NYBGH is obligated under various lease agreements for the operation of its programs and administrative offices. NYBGH is also obligated under office equipment leases. Future minimum amounts payable under these leases are as follows:

2003	\$ 99,844
2004	101,644
2005	104,664
2006	102,924
2007	98,289
Thereafter	<u>353,000</u>
Total	<u>\$ 860,365</u>

Note 6 – Tax Deferred Annuity Plan:

Effective January 1, 1996 the Board of Directors of NYBGH instituted a 403(b) tax deferred annuity plan. An employee may elect to defer gross earnings not to exceed the limits imposed by Code Sections 402(g), 403(b) and 415. These deferred earnings will be contributed to funds held by Teachers Insurance and Annuity Association and College Retirement Equity fund as directed by the employee. Any employee may begin participation in the Plan immediately following employment.

Note 7 – Related Party Transactions:

NYBGH shares office space with New York Health Purchasing Alliance, Inc. (NYHPA). For 2001, amounts reimbursed to NYBGH from NYHPA are shown as a reduction in the appropriate expense category for expenses such as rent and utilities, postage and delivery, general office supplies, telephone and similar expenses. Amounts reimbursed for equipment rental, computer charges, professional fees, employee salaries and benefits, and similar expenses are shown as reimbursed expense income on the Statement of Activities and Changes in Net Assets. For 2002, all reimbursed expenses are shown as a reduction in the applicable expense category.

As of December 31, 2002 and 2001 there is a balance due to NYBGH from NYHPA of \$41,882 and \$18,859 related to shared expenses, respectively.

NYBGH is the sole member and has exclusive authority over NYHPA and additional members may be appointed to NYHPA at the sole discretion of NYBGH. NYHPA is organized under the not-for-profit corporation law and is related to NYBGH by virtue of a common Board of Directors. NYHPA's application for tax exempt status is pending.

THE NEW YORK BUSINESS GROUP ON HEALTH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2002

(Continued)

Note 8 – Comparative Financial Statements:

The amounts shown for the year ended December 31, 2001 in the accompanying financial statements are included to provide a basis for comparison with December 31, 2002 and present summarized totals only. Accordingly, the December 31, 2001 amounts are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America.

Form **8868**

(December 2000)

Department of the Treasury

Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Note** Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

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 NEW YORK BUSINESS GROUP ON HEALTH, INC.	Employer identification number 13-3156952
	Number, street, and room or suite no. If a P O box, see instructions 386 PARK AVENUE SOUTH	
	City, town or post office, state, and ZIP code For a foreign address, see instructions NEW YORK NY 10016-8804	

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 8/15/03 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 _____, and ending _____

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

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

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

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

Signature and Verification

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

Signature ▶ [Signature] Title ▶ CPS Agent Date ▶ 5/14/03

For Paperwork Reduction Act Notice, see Instruction Form 8868 (12-2000)

☒ 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 NEW YORK BUSINESS GROUP ON HEALTH, INC.	Employer identification number 13-3156952
	Number, street, and room or suite no. If a P O box, see instructions 386 PARK AVENUE SOUTH	For IRS use only
	City, town or post office, state, and ZIP code For a foreign address see instr NEW YORK NY 10016-8804	

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

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

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

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

4 I request an additional 3-month extension of time until 11/17/03

5 For calendar year 2002, or other tax year beginning _____ and ending _____

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

7 State in detail why you need the extension
ADDITIONAL TIME IS REQUESTED TO GATHER INFORMATION TO PREPARE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069 enter the tentative tax, less any nonrefundable credits See instructions \$ _____

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____

c Balance Due Subtract line 8b from line 8a Include your payment with this form, or, if required deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions \$ _____

Signature and Verification

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

Signature [Signature] Title CPA agent Date 8/06/03

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

EXTENSION APPROVED

AUG 18 2003

LINDA WEISKOFF, FIELD DIRECTOR
SUSAN JOHNSON, PROCESSING, CC

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 VICTOR J. CANNISTRA, CPA P.C.	106 AUG 10 2003 OGDEN, UT
	Number and street (Include suite, room, or apt no) Or a P O box number 115 KISCO AVE	
	City or town, province or state, and country (including postal or ZIP code) MOUNT KISCO NY 10549-1492	