

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="font-size: 24pt; font-weight: bold;">2009</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☐ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>THE HEALTHFIELD, INC. HUGS RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1992</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1992</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/1992</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>GENTIVA HEALTH SERVICES, INC.</u> <u>3350 RIVERWOOD PKWY SE STE 1400</u> <u>ATLANTA, GA 30339-3314</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>58-1819650</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>770-953-9510</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>621610</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>58-1819650</u>	2c Sponsor's telephone number <u>770-953-9510</u>	2d Business code (see instructions) <u>621610</u>	
2b Employer Identification Number (EIN) <u>58-1819650</u>					
2c Sponsor's telephone number <u>770-953-9510</u>					
2d Business code (see instructions) <u>621610</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	07/28/2010	JOHN H KARR
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	07/28/2010	JOHN H KARR
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") GENTIVA HEALTH SERVICES, INC. 3350 RIVERWOOD PKWY SE STE 1400 ATLANTA, GA 30339-3314	3b Administrator's EIN 58-1819650 3c Administrator's telephone number 770-953-9510
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name HEALTHFIELD, INC.	4b EIN	4c PN
5 Total number of participants at the beginning of the plan year	5	2669
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	2530
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	166
d Subtotal. Add lines 6a , 6b , and 6c	6d	2696
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	2696
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	1588
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 2E 2F 2G 2J 2K 2T 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☒ Insurance	(1) ☒ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
(2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
(2) ☐ **I** (Financial Information – Small Plan)
(3) ☒ 1 **A** (Insurance Information)
(4) ☒ **C** (Service Provider Information)
(5) ☒ **D** (DFE/Participating Plan Information)
(6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan THE HEALTHFIELD, INC. HUGS RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500. GENTIVA HEALTH SERVICES, INC.		
D Employer Identification Number (EIN) 58-1819650		

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier PRINCIPAL LIFE INSURANCE COMPANY
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	427103	2696	01/01/2009	12/31/2009

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.				
<table><tr><td>(a) Total amount of commissions paid</td><td>(b) Total amount of fees paid</td></tr><tr><td>8402</td><td>1464</td></tr></table>	(a) Total amount of commissions paid	(b) Total amount of fees paid	8402	1464
(a) Total amount of commissions paid	(b) Total amount of fees paid			
8402	1464			

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).		
<table><tr><td>(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid</td></tr><tr><td>BRIDGEWATER CONSULTING AND INSURANC 2464 ALAQUA DRIVE LONGWOOD, FL 32779</td></tr></table>	(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid	BRIDGEWATER CONSULTING AND INSURANC 2464 ALAQUA DRIVE LONGWOOD, FL 32779
(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid		
BRIDGEWATER CONSULTING AND INSURANC 2464 ALAQUA DRIVE LONGWOOD, FL 32779		

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
8402	1464	REFERRAL/SERVICE FEE	3

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

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	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	988200
5 Current value of plan's interest under this contract in separate accounts at year end	5	14263242

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ FLEXIBLE INVESTMENT ANNUITY

b Balance at the end of the previous year	7b	1032912
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c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits	7c(2)		
(3) Interest credited during the year	7c(3)	37120	
(4) Transferred from separate account	7c(4)	131315	
(5) Other (specify below)..... ▶ LOAN PAYMENT	7c(5)	15071	

(6) Total additions	7c(6)	183506
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d Total of balance and additions (add b and c(6)).	7d	1216418
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	124187
(2) Administration charge made by carrier	7e(2)	5783
(3) Transferred to separate account	7e(3)	86503
(4) Other (specify below)..... ▶ 401(K) (M) EXCESS CONTRIBUTION	7e(4)	2522

(5) Total deductions	7e(5)	218995
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f Balance at the end of the current year (subtract e(5) from d)	7f	997423
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organization(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

<div>A</div> <div>Name of plan</div> <div>THE HEALTHFIELD, INC. HUGS RETIREMENT PLAN</div>	<div>B</div> <div>Three-digit plan number (PN)</div> <div>▶</div> <div>001</div>
<div>C</div> <div>Plan sponsor's name as shown on line 2a of Form 5500</div> <div>GENTIVA HEALTH SERVICES, INC.</div>	<div>D</div> <div>Employer Identification Number (EIN)</div> <div>58-1819650</div>

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1

Information on Persons Receiving Only Eligible Indirect Compensation

a

Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....

☒ Yes

☐ No

b

If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b)

Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b)

Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 37 50 64	CONTRACT ADMINISTRATOR	66698	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>THE HEALTHFIELD, INC. HUGS RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>GENTIVA HEALTH SERVICES, INC.</u>	D Employer Identification Number (EIN) <u>58-1819650</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP VALUE III SA-R6</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-022</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>587097</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN SMCAP BLEND SEP ACCT-R6</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-029</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>646202</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MIDCAP BLEND SEP ACCT-R6</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-020</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>745222</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN MONEY MARKET SEP ACCT-R6</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-024</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>2593961</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LGCAP BLEND I SEP ACCT-R6</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-017</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>627846</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN U.S. PROPERTY SEP ACCT-R6</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-027</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>468489</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN BOND AND MORTGAGE SA-R6</u>				
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>				
c EIN-PN <u>42-0127290-005</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1470324</u>		

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN DIVERSIFIED INTL SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-015	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 829077
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP S&P 500 INDEX SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-016	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1059422
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH III SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-026	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 228256
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP GROWTH II SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-067	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 420977
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGECAP VALUE III SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-068	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 274181
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP GROWTH II SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-071	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 103970
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP VALUE III SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-074	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2010 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-075	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 387491
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2020 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-076	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1573972
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2030 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-077	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1298895

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2040 SEP ACCT-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-078**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

384159

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2050 SEP ACCT-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-079**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

78157

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME STRAT INC SA-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-080**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

228260

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP VALUE II SA-R6

PRINCIPAL LIFE INSURANCE COMPANY

b Name of sponsor of entity listed in (a):**c** EIN-PN 42-0127290-096**d** Entity code P**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

257285

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan THE HEALTHFIELD, INC. HUGS RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 GENTIVA HEALTH SERVICES, INC.	D Employer Identification Number (EIN) 58-1819650	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	90870	13985
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	227186	106850
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)	13697283	14263242
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	1032912	988200
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	15048251	15372277

Liabilities

g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	76884	
k Total liabilities (add all amounts in lines 1g through 1j)	1k	76884	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	14971367	15372277
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	0	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	13792	
(F) Other	2b(1)(F)	37120	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		50912
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	0	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		2096216
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		0
c Other income.....	2c		-9222
d Total income. Add all income amounts in column (b) and enter total.....	2d		2137906

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1625356	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1625356
f Corrective distributions (see instructions)	2f		44450
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	67190	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		67190
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1736996

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		400910
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: FRAZIER & DEETER, LLC

(2) EIN: 58-1433845

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....	X		2791428
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	0
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	0
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	0
e Was this plan covered by a fidelity bond?.....	X		50000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection.
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>THE HEALTHFIELD, INC. HUGS RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>GENTIVA HEALTH SERVICES, INC.</u>	D Employer Identification Number (EIN) <u>58-1819650</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>42-0127290</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**THE HEALTHFIELD, INC.
HUGSS\$ RETIREMENT PLAN**

FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

THE HEALTHFIELD, INC. HUGSS\$ RETIREMENT PLAN

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December 31, 2009 and 2008

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FRAZIER & DEETER, LLC
CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of the
The Healthfield, Inc. HUGS\$ Retirement Plan
Atlanta, GA

We were engaged to audit the accompanying statement of net assets available for benefits of The Healthfield, Inc. HUGS\$ Retirement Plan as of December 31, 2009, the related statement of changes in net assets available for benefits for the year ended December 31, 2009, the supplemental Schedule H, line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2009, and the supplemental Schedule H, line 4a - Schedule of Delinquent Participant Contributions as of December 31, 2009. These financial statements and supplemental schedules are the responsibility of the Plan's management. The financial statements of the Plan as of and for the year ended December 31, 2008 were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed the other auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by the custodian. Their report, dated October 2, 2009, indicated that (a) because of the significance of the information that they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements, other than that derived from the information certified by the custodian, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Principal Life Insurance Company, the custodian of the Plan, except for comparing such information with the related information included in the 2009 financial statements and supplemental schedule. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the year ended December 31, 2009, that the information provided to the plan administrator by the custodian is complete and accurate.

As described in Note 2, these financial statements and supplemental schedules were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

Because of the significance of the information in the Plan's 2009 financial statements and supplemental schedules that we did not audit, we are unable to, and do not express an opinion on the accompanying 2009 financial statements and supplemental schedules taken as a whole. The form and content of the information included in the 2009 financial statements and supplemental schedules, other than that derived from the information certified by the custodian, has been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

July 22, 2010
Atlanta, Georgia

Frazier + Deeter, LLC

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Statements of Net Assets Available for Benefits

Modified Cash Basis

	<i>December 31,</i>	
	<i>2009</i>	<i>2008</i>
Assets:		
Investments, at fair value:		
Guaranteed interest accounts	\$ 988,200	\$ 1,032,912
Pooled separate accounts	14,263,242	13,697,283
Participant loans	<u>106,850</u>	<u>227,186</u>
Total investments	<u>15,358,292</u>	<u>14,957,381</u>
Receivables:		
Due from plan sponsor	<u>-</u>	<u>91,729</u>
Total Assets	<u>15,358,292</u>	<u>15,049,110</u>
Liabilities:		
Corrective distributions of contributions	<u>-</u>	<u>76,884</u>
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit-responsive investment contracts	<u>9,223</u>	<u>-</u>
Net Assets Available for Benefits	<u>\$ 15,367,515</u>	<u>\$ 14,972,226</u>

See notes to financial statements.

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Statements of Changes in Net Assets Available for Benefits

Modified Cash Basis

	<u>For the Year Ended December 31,</u>	
	<u>2009</u>	<u>2008</u>
Additions to net assets attributed to:		
Investment income (loss):		
Net appreciation (depreciation) from pooled separate accounts	\$ 2,081,373	\$ (5,561,137)
Interest income	<u>50,912</u>	<u>57,461</u>
	<u>2,132,285</u>	<u>(5,503,676)</u>
Contributions:		
Employer	<u>-</u>	<u>3,363</u>
Total additions	<u>2,132,285</u>	<u>(5,500,313)</u>
Deductions from net assets attributed to:		
Benefits paid to participants	1,669,806	2,770,440
Administrative expenses	<u>67,190</u>	<u>84,110</u>
Total deductions	<u>1,736,996</u>	<u>2,854,550</u>
Net increase (decrease)	395,289	(8,354,863)
Net Assets Available for Benefits		
Beginning of year	<u>14,972,226</u>	<u>23,327,089</u>
End of year	<u>\$ 15,367,515</u>	<u>\$ 14,972,226</u>

See notes to financial statements.

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Notes to Financial Statements

December 31, 2009 and 2008

Note 1 - Description of plan:

The following description of The Healthfield, Inc. (the Company) HUGS\$ Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all full-time employees of the Company who have completed three months of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Company voted to cease participation in the Plan effective January 1, 2007 for all participating employers except Colorado Springs Medical Management, Inc., which ceased participation in the Plan effective March 31, 2008. Upon the effected dates the employers became participating employers in the Gentiva Health Services Retirement Savings Plan and all affected employees became 100% vested in their Plan accounts. As the Plan was frozen, no further contributions were made to the Plan. The intent of the plans' sponsor is to merge the two plans.

Contributions

Each year, participants may contribute up to 15% of pretax annual compensation, as defined in the Plan. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company contributes to the Plan an amount determined at its discretion. The Company may choose to make a company basic matching contribution to the Plan by matching salary reduction contributions to the Plan by participant in an amount up to 6% of each participant's compensation (as defined in the Plan) for each year.

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 1 - Description of plan - continued:

Investment options

Participants are permitted to direct the investment of their accounts under the Plan among several investment funds, each with varying opportunities and risks. Participants initially designate their investment options on the participant election form provided by the Plan administrator. To the extent that participants fail to provide investment options, separate accounts under the Plan will be invested in the Principal Money Market Account. Investment earnings are automatically re-invested in the fund(s) where they are originally earned. The Company's discretionary contributions, if any, go into the fund or funds selected by the participants for their own contributions.

Participants may change their investment options at any time.

Participant accounts

Each active participant's accounts is credited with the participant's contribution, an allocation of the Company's contribution, and plan earnings, and is charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. Forfeited balances of terminated participant's nonvested accounts are reallocated among active participants based on participant earnings. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant entering is 100% vested in the Company's discretionary contribution portion of their accounts plus actual earnings upon the completion of five years of credited service, or in the event of normal retirement, death, or disability.

THE HEALTHFIELD, INC. HUGSS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 1 - Description of plan - continued:

Withdrawals and distributions

Amounts contributed through salary reduction may be withdrawn by, or distributed to, a participant only upon (i) termination of employment, or (ii) attaining the age of 59 1/2. Withdrawals prior to attaining age 59 1/2 are not permitted except in the event of death, disability, or as a hardship distribution. Upon proof, to the satisfaction of the Plan administrator, of an immediate and heavy financial need, amounts contributed may be withdrawn for a hardship purpose. Certain income tax penalties may apply to withdrawals or distributions prior to age 59 1/2.

Participant loans

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000, reduced by any outstanding loan balance on the date the new loan is made, or 50% of the account balance, as defined. The loans are secured by the balance in the participant's account and bear a reasonable fixed rate of interest to be determined by the Plan administrator. Principal and interest is to be repaid ratably not less than quarterly with a maximum term of five years. There were no new loans permitted as of January 1, 2007.

Note 2 - Summary of significant accounting policies:

Basis of presentation

The Plan has adopted Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards (SFAS) No. 168, *The FASB Accounting Standards Codification* (Codification) and the *Hierarchy of Generally Accepted Accounting Principles* (GAAP) (SFAS No. 168). SFAS No. 168 requires that the Codification become the source of authoritative U.S. GAAP recognized by the FASB to be applied by nongovernmental entities. All of the Codification's content carries the same level of authority. The adoption of SFAS No. 168 did not have a material impact on the Plan's financial statements or disclosures.

Basis of accounting

The financial statements of the Plan have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Accordingly, investment income is recognized when received, disbursements are recognized when made, and employer contributions are accrued at year-end.

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 2 - Summary of significant accounting policies - continued:

Investment valuation

Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statements of Net Assets Available for Benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statements of Changes in Net Assets Available for Benefits are prepared on a contract value basis.

Net appreciation (depreciation) in fair value of investments includes unrealized and realized gains and losses. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results may differ from those estimates.

Risks and uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate risk, market risk, and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the accompanying Statements of Net Assets Available for Benefits.

Payments of benefits

Benefits are recorded when paid.

THE HEALTHFIELD, INC. HUGSS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 2 - Summary of significant accounting policies - continued:

Administrative expenses

Expenses incurred in the administration of the Plan may, but need not be, paid by the Company. If the Company elects not to pay such expenses, these expenses shall be paid by the Plan.

New accounting pronouncements

In April 2009, the FASB issued an accounting standards update related to fair value disclosures. This guidance expanded fair value disclosures and required that major categories for debt and equity securities in the fair value hierarchy be determined on the basis of the nature and risks of the investments. This guidance is effective for periods ending after June 15, 2009. The adoption of this guidance did not have a material impact on the Plan's financial statements.

In September 2009, the FASB issued an accounting standards update which provides a practical expedient for measuring the fair values of Plan investments in investment companies that calculate a net asset value per share (such as hedge funds, private equity funds, funds of funds, certain collective trusts, common trusts, and pooled separate accounts). The practical expedient permits an entity holding investments in certain entities that calculate net asset value per share or its equivalent for which the fair value is not readily determinable, to measure the fair value of such investments on the basis of that net asset value per share or its equivalent without adjustment. This guidance also provides enhanced disclosure requirements about the nature and risks of investments within its scope. Such disclosures include the nature of any restrictions on an investor's ability to redeem its investments at the measurement date, any unfunded commitments, and the investment strategies of the investee. This guidance is effective for periods ending after December 15, 2009. The adoption of this guidance did not have a material impact on the Plan's financial statements.

In January 2010, the FASB issued an accounting standards update which adds new disclosure requirements for Level 1 and Level 2 assets, separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 assets, and clarification of existing fair value disclosures. This accounting standard is effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. The Plan is currently evaluating the impact this accounting standard will have on the financial statements.

THE HEALTHFIELD, INC. HUGSS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 2 - Summary of significant accounting policies - continued:

Subsequent events

The Plan has evaluated subsequent events through July 22, 2010, which is the date these financial statements were available to be issued. All subsequent events, if any, requiring recognition as of December 31, 2009, have been incorporated into these financial statements.

Note 3 - Plan merger:

On December 29, 2006, the Company decided to freeze the Plan effective December 31, 2006 and intends to merge the Plan with and into the Gentiva Savings Plan, upon a favorable determination from the Internal Revenue Service (IRS) regarding the untimely contributions (see Note 9) and corrective distributions (see Note 10). In December 2009, the Company received a favorable determination from the IRS.

Note 4 - Income tax status:

The IRS has determined and informed the Company by a letter dated May 28, 2008 that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt as of December 31, 2009.

Note 5 - Fair value measurements:

The Plan's investments are valued at fair value based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

THE HEALTHFIELD, INC. HUGSS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 5 - Fair value measurements - continued:

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2009 and 2008.

- Units of the guaranteed interest accounts are stated at fair value which represents contract value adjusted to reflect current market interest rates only to the extent such market rates exceed crediting rates.
- Pooled separate accounts:
 - General - Units of the pooled separate accounts are stated at fair value as reported by the Trustee based on quoted market prices of the underlying investments.

THE HEALTHFIELD, INC. HUGSS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 5 - Fair value measurements - continued:

- Real estate - An independent consultant (the Valuation Consultant) selected by Principal Real Estate oversees and administers the appraisal process for the U.S. Property Separate Account (USPSA). Real estate investments are stated at fair value as determined by the Valuation Consultant and approved by USPSA management. Appraisals are performed for each investment annually by independent third party MAI certified appraisers with all appraisals being performed in accordance with the Uniform Standard of Professional Appraisal Practice. Thereafter, values are updated daily by the Valuation Consultant based on changes in factors such as occupancy levels, lease rates, overall market conditions, and capital improvements. Determination of estimated fair value involves subjective judgment because the actual fair value of real estate can be determined only by negotiation between the parties in a sales transaction.

Since appraisals take into consideration the estimated effect of physical depreciation, historical cost depreciation, and amortization on real estate related assets has been excluded from net investment income.

The values of real estate properties undergoing development have been prepared giving considerations to costs incurred to date and to key development risk factors including entitlement risk, pricing risk, event risk and valuation risk. The fair value of properties undergoing development includes the timely recognition of estimated entrepreneurial profit after such consideration.

- Participant loans are valued at amortized cost, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 5 - Fair value measurements - continued:

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009:

Assets at Fair Value as of December 31, 2009				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Guaranteed interest account	\$ -	\$ -	\$ 988,200	\$ 988,200
Pooled separate accounts:				
Fixed income accounts	-	4,064,315	468,489	4,532,804
Lifestyle accounts	-	3,950,904	-	3,950,904
International equity accounts	-	4,950,457	-	4,950,457
US equity accounts	<u>-</u>	<u>829,077</u>	<u>-</u>	<u>829,077</u>
Total pooled separate accounts	<u>-</u>	<u>13,794,753</u>	<u>468,489</u>	<u>14,263,242</u>
Participant loans	<u>-</u>	<u>-</u>	<u>106,850</u>	<u>106,850</u>
Total assets at fair value	<u>\$ -</u>	<u>\$ 13,794,753</u>	<u>\$ 1,563,539</u>	<u>\$ 15,358,292</u>

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 5 - Fair value measurements - continued:

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2008:

Assets at Fair Value as of December 31, 2008				
	Level 1	Level 2	Level 3	Total
Guaranteed interest account:	\$ -	\$ -	\$ 1,032,912	\$ 1,032,912
Pooled separate accounts:				
Fixed income accounts	-	4,185,665	699,651	4,885,316
Lifestyle accounts	-	3,649,459	-	3,649,459
International equity accounts	-	716,591	-	716,591
US equity accounts	-	4,445,917	-	4,445,917
Total pooled separate accounts	-	12,997,632	699,651	13,697,283
Participant loans	-	-	227,186	227,186
Total assets at fair value	\$ -	\$ 12,997,632	\$ 1,959,749	\$ 14,957,381

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2009:

Level 3 Assets			
	Guaranteed Interest Account	Pooled Separate Accounts	Participant Loans
Balance beginning of year	\$ 1,032,912	\$ 699,651	\$ 227,186
Purchases, sales, issuances and settlements, net	(35,469)	(231,162)	(120,305)
Balance end of year	\$ 997,443	\$ 468,489	\$ 106,881

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 6 - Party-in-interest transactions:

Certain Plan investments are guaranteed interest accounts and shares of pooled separate accounts managed by Principal Life Insurance Company. Principal Life Insurance Company is the custodian as defined by the Plan and qualifies as a party-in-interest. Fees paid by the Plan for the investment management services amounted to \$67,189 and \$84,110 for years ended December 31, 2009 and 2008, respectively.

Note 7 - Investments and information certified by the custodian:

Principal Life Insurance Company (Principal) is the custodian for the Plan. Principal holds the Plan's investment assets and executes transactions. The plan administrator has obtained certifications from Principal that investment information as of December 31, 2009 and 2008, and for the years then ended, is complete and accurate.

The following is a summary of investments, at fair value, that represent 5% or more of the Plan's net assets at December 31, 2009 and 2008:

	2009	2008
Money Market	\$ 2,593,961	\$ 2,743,527
Bond and Mortgage	1,470,324	1,397,138
Principal Lifetime 2020	1,573,972	1,469,628
Principal Lifetime 2030	1,298,895	1,189,215
LargeCap S&P 500 Index	1,059,422	930,370
Diversified International	829,077	*

*Indicates investment is less than 5% of net assets as of December 31, 2008.

During 2009 and 2008, the Plan's investments in guaranteed interest accounts (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value by \$37,120 and \$57,461, respectively.

During 2009 and 2008, the Plan's investments in pooled separate accounts (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value by \$2,081,373 and (\$5,561,137), respectively.

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 8 - Reconciliation of financial statements to Form 5500:

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 for December 31, 2009:

	<u>December 31, 2009</u>
Net assets per financial statements	\$ 15,367,515
Plus: Receivables per 5500	13,985
Less: Adjustment from fair value to contract value for interest in collective trust relating to fully benefit-responsive investment contracts	<u>(9,223)</u>
Due from Plan sponsor per Form 5500	<u><u>\$ 15,372,277</u></u>

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 for December 31, 2008:

	<u>December 31, 2008</u>
Net assets per financial statements	\$ 14,972,226
Less: Lost earnings	<u>(859)</u>
Due from Plan sponsor per Form 5500	<u><u>\$ 14,971,367</u></u>

THE HEALTHFIELD, INC. HUGSS\$ RETIREMENT PLAN

Notes to Financial Statements - Continued

December 31, 2009 and 2008

Note 9 - Untimely contributions:

Various 401(k) contributions from July 30, 2004 through December 22, 2006, totaling \$2,791,428 were withheld from the participants' pay but not sent to the Plan's custodian on a timely basis by the Company.

In order to correct these prohibited transactions, the Company calculated lost earnings based on weighted average calculation of investment performance provided by the Plan's custodian. Lost earnings for the period above amounted to \$19,034 and \$14,845 as of December 31, 2009 and 2008, respectively. These amounts are scheduled to be deposited by the employer in the near future.

Note 10 - Corrective distributions:

The Plan failed to pass the Average Deferral Percentage (ADP) test and the Actual Contribution Percentage (ACP) test for the 2006 and 2005 plan years.

In order to correct the failure of the ADP and ACP tests for the 2006 and 2005 plan years, as permitted under applicable IRS guidance, the employer opted to correct the testing failures by using the One-To-One correction method which generally requires an excess contribution amount to be refunded to highly compensated employees and a qualified non-elective contribution to be paid by the Company to the Plan in the same amount and allocated to certain non-highly compensated employees. For the 2006 plan year, the excess and non-elective contributions were each \$35,792 and are scheduled to be refunded and paid, respectively, in the near future. For the 2005 plan year, the excess and non-elective contributions were each \$41,092 and are scheduled to be refunded and paid, respectively, in the near future.

Note 11 - Subsequent events:

In April of 2010, the Company completed the execution of the VCP corrections. The Plan will merge into the Gentiva Savings Plan during 2010.

SUPPLEMENTAL INFORMATION

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN**EIN 58-1819650****Plan Number - 001****December 31, 2009****SCHEDULE H - LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS**

<u>Pay Period Date</u>	<u>Payment Date</u>	<u>Amount</u>
July 30, 2004	November 16, 2004	\$ 981
August 13, 2004	November 16, 2004	1,045
August 27, 2004	November 16, 2004	1,354
September 10, 2004	November 16, 2004	1,341
September 24, 2004	November 16, 2004	1,413
October 08, 2004	November 16, 2004	1,892
October 22, 2004	November 16, 2004	2,091
January 21, 2005	March 29, 2005	901
January 28, 2005	March 02, 2005	53,517
February 04, 2005	March 02, 2005	62,111
February 04, 2005	March 29, 2005	233
February 18, 2005	March 29, 2005	300
April 08, 2005	May 05, 2005	69,131
May 06, 2005	June 08, 2005	70,327
May 13, 2005	June 09, 2005	65,827
July 01, 2005	June 22, 2005	441
July 29, 2005	August 23, 2005	78,862
September 02, 2005	October 19, 2005	3,579
September 09, 2005	October 27, 2005	22,128
September 16, 2005	October 28, 2005	4,029
September 23, 2005	October 28, 2005	21,604
September 30, 2005	October 28, 2005	3,386
October 07, 2005	October 28, 2005	21,263
October 28, 2005	November 21, 2005	70,512
December 02, 2005	January 04, 2006	113,255
December 09, 2005	January 04, 2006	69,207
December 16, 2005	January 10, 2006	110,046
December 30, 2005	February 01, 2006	2,452
February 10, 2006	February 28, 2006	120,653
June 02, 2006	June 14, 2006	122,572
July 21, 2006	May 29, 2007	30
July 28, 2006	August 09, 2006	135,516
August 25, 2006	September 08, 2006	132,829
September 08, 2006	September 26, 2006	135,724
September 29, 2006	October 16, 2006	82,267
October 06, 2006	October 30, 2006	139,882
October 13, 2006	November 13, 2006	88,674
October 20, 2006	November 13, 2006	140,907

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN***EIN 58-1819650******Plan Number - 001******December 31, 2009*****SCHEDULE H - LINE 4A - SCHEDULE OF DELINQUENT PARTICIPANT
CONTRIBUTIONS - CONTINUED**

<u>Pay Period Date</u>	<u>Payment Date</u>	<u>Amount</u>
October 27, 2006	November 13, 2006	84,937
November 03, 2006	December 08, 2006	141,641
November 10, 2006	December 08, 2006	87,369
November 17, 2006	December 08, 2006	143,362
November 24, 2006	December 12, 2006	84,388
December 08, 2006	December 20, 2000	84,574
December 15, 2006	January 05, 2007	128,759
December 22, 2006	January 08, 2007	84,115
		<u>\$ 2,791,427</u>

THE HEALTHFIELD, INC. HUGSS\$ RETIREMENT PLAN**EIN 58-1819650****Plan Number - 001****December 31, 2009****SCHEDULE H LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

(a)	(b)	(c)	(d)	(e)
	Identity of Issuer, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	** Cost	Current Value
* Principal				
	Guaranteed Interest Account	Guaranteed Interest Account		988,200
	MidCap Value III	Pooled Separate Account		587,097
	SmallCap Blend	Pooled Separate Account		646,202
	MidCap Blend	Pooled Separate Account		745,222
	Money Market	Pooled Separate Account		2,593,961
	LargeCap Blend I	Pooled Separate Account		627,846
	US Property	Pooled Separate Account		468,489
	Bond and Mortgage	Pooled Separate Account		1,470,324
	Diversified International	Pooled Separate Account		829,077
	LargeCap S&P 500 Index	Pooled Separate Account		1,059,422
	MidCap Growth III	Pooled Separate Account		228,256
	LargeCap Growth II	Pooled Separate Account		420,977
	LargeCap Value III	Pooled Separate Account		274,181
	SmallCap Growth II	Pooled Separate Account		103,970
	Lifetime 2010	Pooled Separate Account		387,491
	Lifetime 2020	Pooled Separate Account		1,573,972
	Lifetime 2030	Pooled Separate Account		1,298,895
	Lifetime 2040	Pooled Separate Account		384,159
	Lifetime 2050	Pooled Separate Account		78,157
	Lifetime Strategic Income	Pooled Separate Account		228,260
	SmallCap Value II	Pooled Separate Account		257,284
* Participant Loans		Rates range from 4.75% to 10.25%		<u>106,850</u>
				<u><u>\$ 15,358,292</u></u>

* Indicates a party-in interest to the Plan, as defined by ERISA.

** Cost is not required for participant-directed investments.

Note: The above data is based upon information that has been certified as complete and accurate by the trustee, Principal Life Insurance Company.

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

EIN 58 1819650
 PLAN NUMBER 001
 PLAN YEAR 01/01/2009 TO 12/31/2009

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Life Insurance Company	Insurance Company General Guaranteed Interest	\$ 0.00	\$ 988,200.07
*	Principal Life Insurance Company	Pooled Separate Accounts Prin MidCap Value III SA-R6	\$ 0.00	\$ 587,096.90
*	Principal Life Insurance Company	Pooled Separate Accounts Prin SmCap Blend Sep Acct-R6	\$ 0.00	\$ 646,201.59
*	Principal Life Insurance Company	Pooled Separate Accounts Prin MidCap Blend Sep Acct-R6	\$ 0.00	\$ 745,222.34
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Money Market Sep Acct-R6	\$ 0.00	\$ 2,593,961.00
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LgCap Blend I Sep Acct-R6	\$ 0.00	\$ 627,845.79
*	Principal Life Insurance Company	Pooled Separate Accounts Prin U.S. Property Sep Acct-R6	\$ 0.00	\$ 468,488.81
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Bond and Mortgage SA-R6	\$ 0.00	\$ 1,470,323.73
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Diversified Intl SA-R6	\$ 0.00	\$ 829,076.63
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LgCap S&P 500 Index SA-R6	\$ 0.00	\$ 1,059,421.99
*	Principal Life Insurance Company	Pooled Separate Accounts Prin MidCap Growth III SA-R6	\$ 0.00	\$ 228,255.97
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LargeCap Growth II SA-R6	\$ 0.00	\$ 420,976.67
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LargeCap Value III SA-R6	\$ 0.00	\$ 274,180.51
*	Principal Life Insurance Company	Pooled Separate Accounts Prin SmallCap Growth II SA-R6	\$ 0.00	\$ 103,970.15
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2010 Sep Acct-R6	\$ 0.00	\$ 387,491.45

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

THE HEALTHFIELD, INC. HUGS\$ RETIREMENT PLAN

EIN 58 1819650
PLAN NUMBER 001
PLAN YEAR 01/01/2009 TO 12/31/2009

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2020 Sep Acct-R6	\$ 0.00	\$ 1,573,972.35
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2030 Sep Acct-R6	\$ 0.00	\$ 1,298,894.59
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2040 Sep Acct-R6	\$ 0.00	\$ 384,159.16
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime 2050 Sep Acct-R6	\$ 0.00	\$ 78,157.14
*	Principal Life Insurance Company	Pooled Separate Accounts Prin LifeTime Strat Inc SA-R6	\$ 0.00	\$ 228,259.94
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN SMALLCAP VALUE II SA-R6	\$ 0.00	\$ 257,285.20
	Participant Loans	Range of Interest Rates Rates Range From 4.75% To 10.25%	\$ 0.00	\$ 106,850.00