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## Return of Organization Exempt From Income Tax

OMB No. 1545-0047

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

2007

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

A For the 2007 calendar year, or tax year beginning OCTOBER 01, 2007, and ending SEPTEMBER 30, 2008

B Check if applicable:

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

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

C Name of organization

Pikeville Medical Center, Inc.

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

911 Bypass Road

Room/suite

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

Pikeville KY 41501

D Employer identification number

61-0458376

E Telephone number

(606) 218-3500

F Acctg. method: ☐ Cash ☒ Accrual☐ Other (specify) ▶

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

H &amp; I are not applicable to sec. 527 organizations.

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? (If "No," attach a list. See instructions.) ☐ Yes ☐ NoH(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶

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

G Website: ▶ www.medicalleader.org

J Organization type (check only one) ☒ 501(c)(3) (insert no.) 4947(a)(1) or 527K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 233,570,142

## Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

1	Contributions, gifts, grants, and similar amounts received:			
a	Contributions to donor advised funds	1a		
b	Direct public support (not included on line 1a)	1b	33,060	
c	Indirect public support (not included on line 1a)	1c		
d	Government contributions (grants) (not included on line 1a)	1d		
e	Total (add lines 1a through 1d) (cash \$ 33,060 noncash \$ 0)	1e	33,060	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	222,346,445	
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4	2,372,591	
5	Dividends and interest from securities	5		
6a	Gross rents	6a	336,484	
b	Less: rental expenses	6b	525,150	
c	Net rental income or (loss). Subtract line 6b from line 6a	6c	-188,666	
7	Other investment income (describe ▶ See attachment #1)	7	24,755	
8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
b	Less: cost or other basis & sales expenses	8a	8,655	
c	Gain or (loss) (attach schedule)	8b	8,109	
d	Net gain or (loss). Combine line 8c, columns (A) and (B)	8c	546	
9	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>			
a	Gross revenue (not including \$ of contributions reported on line 1b)	9a		
b	Less: direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events. Subtract line 9b from line 9a	9c		
10a	Gross sales of inventory, less returns and allowances	10a	6,387,744	
b	Less: cost of goods sold	10b	6,062,429	
c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a	10c	325,315	
11	Other revenue (from Part VII, line 103)	11	2,060,408	
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	226,974,454	
13	Program services (from line 44, column (B))	13	187,503,929	
14	Management and general (from line 44, column (C))	14	33,321,345	
15	Fundraising (from line 44, column (D))	15	88,017	
16	Payments to affiliates (attach schedule)	16		
17	Total expenses. Add lines 16 and 44, column (A)	17	220,913,291	
18	Excess or (deficit) for the year. Subtract line 17 from line 12	18	6,061,163	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	120,126,742	
20	Other changes in net assets or fund balances (attach explanation) #4	20	125,000	
21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	126,312,905	

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2007)

ENVELOPE POSTMARK DATE NOV 23 2010

SCANNED DEC 30 2010

MCZMCMC

EXPENSES

ASSETS

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22a</b>	Grants paid from donor advised funds (attach sch.) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, ck. here <input type="checkbox"/>	<b>22a</b>			
<b>22b</b>	Other grants and allocations (attach schedule) #5 (cash \$ 81,019 noncash \$ _____) If this amount includes foreign grants, ck. here <input type="checkbox"/>	<b>22b</b>	81,019	81,019	
<b>23</b>	Specific assistance to individuals (attach schedule) #6	<b>23</b>	27,658	27,658	
<b>24</b>	Benefits paid to or for members (attach schedule) . .	<b>24</b>			
<b>25a</b>	Compensation of current officers, directors, key employees, etc. listed in Part V-A. #7	<b>25a</b>	3,659,457	3,593,113	66,344
<b>b</b>	Compensation of former officers, directors, key employees, etc. listed in Part V-B. . . . .	<b>25b</b>			
<b>c</b>	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	<b>25c</b>			
<b>26</b>	Salaries and wages of employees not included on lines 25a, b, and c . . . . .	<b>26</b>	79,967,172	68,250,253	11,715,919
<b>27</b>	Pension plan contributions not included on lines 25a, b, and c . . . . .	<b>27</b>	1,242,163	1,060,159	181,988
<b>28</b>	Employee benefits not included on lines 25a - 27. . .	<b>28</b>	24,217,141	20,668,806	3,548,032
<b>29</b>	Payroll taxes . . . . .	<b>29</b>	5,458,489	4,562,145	896,268
<b>30</b>	Professional fundraising fees . . . . .	<b>30</b>			
<b>31</b>	Accounting fees . . . . .	<b>31</b>	104,889		104,889
<b>32</b>	Legal fees . . . . .	<b>32</b>	1,126,384		1,126,384
<b>33</b>	Supplies . . . . .	<b>33</b>	32,603,327	31,714,333	888,994
<b>34</b>	Telephone . . . . .	<b>34</b>	371,167	185,584	185,583
<b>35</b>	Postage and shipping . . . . .	<b>35</b>	1,275,935		1,275,935
<b>36</b>	Occupancy . . . . .	<b>36</b>	2,819,459	2,010,980	806,165
<b>37</b>	Equipment rental and maintenance . . . . .	<b>37</b>	6,944,051	5,347,429	1,596,622
<b>38</b>	Printing and publications . . . . .	<b>38</b>	906,237	906,237	
<b>39</b>	Travel . . . . .	<b>39</b>	695,734	376,264	319,470
<b>40</b>	Conferences, conventions, and meetings . . . . .	<b>40</b>	199,918	70,625	129,293
<b>41</b>	Interest . . . . .	<b>41</b>	2,620,064	2,138,314	479,640
<b>42</b>	Depreciation, depletion, etc. (attach schedule) . #8	<b>42</b>	11,992,778	9,787,673	2,195,448
<b>43</b>	Other expenses not covered above (itemize):				
<b>a</b>	See attachment #9	<b>43a</b>	44,600,249	40,316,450	4,277,602
<b>b</b>		<b>43b</b>			
<b>c</b>		<b>43c</b>			
<b>d</b>		<b>43d</b>			
<b>e</b>		<b>43e</b>			
<b>f</b>		<b>43f</b>			
<b>g</b>		<b>43g</b>			
<b>44</b>	<b>Total functional expenses.</b> Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15) . . . . .	<b>44</b>	220,913,291	187,503,929	33,321,345
					88,017

Joint Costs. Check ☐ if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? . . ☐ Yes ☒ No

If "Yes," enter (i) aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) amount allocated to Program services \$ \_\_\_\_\_;

(iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► **See attachment #10**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)

**a See attachment #11**

(Grants and allocations \$ 81,019 ) If this amount includes foreign grants, check here. . . . . ► ☐ 187,503,929

**b**

(Grants and allocations \$ ) If this amount includes foreign grants, check here. . . . . ► ☐

**c**

(Grants and allocations \$ ) If this amount includes foreign grants, check here. . . . . ► ☐

**d**

(Grants and allocations \$ ) If this amount includes foreign grants, check here. . . . . ► ☐

**e Other program services (attach schedule)**

(Grants and allocations \$ ) If this amount includes foreign grants, check here. . . . . ► ☐

**f Total of Program Service Expenses** (should equal line 44, column (B), Program services) . . . . . ► 187,503,929

**Part IV Balance Sheets** (See the instructions.)**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
<b>A S S E T S</b>	45 Cash -- non-interest-bearing .....	6,885	45	8,805
	46 Savings and temporary cash investments .....	43,458,639	46	53,311,958
	47a Accounts receivable .....	47a 109,984,729		
	b Less: allowance for doubtful accounts .....	47b 74,140,167	34,267,869	47c 35,844,562
	48a Pledges receivable .....	48a		
	b Less: allowance for doubtful accounts .....	48b		48c
	49 Grants receivable .....		49	
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule) .....		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		50b	
	51a Other notes and loans receivable (attach schedule) .....	51a		
	b Less: allowance for doubtful accounts .....	51b		51c
	52 Inventories for sale or use .....	6,192,386	52	7,417,272
	53 Prepaid expenses and deferred charges .....	2,161,003	53	2,671,918
	54a Investments -- publicly-traded securities .....	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54a	
	b Investments -- other securities (attach schedule) ..	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54b	
	55a Investments -- land, buildings, and equipment: basis .....	#12 55a 5,229,248		
	b Less: accumulated depreciation (attach schedule) .....	55b 1,440,350	1,991,898	55c 3,788,898
	56 Investments -- other (attach schedule) .....	#13 840,878	56	956,194
	57a Land, buildings, and equipment: basis .....	#14 57a 184,804,136		
b Less: accumulated depreciation (attach schedule) .....	57b 86,915,625	92,851,301	57c 97,888,511	
58 Other assets, including program-related investments (describe ► See attachment #15)	7,856,447	58	7,392,565	
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58 .....	189,627,306	59	209,280,683	
<b>L I A B I L I T I E S</b>	60 Accounts payable and accrued expenses .....	22,960,323	60	24,399,677
	61 Grants payable .....		61	
	62 Deferred revenue .....		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule) .....		63	
	64a Tax-exempt bond liabilities (attach schedule) .....	#16 38,025,000	64a	37,045,000
	b Mortgages and other notes payable (attach schedule) .....	#17 5,527,484	64b	13,041,552
	65 Other liabilities (describe ► See attachment #18)	2,987,757	65	8,481,549
66 <b>Total liabilities.</b> Add lines 60 through 65 .....	69,500,564	66	82,967,778	
<b>N E T A S S E T S  F U N D B A L A N C E S</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 67 through 69 and lines 73 and 74.</b>			
	67 Unrestricted .....	119,920,742	67	125,981,905
	68 Temporarily restricted .....		68	125,000
	69 Permanently restricted .....	206,000	69	206,000
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 70 through 74.</b>			
	70 Capital stock, trust principal, or current funds .....		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund .....		71	
	72 Retained earnings, endowment, accumulated income, or other funds .....		72	
	73 <b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21) .....	120,126,742	73	126,312,905
	74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73 .....	189,627,306	74	209,280,683

**Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** (See the instructions.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements	<b>a</b>	233,593,008
<b>b</b>	Amounts included on line a but not on Part I, line 12:		
1	Net unrealized gains on investments	<b>b1</b>	
2	Donated services and use of facilities	<b>b2</b>	30,975
3	Recoveries of prior year grants	<b>b3</b>	
4	Other (specify): See attachment #19	<b>b4</b>	6,587,579
	Add lines <b>b1</b> through <b>b4</b>	<b>b</b>	6,618,554
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>	<b>c</b>	226,974,454
<b>d</b>	Amounts included on Part I, line 12, but not on line a:		
1	Investment expenses not included on Part I, line 6b	<b>d1</b>	
2	Other (specify):	<b>d2</b>	
	Add lines <b>d1</b> and <b>d2</b>	<b>d</b>	
<b>e</b>	Total revenue (Part I, line 12). Add lines <b>c</b> and <b>d</b>	<b>e</b>	226,974,454

**Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>a</b>	Total expenses and losses per audited financial statements	<b>a</b>	227,531,845
<b>b</b>	Amounts included on line a but not on Part I, line 17:		
1	Donated services and use of facilities	<b>b1</b>	30,975
2	Prior year adjustments reported on Part I, line 20	<b>b2</b>	
3	Losses reported on Part I, line 20	<b>b3</b>	
4	Other (specify): See attachment #20	<b>b4</b>	
	Add lines <b>b1</b> through <b>b4</b>	<b>b</b>	30,975
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>	<b>c</b>	227,500,870
<b>d</b>	Amounts included on Part I, line 17, but not on line a:		
1	Investment expenses not included on Part I, line 6b	<b>d1</b>	
2	Other (specify):	<b>d2</b>	
	Add lines <b>d1</b> and <b>d2</b>	<b>d</b>	
<b>e</b>	Total expenses (Part I, line 17). Add lines <b>c</b> and <b>d</b>	<b>e</b>	227,500,870

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
See attachment #21				

<b>Part V-A Current Officers, Directors, Trustees, and Key Employees</b> (continued)		Yes	No
<b>75a</b>	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ..... <span style="float: right;">16</span>		
<b>b</b>	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) .....	<b>75b</b>	X
<b>c</b>	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." ..... If "Yes," attach a statement that includes the information described in the instructions.	<b>75c</b>	X
<b>d</b>	Does the organization have a written conflict of interest policy? .....	<b>75d</b>	X

**Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances

<b>Part VI Other Information</b> (See the instructions.)		Yes	No
<b>76</b>	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change .....	<b>76</b>	X
<b>77</b>	Were any changes made in the organizing or governing documents but not reported to the IRS? ..... If "Yes," attach a conformed copy of the changes.	<b>77</b>	X
<b>78a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? ...	<b>78a</b>	X
<b>b</b>	If "Yes," has it filed a tax return on Form 990-T for this year? .....	<b>78b</b>	X
<b>79</b>	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement ..	<b>79</b>	X
<b>80a</b>	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? .....	<b>80a</b>	X
<b>b</b>	If "Yes," enter the name of the organization ► _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
<b>81a</b>	Enter direct and indirect political expenditures. (See line 81 instructions.) ..... <span style="float: right;"><b>81a</b> N/A</span>		
<b>b</b>	Did the organization file Form 1120-POL for this year? .....	<b>81b</b>	N/A

**Part VI Other Information** (continued)

		Yes	No
<b>82a</b>	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? . . . . .	<b>82a</b> X	
<b>b</b>	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) . . . . . <b>82b</b> 30,975		
<b>83a</b>	Did the organization comply with the public inspection requirements for returns and exemption applications? . . . . .	<b>83a</b> X	
<b>b</b>	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? . . . . .	<b>83b</b> N/A	
<b>84a</b>	Did the organization solicit any contributions or gifts that were not tax deductible? . . . . .	<b>84a</b>	X
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>84b</b> N/A	
<b>85a</b>	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members? . . . . .	<b>85a</b> N/A	
<b>b</b>	Did the organization make only in-house lobbying expenditures of \$2,000 or less? . . . . . If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	<b>85b</b> N/A	
<b>c</b>	Dues, assessments, and similar amounts from members . . . . . <b>85c</b> N/A		
<b>d</b>	Section 162(e) lobbying and political expenditures . . . . . <b>85d</b> N/A		
<b>e</b>	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices . . . . . <b>85e</b> N/A		
<b>f</b>	Taxable amount of lobbying and political expenditures (line 85d less 85e) . . . . . <b>85f</b> N/A		
<b>g</b>	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? . . . . .	<b>85g</b> N/A	
<b>h</b>	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? . . . . .	<b>85h</b> N/A	
<b>86</b>	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12 . . . . . <b>86a</b> N/A		
<b>b</b>	Gross receipts, included on line 12, for public use of club facilities . . . . . <b>86b</b> N/A		
<b>87</b>	501(c)(12) orgs. Enter: a Gross income from members or shareholders . . . . . <b>87a</b> N/A		
<b>b</b>	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . . <b>87b</b> N/A		
<b>88a</b>	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX . . . . .	<b>88a</b> X	
<b>b</b>	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI . . . . .	<b>88b</b>	X
<b>89a</b>	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ N/A ; section 4912 ▶ N/A ; section 4955 ▶ N/A		
<b>b</b>	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction . . . . .	<b>89b</b>	X
<b>c</b>	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . . . ▶ N/A		
<b>d</b>	Enter: Amount of tax on line 89c, above, reimbursed by the organization . . . . . ▶ N/A		
<b>e</b>	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? . . . . .	<b>89e</b>	X
<b>f</b>	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract? . . . . .	<b>89f</b>	X
<b>g</b>	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .	<b>89g</b>	X
<b>90a</b>	List the states with which a copy of this return is filed ▶ . . . . .	N/A	
<b>b</b>	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.) . . . . . <b>90b</b> 1,417		
<b>91a</b>	The books are in care of ▶ See attachment #22 Telephone no. ▶ . . . . . Located at ▶ . . . . . ZIP + 4 ▶ . . . . .		
<b>b</b>	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . . If "Yes," enter the name of the foreign country ▶ . . . . . See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	<b>91b</b>	X



**Part VI Other Information** (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? ..... **91c** ☐ Yes ☒ No  
 If "Yes," enter the name of the foreign country: \_\_\_\_\_

**92** Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 -- Check here ..... ☐  
 and enter the amount of tax-exempt interest received or accrued during the tax year: ..... **92**

**Part VII Analysis of Income-Producing Activities** (See the instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Excl. code	(D) Amount	
<b>93</b> Program service revenue:					
a See attachment #23					113,441,207
b					
c					
d					
e					
f Medicare/Medicaid payments					108,905,238
g Fees & contracts from government agencies					
<b>94</b> Membership dues and assessments					
<b>95</b> Interest on savings and temporary cash investments			14	2,372,591	
<b>96</b> Dividends and interest from securities					
<b>97</b> Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	-188,666	
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income			15	24,755	
<b>100</b> Gain or (loss) from sales of assets other than inventory			18	546	
<b>101</b> Net income or (loss) from special events					
<b>102</b> Gross profit or (loss) from sales of inventory	446110	526,839	03	-201,524	
<b>103</b> Other revenue: a					
b See attachment #24		-392,490		2,452,898	
c					
d					
e					
<b>104</b> Subtotal (add columns (B), (D), and (E))		134,349		4,460,600	222,346,445
<b>105</b> Total (add line 104, columns (B), (D), and (E))					226,941,394

**Note:** Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	See attachment #25

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership int.	(C) Nature of activities	(D) Total income	(E) End-of-year assets
See attachment #26	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions.)

(a) Did organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No  
 (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

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

**Part XI Information Regarding Transfers To and From Controlled Entities.** Complete only if the organization is a controlling organization as defined in section 512(b)(13).

**106** Did the reporting organization **make** any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

N/A

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
<b>Totals</b>				

**107** Did the reporting organization **receive** any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

N/A

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
<b>Totals</b>				

**108** Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

N/A

Yes	No

**Please  
Sign  
Here**

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

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_  
**Michelle Hagy** \_\_\_\_\_ **Interim CFO**  
 Type or print name and title

**Paid  
Preparer's  
Use Only**

Preparer's signature \_\_\_\_\_ Date \_\_\_\_\_ Check if self-employed ☐ Preparer's SSN or PTIN (See Gen. Inst. X) \_\_\_\_\_  
 Firm's name (or yours if self-employed), address, and ZIP + 4 \_\_\_\_\_ EIN \_\_\_\_\_  
 Phone no. \_\_\_\_\_

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Organization Exempt Under Section 501(c)(3)**

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

OMB No. 1545-0047

**2007**

**Supplementary Information — (See separate instructions.)**

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

Name of the organization

Pikeville Medical Center, Inc.

Employer identification number

61-0458376

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to empl. benefit plans & deferred compensation	(e) Expense account and other allowances
See attachment #27				

Total number of other employees paid over \$50,000 ▶ 480

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
See attachment #28		

Total number of others receiving over \$50,000 for professional services ▶ 33

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
See attachment #29		

Total number of other contractors receiving over \$50,000 for other services ▶ 24

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

**Schedule A (Form 990 or 990-EZ) 2007**

Part III Statements About Activities (See the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ... ▶ \$ <u>138,947</u> (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.)	X	
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.) #30		
a	Sale, exchange, or leasing of property?	X	
b	Lending of money or other extension of credit?	X	
c	Furnishing of goods, services, or facilities?	X	
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000) See Form 990.	X	
e	Transfer of any part of its income or assets?		X
3a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) #31	X	
b	Did the organization have a section 403(b) annuity plan for its employees?	X	
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g.		X
b	Did the organization make any taxable distributions under section 4966?		
c	Did the organization make a distribution to a donor, donor advisor, or related person?		
d	Enter the total number of donor advised funds owned at the end of the tax year ▶		
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶		0
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶		0

**Part IV Reason for Non-Private Foundation Status** (See instructions.)I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 ☒ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **▶** \_\_\_\_\_
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions -- subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:  
☐ Type I ☐ Type II ☐ Type III -- Functionally Integrated ☐ Type III -- Other

**Provide the following information about the supported organizations.** (See instructions.)

(a) Name(s) of supported organization(s)	(b) Employer Identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b> .....					<b>▶</b>

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

N/A

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
<b>16</b> Membership fees received					
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
<b>23</b> Total of lines 15 through 22					
<b>24</b> Line 23 minus line 17					
<b>25</b> Enter 1% of line 23					
<b>26 Organizations described on lines 10 or 11:</b>	a Enter 2% of amount in column (e), line 24				
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					
<b>c</b> Total support for section 509(a)(1) test: Enter line 24, column (e)					
<b>d</b> Add: Amounts from column (e) for lines:	18	19	22	26b	
<b>e</b> Public support (line 26c minus line 26d total)					
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
<b>27 Organizations described on line 12:</b>	a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year:				
(2006)	N/A	(2005)		(2004)	
<b>b</b> For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:					
(2006)	N/A	(2005)		(2004)	
<b>c</b> Add: Amounts from column (e) for lines:	15	16	17	20	21
<b>d</b> Add: Line 27a total and line 27b total					
<b>e</b> Public support (line 27c total minus line 27d total)					
<b>f</b> Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					
<b>h</b> Investment Income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

**Part V Private School Questionnaire** (See the instructions.)  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV) N/A**

	Yes	No
<b>29</b> Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? .....	<b>29</b>	
<b>30</b> Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? .....	<b>30</b>	
<b>31</b> Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? .....	<b>31</b>	
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
<b>32</b> Does the organization maintain the following:		
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff? .....	<b>32a</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....	<b>32b</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....	<b>32c</b>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions? .....	<b>32d</b>	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>33</b> Does the organization discriminate by race in any way with respect to:		
<b>a</b> Students' rights or privileges? .....	<b>33a</b>	
<b>b</b> Admissions policies? .....	<b>33b</b>	
<b>c</b> Employment of faculty or administrative staff? .....	<b>33c</b>	
<b>d</b> Scholarships or other financial assistance? .....	<b>33d</b>	
<b>e</b> Educational policies? .....	<b>33e</b>	
<b>f</b> Use of facilities? .....	<b>33f</b>	
<b>g</b> Athletic programs? .....	<b>33g</b>	
<b>h</b> Other extracurricular activities? .....	<b>33h</b>	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency? .....	<b>34a</b>	
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? .....	<b>34b</b>	
If you answered "Yes" to either 34a or b, please explain using an attached statement.		
<b>35</b> Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation .....	<b>35</b>	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See the instructions.)(To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check ☐ **a** If the organization belongs to an affiliated group. Check ☐ **b** If you checked "a" and "limited control" provisions apply.**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

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

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720.**4-Year Averaging Period Under Section 501(h)**(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
See the instructions for lines 45 through 50.)

Calendar year (or fiscal year beginning in) ►	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
<b>45</b> Lobbying nontaxable amount					
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) .....					
<b>47</b> Total lobbying expenditures .....					
<b>48</b> Grassroots nontaxable amount					
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) .....					
<b>50</b> Grassroots lobbying expenditures .....					

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
<b>a</b> Volunteers .....		X	
<b>b</b> Paid staff or management (Include compensation in expenses reported on lines c through h.) .....		X	
<b>c</b> Media advertisements .....		X	
<b>d</b> Mailings to members, legislators, or the public .....		X	
<b>e</b> Publications, or published or broadcast statements .....		X	
<b>f</b> Grants to other organizations for lobbying purposes .....		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body .....		X	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means .....	X		138,947
<b>i</b> Total lobbying expenditures (Add lines c through h.) .....			138,947

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities. See attachment #32



**Part VII** Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See the instructions.)**51** Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?**a** Transfers from the reporting organization to a noncharitable exempt organization of:

	Yes	No
(I) Cash .....	<b>51a(I)</b>	<input checked="" type="checkbox"/>
(II) Other assets .....	<b>a(II)</b>	<input checked="" type="checkbox"/>

**b** Other transactions:

(I) Sales or exchanges of assets with a noncharitable exempt organization .....	<b>b(I)</b>	<input checked="" type="checkbox"/>
(II) Purchases of assets from a noncharitable exempt organization .....	<b>b(II)</b>	<input checked="" type="checkbox"/>
(III) Rental of facilities, equipment, or other assets .....	<b>b(III)</b>	<input checked="" type="checkbox"/>
(IV) Reimbursement arrangements .....	<b>b(IV)</b>	<input checked="" type="checkbox"/>
(V) Loans or loan guarantees .....	<b>b(V)</b>	<input checked="" type="checkbox"/>
(VI) Performance of services or membership or fundraising solicitations .....	<b>b(VI)</b>	<input checked="" type="checkbox"/>

**c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees .....**c** ☒**d** If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

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

**52a** Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? .....▶ ☐ Yes ☒ No**b** If "Yes," complete the following schedule:

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

## SCHEDULE OF OTHER INVESTMENT INCOME

Attachment 1: page 1 - 990 Page 1, Part I, Line 7

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.	
Name of Organization Pikeville Medical Center, Inc.		Employer Identification Number 61-0458376

Description	Amount
Royalty Income	24,755
Total	24,755

# SCHEDULE OF GAIN/LOSS FROM SALE OF ASSETS OTHER THAN INVENTORY

Attachment 2: page 1 - 990 Page 1, Part I, line 8

Open to Public Inspection For Calendar year 2007, or tax year period beginning 10-01-2007 and ending 09-30-2008

Name of Organization  
Pikeville Medical Center, Inc.  
Employer Identification Number  
61-0458376

Name of Security or Description of Property		Acquisition Date	How Acquired	Gain or (Loss)		Accumulated Depreciation
Other Noninventory Assets:						
<p>Oak Executive Desk</p> <p>Oak Executive Desk</p> <p>Oak Executive Desk</p> <p>Oak Executive Desk</p> <p>Secretary Desk with Return</p> <p>Guest Chair</p> <p>Guest Chair</p> <p>Cherry Head &amp; Footboard - Bed</p> <p>Med Oak Recliner Chair</p> <p>Polaris Light</p> <p>Vac Ster/Loading Car/Carriage</p> <p>Polaris Light &amp; Accessories</p> <p>Storage Table (60x28 with Door)</p>		1992-03	Purchase			2008-04
		1992-03	Purchase			2008-04
		1992-03	Purchase			2008-04
		1992-05	Purchase			2008-04
		1987-09	Purchase			2008-04
		1987-09	Purchase			2008-03
		1987-09	Purchase			2008-03
		1992-05	Purchase			2008-03
		1993-05	Purchase			2008-03
		1991-12	Purchase			2007-12
		1992-10	Purchase			2007-12
		1992-10	Purchase			2007-12
		1992-10	Purchase			2008-04
To Whom Sold		Gross Sale Price	Basis	Sales Expense	Gain or (Loss)	Accumulated Depreciation
<p>Angela Adkins</p> <p>Brenda Newsome</p> <p>Daniel Gilbert</p> <p>Daniel Gilbert</p> <p>Daniel Gilbert</p> <p>Marsha Thacker</p> <p>Marsha Thacker</p> <p>Josh Hughes</p> <p>Josh Hughes</p> <p>MST &amp; Associates</p> <p>MST &amp; Associates</p> <p>MST &amp; Associates</p> <p>Angela Adkins</p>		1	449		1	449
		53	449		53	449
		2	449		2	449
		16	461		16	461
		4	1,113		4	1,113
		6	206		6	206
		13	206		13	206
		40	565		40	565
		20	531		14	525
		445	19,153		445	19,153
		150	62,994		150	62,994
		2,033	87,426		2,033	87,426
		15	612		15	612
		2,798	174,614		2,792	174,608
Total						
Publicly traded securities						

# SCHEDULE OF GAIN/LOSS FROM SALE OF ASSETS OTHER THAN INVENTORY

Attachment 2: page 2 - 990 Page 1, Part I, line 8

Open to Public Inspection		For Calendar year 2007, or tax year period beginning 10-01-2007 and ending 09-30-2008	
Name of Organization		Employer Identification Number	
Pikeville Medical Center, Inc.		61-0458376	
Name of Security or Description of Property	Acquisition Date	How Acquired	Date Sold
Vegas Vinyl Relaxer Chair	1993-12	Purchase	2008-03
Digital Warming Cabinet	1993-05	Purchase	2007-12
Sterilizer 3000 Series w/Warming Cabinet	1995-10	Purchase	2007-12
Warming Cabinet Amsco Digital			
2-Compartment	1995-10	Purchase	2007-12
Stryker Advantage Series Stretcher	1996-12	Purchase	2008-05
Amsco Surgical Lighting System	1997-05	Purchase	2007-12
3 Vinyl Side Chairs	1996-06	Purchase	2008-02
Vinyl Side Chair	1996-06	Purchase	2008-04
Cabinets	2002-12	Purchase	2008-04
Oximeter Oxypleth, Pulse	1993-12	Purchase	2007-11
Relaxer Chair	2000-12	Purchase	2008-03
9 Bar Stools	2001-02	Purchase	2008-02
3 Wingback Chairs	2000-12	Purchase	2008-03
Image Maker Rocker/Recliner Chair	2000-12	Purchase	2007-11
To Whom Sold	Gross Sale Price	Basis	Gain or (Loss)
Donald Keathley	15	670	-18
MST & Associates	25	7,435	25
MST & Associates	1,525	36,800	1,525
MST & Associates			
Precision Physics	25	7,435	-1,379
MST & Associates	1,000	199,922	1,000
Anna Tackett	472	20,308	472
Linda Williams	15	1,260	-20
Various	7	420	1
Walter E. May	63	2,974	-1,854
Donald Keathley	340	2,000	340
Walter E. May	5	666	-167
Jane Robinson	225	2,511	-89
Joseph Mullins	28	679	28
	7	663	-1
Total	3,752	283,743	-137
Publicly traded securities			
			279,854
			637
			7,435
			36,800
			6,031
			199,922
			20,308
			1,225
			414
			1,057
			2,000
			494
			2,197
			679
			655

# SCHEDULE OF GAIN/LOSS FROM SALE OF ASSETS OTHER THAN INVENTORY

Attachment 2: page 3 - 990 Page 1, Part I, line 8

Open to Public Inspection	For Calendar year 2007, or tax year period beginning 10-01-2007 and ending 09-30-2008
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Name of Security or Description of Property	Acquisition Date	How Acquired	Basis	Gross Sale Price	To Whom Sold	Sales Expense	Gain or (Loss)	Accumulated Depreciation	Date Sold
Image Maker Rocker/Recliner Chair	2000-12	Purchase	663	7	Joseph Mullins		-1	655	2007-11
Image Maker Rocker/Recliner Chair	2000-12	Purchase	663	6	Joseph Mullins		-2	655	2007-11
Image Maker Rocker/Recliner Chair	2000-12	Purchase	663	35	Phyllis May		35	663	2008-02
Image Maker Rocker/Recliner Chair	2000-12	Purchase	663	15	Donald Keathley		15	663	2008-03
Grand Sleeper Chair	2000-12	Purchase	766	1	Daniel Gilbert		-8	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	1	Daniel Gilbert		-8	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	1	Daniel Gilbert		-8	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	1	Daniel Gilbert		-8	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	2	Daniel Gilbert		-7	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	1	Daniel Gilbert		-8	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	1	Daniel Gilbert		-8	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	2	Daniel Gilbert		-7	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	1	Daniel Gilbert		-8	757	2007-11
Grand Sleeper Chair	2000-12	Purchase	766	1	Daniel Gilbert		-8	757	2007-11
Deluxe Sleeper Chair	2000-12	Purchase	993	2	Daniel Gilbert		-10	981	2007-11
Total						11,305	-41	11,187	
Publicly traded securities									

# SCHEDULE OF GAIN/LOSS FROM SALE OF ASSETS OTHER THAN INVENTORY

Attachment 2: page 4 - 990 Page 1, Part I, line 8

Open to Public Inspection	For Calendar year 2007, or tax year period beginning 10-01-2007 and ending 09-30-2008
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Name of Security or Description of Property	Acquisition Date	How Acquired	Date Sold
Deluxe Sleeper Chair	2000-12	Purchase	2007-11
2 Bar Stools	2000-12	Purchase	2007-11
Vanguard Emergency Generator	2004-09	Purchase	2007-10

  

To Whom Sold	Gross Sale Price	Basis	Sales Expense	Gain or (Loss)	Accumulated Depreciation
Daniel Gilbert	2	993		-10	981
Daniel Gilbert	25	1,078		25	1,078
Walter E. May	2,001	4,819		-2,083	735
Total	2,028	6,890		-2,068	2,794
Publicly traded securities					

## SCHEDULE OF GROSS PROFIT OR (LOSS) FROM SALE OF INVENTORY

Attachment 3: page 1 - 990 Page 1, Part I, line 10

### Keep for Your Records

Open to Public

## Inspection

**For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.**

Name of Organization

Pikeville Medical Center, Inc.

Employer Identification Number

61-0458376

Type of Inventory sold	Gross Sales	Cost of Goods	Gross Profit or (Loss)
Gift Shop	210,549	216,722	-6,173
Outpatient Pharmacy	6,177,195	5,845,707	331,488
Total	6,387,744	6,062,429	325,315

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Attachment 4: page 1 - 990 Page 1, Part I, Line 20

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.		
Name of Organization Pikeville Medical Center, Inc.		Employer Identification Number 61-0458376	

[illegible]



**SCHEDULE CASH GRANTS AND ALLOCATIONS**

Attachment 5: page 1 - 990 Page 2, Part II, Line 22b

Open to Public Inspection		For Calendar year 2007, or tax year period beginning 10-01-2007 and ending 09-30-2008.	
Name of Organization Pikeville Medical Center, Inc.		Employer Identification Number 61-0458376	
Class of Activity	Donee's Name and Address	Amount Given	Relationship/Organizational Status
	After Breast Cancer Support Group P.O. Box 605 Pikeville KY 41502 Go Tell Communications 620 W. Nottingham Road Dayton OH 45405 Landmark Inn Restaurant Hot Pink/Cool Blue After Breast Cancer Event Sponsorship P.O. Box 2439 Pikeville KY 41502 Pikeville Area YMCA 424 Bob Amos Drive Pikeville KY 41502 Sandy Valley Habitat for Humanity P.O. Box 2947 Pikeville KY 41502 Jenny Wiley Theatre P.O. Box 22 Prestonsburg KY 41653 Pike County Domestic Violence Board P.O. Box 2916 Pikeville KY 41502 Pike County Youth Leadership P.O. Box 3097 Pikeville KY 41502 Ray of Hope Foundation P.O. Box 1503 Pikeville KY 41502 East KY Science Center P.O. Box 348 Prestonsburg KY 41653 KY Chamber of Commerce 464 Chenault Road Frankfort KY 40601	None 1,000 200 None 2,000 200 4,619 4,400 1,000 200 500 500 5,000	None None None None None None None None None None None None None
	Total	19,619	

**SCHEDULE CASH GRANTS AND ALLOCATIONS**

Attachment 5: page 2 - 990 Page 2, Part II, Line 22b

Open to Public Inspection		For Calendar year 2007, or tax year period beginning 10-01-2007 and ending 09-30-2008.	
Name of Organization		Employer Identification Number	
Pikeville Medical Center, Inc.		61-0458376	
Class of Activity	Donee's Name and Address	Amount Given	Relationship/Organizational Status
	Pikeville High School	800	None
	120 Championship Drive		
	Pikeville KY 41501	7,500	None
	American Heart Association		
	210 Malibu Drive	100	None
	Suite 125		
	Lexington KY 40502	50	None
	Ray of Hope Foundation		
	P.O. Box 1503	750	None
	Pikeville KY 41502		
	Pikeville Rotary Club	379	None
	P.O. Box 988		
	Pikeville KY 41502	100	None
	Operation Unite		
	2292 South Hwy 27	5,000	None
	Somerset KY 42501		
	Food City	8,100	None
	Foster Children Food Drive Sponsorship		
	215 Cassidy Blvd.	2,500	None
	Pikeville KY 41501		
	Pikeville Rotary Club	25,279	None
	P.O. Box 988		
	Pikeville KY 41502	Total	
	Trinity Sports & Entertainment		
	East Kentucky Miners Basketball	None	
	Sponsorship		
	Second Street	None	
	Pikeville KY 41501		
	KY Chamber of Commerce	None	
	464 Chenault Road		
	Frankfort KY 40601	None	
	Pikeville High School		
	120 Championship Drive	None	
	Pikeville KY 41501		
	American Cancer Society	None	
	Total		

# SCHEDULE CASH GRANTS AND ALLOCATIONS

Attachment 5: page 3 - 990 Page 2, Part II, Line 22b

Open to Public Inspection		For Calendar year 2007, or tax year period beginning 10-01-2007	and ending 09-30-2008.
Name of Organization		Employer Identification Number	
Pikeville Medical Center, Inc.		61-0458376	
Class of Activity	Donee's Name and Address	Amount Given	Relationship/Organizational Status
	4324 13th Street Ashland KY 41102	6,000	None
	Our Lady of the Mountains School 405 Third Street Paintsville KY 41240	500	None
	Mountain Mission School & Choir 1 Hurley Street Grundy VA 24614	1,000	None
	Southside Elementary School P.O. Box 500 Belfry KY 41514	4,940	None
	Wright's Designs Inc. Remote Area Medical (RAM) T-shirt Sponsorship 48C Wright Road Jenkins KY 41537	2,454	None
	Big Sandy Area Development District 110 Resource Court Prestonsburg KY 41653	127	None
	Pike County Chamber of Commerce 787 Hambley Blvd Pikeville KY 41501	5,000	None
	Operation Unite 2292 S Hwy 27 Somerset KY 42501	10,000	None
	Pikeville Rotary Club P.O. Box 988 Pikeville KY 41502	500	None
	Floyd County Chamber of Commerce P.O. Box 1508 Prestonsburg KY 41653	100	None
	After Breast Cancer Support Group P.O. Box 605 Pikeville KY 41502	250	None
	Big Sandy Habitat for Humanity		None
	Total	30,871	

# SCHEDULE CASH GRANTS AND ALLOCATIONS

Attachment 5: page 4 - 990 Page 2, Part II, Line 22b

Open to Public

Inspection

For Calendar year 2007, or tax year period beginning 10-01-2007

and ending 09-30-2008.

Name of Organization

Pikeville Medical Center, Inc.

Employer Identification Number

61-0458376

Class of Activity	Donee's Name and Address	Amount Given	Relationship/Organizational Status
	P.O. Box 2947 Pikeville KY 41502 Shelby Valley Touchdown Club P.O. Box 375 Virgie KY 41572	5,000  250	None
Total		5,250	

## SCHEDULE OF SPECIFIC ASSISTANCE TO INDIVIDUALS

Attachment 6: page 1 - 990 Page 2, Part II, Line 23

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Description of Activity	Total Amount
Prescription Assistance for Uninsured Patients	22,138
Travel Assistance for Cancer Patients per Grant from American Cancer Society	5,520
<b>Total</b>	<b>27,658</b>

# COMPENSATION OF CURRENT OFFICERS

Attachment 7: page 1 - 990 Page 2, Part II, Line 25a

Open to Public Inspection	For Calendar year 2007, or tax year period beginning 10-01	and ending 09-30-2008.
Name of Organization	Employer Identification Number	
Pikeville Medical Center, Inc.	61-0458376	

Name of Officer	Program Services			Management and General	
	Compensation	Employee Benefit Plan	Expense Account	Compensation	Employee Benefit Plan
Joe Dean Anderson					14,814
T.T. Colley					14,814
Dennis Halbert, M.D.					14,814
John LaBreche					249
Alex Poulos, M.D.					14,814
Jo Nell Robinson					7,126
Sue Smallwood					7,126
Walter E. May				441,998	38,180
Cheryl Hickman				173,985	33,823
Deborah Puckett				144,476	24,228
Juanita Deskins				159,046	25,611
Danny Harris				295,370	35,584
William Johnson, M.D.				257,644	35,756
Terence Farrell				195,450	25,543
Michael Slusher				122,907	24,311
Total				1,790,876	316,793
	Fundraising				
	Mgmt & General				
	Expense Account			Expense Account	
	5,000				
Total	5,000				

# COMPENSATION OF CURRENT OFFICERS

Attachment 7: page 2 - 990 Page 2, Part II, Line 25a

Open to Public Inspection	For Calendar year 2007, or tax year period beginning 10-01	and ending 09-30-2008.
Name of Organization	Employer Identification Number	
Pikeville Medical Center, Inc.	61-0458376	

Name of Officer	Program Services			Management and General	
	Compensation	Employee Benefit Plan	Expense Account	Compensation	Employee Benefit Plan
Jerry Johnson				269,912	39,151
Tracy Brand				113,924	24,508
Michelle Hagy				131,466	25,467
Margaret Kiser				108,378	25,578
Peggy Justice				51,846	12,187
Debra Hampton				38,462	5,822
Sheila Belcher				93,427	19,761
C. Preston Lewis				103,072	27,874
Robert Keith Bridges				85,140	22,100
Bernard Galla				171,953	32,197
Thelma Vinson				52,006	14,336
Total	Mgmt & General			1,219,586	248,981
	Expense Account				
	3,600				
	2,131				
Total	6,146				
		52,007	14,337		
	11,877	52,007	14,337		

**SCHEDULE OF DEPRECIATION AND DEPLETION**

Attachment 8: page 1 - 990 Page 2, Part II, Line 42

Open to Public Inspection	For Calendar year 2007, or tax year period beginning 10-01-2007	and ending 09-30-2008
Name of Organization		Employer Identification Number
Pikeville Medical Center, Inc.		61-0458376

Description of Property	Date Acquired	Cost or Other Basis	Prior Year Depreciation	Method of Computation	Rate (%) or Life (Years)	Depreciation This Year
				Straight Line Depreciation		11,992,778
Total						11,992,778



# SCHEDULE OF OTHER EXPENSES

Attachment 9: page 1 - 990 Page 2, Part II, Line 43

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Other Expenses	(A) Total	(B) Program Services	(C) Management and General	(D) Fundraising
Purchased Services	9,697,002	7,333,711	2,363,291	
Bad Debt Expense	17,364,119	17,364,119		
Provider Tax Expense	3,248,307	3,248,307		
Phys Recruit & Relocation	1,338,782	1,338,782		
Professional Liability Ins	3,881,402	3,881,402		
Amortization Expense	669,463	669,463		
Minor Equipment	976,113	731,213	242,121	2,779
Linen Expense	177,991	177,991		
Advertising	766,683	14,517	752,166	
Professional Fees	3,598,427	3,598,427		
Other Administrative & Misc	2,881,960	1,958,518	920,024	3,418
Total	44,600,249	40,316,450	4,277,602	6,197

## PRIMARY EXEMPT PURPOSE

Attachment 10: page 1 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007 or tax period beginning	10-01-2007, and ending	09-30-2008.
Name of Organization Pikeville Medical Center, Inc.			Employer Identification Number 61-0458376

### Primary Purpose

Pikeville Medical Center, Inc. (PMC) is committed to providing accessible healthcare to all patients in need regardless of their ability to pay within the bounds of responsible stewardship in a Christian environment.

# PROGRAM SERVICE ACCOMPLISHMENT

Attachment 11: page 1 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.		
Name of Organization <b>Pikeville Medical Center, Inc.</b>		Employer Identification Number <b>61-0458376</b>	
Part III - Statement of Program Service Accomplishments			
Grants and allocations	81,019	Amount includes foreign grants	Program service expenses 187,503,929

## Exempt Purpose Achievements

A sparkling diamond among the coalfields of eastern KY, Pikeville Medical Center (PMC) is known for its compassionate employees, unsurpassable service, state-of-the-art technology and unmatched generosity to the community. Known as the premier hospital in a multi-state region, PMC is continually growing and looking for new way to offer the very best in health care to their patients and the broader population. The mission of Pikeville Medical Center is to "provide quality regional Health care in a Christian environment." This mission statement is fulfilled on a daily basis, as the staff portrays a sense of teamwork with a sincere passion to help others. Throughout Pikeville Medical Center's 85 year history, the hospital has exhibited substantial changes. Starting as a small, rural, 50-bed facility at its inception in 1924, the Medical Center has undergone many changes in its physical layout. Today, the hospital is a comprehensive medical complex comprised of a 261-bed facility encompassing 761,049 square feet with both the main facility and surrounding supportive services. This tremendous physical growth, along with sound financial leadership, has allowed PMC to significantly expand the health care services offered to our region. Current services now include: an award-winning, full-service Cancer Treatment Center, Level III Chest Pain Accredited Heart Institute; 40-bed Inpatient Physical Rehabilitation Hospital; Neurosurgery; Adult and Adolescent Medical Drug Detoxification Program; Level II Neonatal Intensive Care Unit; two satellite Sleep Lab facilities; an Outpatient Diagnostic Center and multiple family physician practices. PMC is also proud to highlight their state-of-the-art diagnostic, radiology services consisting of: Siemens ONCOR Linear Accelerator, two 64-slice CT scanners, PET Scanning and a Stand-Up MRI unit. As well as augmenting the range and complexity of health care services provided to patients in the area, Pikeville Medical Center's growth has played an integral part in enhancing the hospital's outreach to the local community. PMC takes pride in keeping the region informed about innovative medical advancements offered at the facility, primarily through the publication of a weekly newspaper call the Medical Leader, which is distributed free to over 11,000 individuals. This distribution includes 7,500 papers placed in local paper boxes in Pike, Floyd, Letcher, and Mingo counties and over 3,500 Medical Leader e-subscribers. This free full-service newspaper allowed PMC to promote health awareness, discuss free screening events, and educate the community on various health topics. PMC also provides a variety of educational, wellness and preventive health activities. Such activities and events include: indigent care assistance, educational/training sessions, support groups, health fairs, free health screenings and other community events. Pikeville Medical Center considers its outreach efforts to the public an essential part of its Christian mission, as it seeks not only to treat the sick and injured during their time of need, but also to improve the region's health care. CHARITY CARE: Pikeville Medical Center set a record for charity care in FY 2008. Through defined policies and procedures, PMC recorded uncompensated charity of \$22,182,020 (services at hospital's established rates). COMMUNITY SUPPORT: American Cancer Society Relay for Life ~ Pikeville Medical Center participated in the 2008 Pike County Relay for Life. This event raised more than \$149,000 for the American Cancer Society. The hospital's team

# PROGRAM SERVICE ACCOMPLISHMENT

Attachment 11: page 2 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Part III - Statement of Program Service Accomplishments

Grants and allocations	Amount includes foreign grants	Program service expenses
Exempt Purpose Achievements		

gave more than \$5,000 in both time and money for the event. Pikeville Medical Center's Public Relations Department served as the event's publicity coordinator and the Medical Leader ran a series of public service announcements and ads in the month leading up to the Relay. In conjunction with Relay for Life, PMC sponsored and hosted the only Survivor's Dinner in the area for local cancer survivors prior to the event. The hospital gave nearly \$2,000 including staff costs. PMC's staff also participated in several fundraising events leading up to Relay. They included bake sales, internal jeans days, silent auctions, ice cream/hotdog sales and luminary sales. Blood Drives ~ PMC has a group of dedicated employees who are a part of the hospital's blood drive committee. The committee meets before every drive to discuss new ways to promote the event internally and throughout the community and plan the upcoming drive. Preparation for blood drives include: reserving a location, placing set-up and take-down work orders, registering donors and assuring the event is a success with team participation. Blood drives are held quarterly and are conducted in accordance with the Kentucky Blood Center (KBC). In FY 2008, PMC held four blood drives and donated over 300 units of blood, exceeding previous years' donations. These generous donations allowed PMC donors to save 900 lives. Hillbilly Days First Aid Station ~ During the 2008 Hillbilly Days Festival held in downtown Pikeville in April, PMC sponsored and staffed a health screening booth while serving the event as the official first aid station. During the three-day event, PMC employees screened over 1,000 festival attendees. Free screenings included blood pressure, blood sugar and oxygen saturation levels. The employees distributed literature related to the prevention and warning signs of cancer, stroke and heart disease. Attendees received on-site medical attention and some were sent to the emergency room for additional treatment. PMC contributed nearly \$5,000 in volunteers and supplies for this event. Fall Fit Classic (10k & 1 Mile Walk/Run Event) ~ In October 2007, PMC hosted two different races, a one-mile fun walk/run and a more competitive 10k run. These events target employees and the community to stay fit, while bringing awareness to local causes. In FY 2008, all proceeds from the race went toward financial assistance for Breast Cancer patients receiving treatment at PMC's Leonard Lawson Cancer Center. Among some of the different types of assistance given included money for treatment, gas, wig purchases and groceries. Habitat for Humanity Women's Build ~ In 2008, Pikeville Medical Center played a pivotal role in the construction of a Habitat for Humanity Women's Build project. Hospital employees worked in conjunction with other civic organizations, churches, non-profit groups and businesses in an effort to build a home for a deserving family in need. In preparation for the build, PMC employees participated in and hosted several local fundraisers. Among these fundraisers were the annual spaghetti dinner, pancake breakfast, silent auction, numerous bake sales and internal jeans days for employees. Women Build has grown at an annual rate of 25%, according to reports from Habitat for Humanity. The cost of building a three-bedroom habitat house is just over \$50,000 and includes work from the ground up -- from excavation to the last shingle. PMC also provided lunch for the workers during the week of construction. The Medical Leader gave Habitat for Humanity advertisements free of charge leading up to the event.

# PROGRAM SERVICE ACCOMPLISHMENT

Attachment 11: page 3 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Part III - Statement of Program Service Accomplishments

Grants and allocations	Amount includes foreign grants	Program service expenses
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## Exempt Purpose Achievements

Great American Smoke Out ~ In November 2007, Pikeville Medical Center lead the community in the Great American Smoke Out Celebration. This celebration consisted of a two-day event offering free educational materials, supplemental hard candy, refreshments, commitment cards and an educational video of what smoking can do to your body. During this event, the hospital gave over \$4,000 in time and supplies to the community. Smoke Free PMC ~ Ringing in the New Year, Pikeville Medical Center held a smoke-free celebration on December 31, 2007. PMC officially declared itself a smoke-free campus on January 1, 2008. Smokers are asked to refrain from smoking on hospital property for the safety of our patients. During the kickoff celebration, PMC offered free refreshments, music, games and revealed the winners of the smoke-free essay contest. This event was a community benefit of over \$2,000. Holiday Events ~ PMC involves the community in any activities and events around several of the key national holidays such as Easter and Christmas. Easter ~ During Easter, the community is invited to participate in the hospital's Holy Week and Sunrise Services. Spiritual bookmarks and free refreshments are given to the public to celebrate the holiday. PMC is also a prominent sponsor of the YMCA Easter Egg Hunt, donating hundreds of candy-filled, plastic Easter eggs, an Easter Bunny costume and Polaroid film for pictures. Christmas ~ Christmas is known throughout the community as the hospital's major holiday celebration. Beginning the Monday following Thanksgiving, Pikeville Medical Center kicks off the holiday festivities with an annual Lighting Ceremony. At the ceremony, children are able to take pictures with Mr. and Mrs. Claus, while special performances are conducted by a variety of musicians. Free refreshments, face painting and balloons are given away. Another Christmas event hosted by the hospital is the annual Live Nativity. Hospital employees donate several hundred hours to staff, create and make the live nativity a success. Guests are greeted by live camels, sheep, and donkeys with the PMC staff acting as the main biblical characters. Running as a week-long event with school matinees and evening shows, the public has every opportunity to attend. Free refreshments and biblical bookmarks are given away to all present. PMC's total community benefit contribution for this event reaches beyond \$12,000. Other events taking place at PMC during the holiday season include live Christmas music/sing-a-longs for the patients, city parade participation and the angel tree program for students attending local school systems. COMMUNITY SERVICE/COMMITTEES/BOARDS/TEAMS Local Event Support ~ Pikeville Medical Center is very proud of the large number of staff who give their time to serve on various committees/boards in the community and participate in activities/events in the area. Some of the organizations and activities PMC employees were involved in during FY 2008 included: Alzheimer's Support Group Meetings; American Cancer Society Relay for Life; American Heart Association's Heart Gala; School athletic programs; School academic programs; Big Sandy Community and Technical College Advisory Board for Respiratory Care; Big Sandy District Early Intervention Committee; Boy Scouts; CEDAC-Pike County Extension Board; Chamber of Commerce; Child Advocacy Center; Coaching for Youth Soccer; Connect Kentucky Advisory Board; D.A.R.E.; Disabled American Veterans Auxiliary; Drug Court; Elkhorn City Elementary Fall into Fitness; Family and Consumer Science Advisory Council; Floyd County Senior Citizens Games;

## PROGRAM SERVICE ACCOMPLISHMENT

Attachment 11: page 4 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Part III - Statement of Program Service Accomplishments

Grants and allocations	Amount includes foreign grants	Program service expenses
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### Exempt Purpose Achievements

Foster Care Review Board; Girl Scouts; Habitat for Humanity; Helping Hands; H.O.P.E. (Helping our Poor Exist) in the Mountains; Homeless Shelter Food Drives; I-66 Foundation; IT Advisory Board for the BSCTC; Kiwanis Club; Leadership Pike County; Lifeline; Local Sports Booster Clubs; Local Sunday Schools; Masons; Meals on Wheels; Neighborhood Watch Associations; Operation UNITE; Pike Arts Board; Pike County Community & Board of Education Drug Task Force; Pike County District Drug Court Steering Committee; Pike County Community Leadership Team; Pikeville Jr. Women's Club; RAM; Ray of Hope; 15th Region Basketball Tournament; Regional Bioterrorism/Emergency Planning Committee; Rotary Club; Shriners; Special Olympics; Thankful Hearts Pantry; UNITE Pike; Volunteer Fire Department; WestCare; WYMT Mountain Sports Classic Basketball Tournament; YMCA Easter Celebration; and YMCA Safe Trick or Treat Night Community Financial Donations ~ Not only does PMC encourage participation in local activities and events, but it is also generous when it comes to financial support for area organizations and important causes. Giving more than \$72,000 in cash donations to the community, PMC was proud to help the following organizations during FY 2008: After Breast Cancer Support Group; American Cancer Society; American Heart Association; Big Sandy Area Development District; Big Sandy Habitat for Humanity; East KY Science Center; Floyd County Chamber of Commerce; Jenny Wiley Theatre; KY Chamber of Commerce; Mountain Mission School and Choir; Operation UNITE; Our Lady of the Mountains School; Pike County Chamber of Commerce; Pike County Domestic Violence Board; Pike County Youth Leadership; Pikeville Area Family YMCA; Pikeville High School; Pikeville Rotary Club; Ray of Hope; Sandy Valley Habitat for Humanity; Shelby Valley Touchdown Club; and Southside Elementary School

# PROGRAM SERVICE ACCOMPLISHMENT

Attachment 11: page 5 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Part III - Statement of Program Service Accomplishments

Grants and allocations	Amount includes foreign grants	Program service expenses
Exempt Purpose Achievements		

PMC Health Screenings: Over the course of the past year, PMC held several different types of health screenings for the community. Among these health screenings were PMC's four annual cancer screenings held at the Leonard Lawson Cancer Center. Cancer screenings include: oral cancer, colorectal cancer, skin cancer and prostate cancer. All cancer screenings are staffed by PMC physicians and nurses. In FY 2008 over 251 people participated in these screenings, costing the hospital over \$4,000. PMC hosted several comprehensive, multi-day health screenings at area schools, Walmart and Food City stores. Screenings included: blood pressure, blood sugar, oxygen saturation and cholesterol checks. Some of the larger screenings also included EKG and Peripheral Vascular Disease (PVD) tests. Diabetes educators were present at all screenings and beneficial health information was handed out. Physicians from PMC's Heart Institute were present anytime PVD or EKG screenings were performed. PMC saw over 3,700 people at these screenings, referring several participants to their family physicians, or the emergency room if results were out of the normal range. Offering this much-needed service to the community cost PMC over \$58,000. Other health screenings hosted by PMC included: free, on-site PVD screenings at the hospital's cath lab, stroke awareness day screenings as well as blood pressure screenings and diabetes screenings during National Heart Health & Diabetes Awareness Months. Local Community Health Fairs: Not only did PMC run its own health screenings, the hospital also participated in various health fairs throughout the year when contacted by external groups. During health fairs, participants are screened for health problems most prevalent in our region. Screenings may include: blood pressure, blood sugar, oxygen saturation, cholesterol and body mass index. Health educators are present and additional health information in the form of brochures and pamphlets are given away. Among some of the local health fairs PMC participated in during FY 2008 were: Elkhorn City Elementary's Fall into Fitness; Pikeville High School, 9th graders body compositioning; Chamber of Commerce gathering. PATIENT & COMMUNITY SUPPORT SERVICES: Meals-on-Wheels ~ Pikeville Medical Center provided 7,300 meals for this program during fiscal year 2008. The hospital incurs over \$13,000 in expenses related to this program annually. Food Donations ~ PMC provided lunch and dinner guest trays for more than 240 patients family or caregivers during the past year. This service allowed PMC to give back over \$7,000 to their patrons. Prescription Drugs ~ At the time of their discharge, several patients need financial assistance with prescribed medications. Not wanting to make their pharmacological needs an extra burden, PMC donated over \$35,000 in aid last year. Ambulance Services ~ In order to ensure the best medical care is given to patients, PMC prides itself on its strong relationship with area ambulance providers. During the last year, PMC aided local ambulance by purchasing them new cell phones, EKG monitors, and auto pulse systems. This equipment purchase cost PMC over \$490,000. SPIRITUAL SUPPORT SERVICES: Chaplain Services/Christian Emphasis Committee ~ Beginning all meetings with prayer, Pikeville Medical Center desires to seek guidance from the Lord in fulfilling its Christian mission. PMC's chaplains are on call 24 hours a day, seven days a week. To aid the chaplaincy department and to better serve the hospital, the Christian Emphasis Committee was formed. This committee is made up of PMC board members, medical staff and employees who meet regularly to discuss

## PROGRAM SERVICE ACCOMPLISHMENT

Attachment 11: page 6 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.	
Name of Organization <b>Pikeville Medical Center, Inc.</b>		Employer Identification Number <b>61-0458376</b>

Part III - Statement of Program Service Accomplishments

Grants and allocations	Amount includes foreign grants	Program service expenses
Exempt Purpose Achievements		

ways PMC can give back to the community. Some of the activities that PMC participated in during FY 2008 include: Thanksgiving baskets for cancer patients & families; School supply drive for foster children; Devotionals given away to patients and their families; Appalachian Pregnancy Center Drive; Greater Mountain Crusade; Sympathy cards to patients and their families; Weekly chapel services; New Testaments for newborn babies; Hospice; Annual appreciation dinner for community ministers and their spouses; Homeless Shelter Drive; and Mission Trip Drive COMMUNITY EDUCATION: Community Education Programs ~ PMC's Education Department offered a wide array of health care related continuing education courses during FY 2008 to the community. Community members participated in courses including Pediatric Advanced Life Support, Advanced Cardiac Life Support, Cardiopulmonary Resuscitation, Neonatal Resuscitation and First Aid. Below are some of the specifics: ACLS class provided for the PCSOM students; BLS class provided for PCSCOM students; CPR provided to local fire departments and other first responders; CPR classes taught in communities for area coaches, girl scouts, day care centers, and doctor's offices; Community CPR class held at PMC Lectures ~ The staff at PMC remains active in lecturing on many topics throughout the community. Representatives from a variety of departments speak on request to local civic clubs, schools and medical professionals. Among the different lectures/presentations PMC staff conducted in FY 2008 were: Breast cancer lectures to Kiwanis, Pikeville Women's Club, the Sunshine Circle and Rotary; Diabetes lecture for Pikeville College nursing students & Pike County School teachers; Pre-Operation lecture for patients being transferred to UK; Family Medicine/OMT lectures to the Pikeville College School of Osteopathic Medicine (PCSOM); Leonard Lawson Cancer Center representatives participate on local radio and television shows to speak about health care concerns and services provided by PMC. Other Educational Programs ~ Other PMC departments also hold health education as a top priority and offer various programs for community participation. Among these programs are: Safe Sitter Classes; Breast Cancer Awareness Education; Stroke Awareness Education; Nutrition Education & Counseling for Cardiac Rehab Patients; and Child Birth/Family Planning Classes Student Rotations ~ PMC serves as a clinical training site for students in health care related fields from regional universities and colleges. During FY 2008, PMC contracted with 26 schools and received 441 students in clinical rotation. The schools contracted by PMC included: Belfry Area Technology Center; University of Charleston; Tennessee Technology Center at Elizabethtown; Hutchinson Community College; Jefferson College of Health Sciences; Lindsey Wilson College; Milligan College; Northern Kentucky University; Nova Southeastern University; Southwest Virginia Commonwealth University; University of Louisville; Bellarmine University; Kentucky College and Technical College System (KCTCS); Eastern Kentucky University (EKU); Marietta College; University of Appalachia; Morehead State University; Pikeville College; University of Kentucky (UK); Virginia Commonwealth University; Spencerian College; National College of Business; South University; Southern West Virginia Community and Technical College (SWCTC); University of Cincinnati; and Western Kentucky University Residency Program ~ A-Optic (Appalachian Osteopathic Postgraduate Training Institute Consortium) Pikeville Medical



## PROGRAM SERVICE ACCOMPLISHMENT

Attachment 11: page 7 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Part III - Statement of Program Service Accomplishments

Grants and allocations	Amount includes foreign grants	Program service expenses
Exempt Purpose Achievements		

Center is a member of a group of medical facilities and educational institutions that have joined together to bring intern and residency programs to the area. By allowing medical students to practice at their hospital-run, family clinic, PMC is committed to help educate and retain competent/skilled physicians in our community and region. PMC's total community benefit expense in FY 2008 for training interns, residents and fellows totaled more than \$530,000. Physician Recruitment Program ~ Pikeville Medical Center maintains an active physician recruitment program by locating high quality physicians and making them a part of the PMC team. The hospital's recruitment efforts are essential to enhancing the health and well being of our community and region. Surrounding community hospitals look to our hospital to offer the specialties and sub-specialties their facilities do not provide. Pikeville Medical Center recruited and signed a total of 21 physicians during FY 2008. Among the different specialties these

## PROGRAM SERVICE ACCOMPLISHMENT

Attachment 11: page 8 - 990 Page 3, Part III

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Part III - Statement of Program Service Accomplishments

Grants and allocations	Amount includes foreign grants	Program service expenses
Exempt Purpose Achievements		

physician practice are: Anesthesia; Cardiothoracic Surgery; Family Practice; General Surgery; Hospitalists; Interventional Cardiology; Neonatology; Neurosurgery; Otolaryngology; Pain Management; Physiatry; Pulmonary/Critical Care; and Vascular Surgery. Continuing Health Professionals Education ~ Pikeville Medical Center has an active Medical Library staff that coordinates and oversees many of the Continuing Medical Education (CME) hours offered at the hospital. Most CME's are open to not only our staff, but to other medical professionals community. These education opportunities are free of charge to all who attend. PMC spent more than \$2,000 on CME's in FY 2008. The education opportunities offered by the hospital last year included: Two Dental Symposiums; Multi-Drug Resistant Organisms Presentation; Alzheimer's Teleconference Volunteer Services ~ Pikeville Medical Center is blessed with a vibrant and active group of local volunteers. During FY 2008, these dedicated individuals donated approximately 15,716 hours of their personal time to serve patients and provide other services within the hospital. Outside community services provided by the volunteer program included: Tours given to local groups and organizations including Model City Daycare, Pikeville College Nursing Program, Johns Creek High School Beta Club; Observation opportunities for the PEPP program, allowing high school students to observe clinical areas in health care; Coordination of Upward Bound Program's participation at Pikeville Medical Center; Coordination of Pikeville High School School-to-Work Program at Pikeville Medical Center; Speaking engagements with YMCA Silver Sneakers Club and Pike County Senior Citizens Center; and Committee participation with the Pike County Extension Office. Support Groups ~ PMC sponsors and provides meeting space for several support groups within our community. These groups include: ABC/After Breast Cancer Support Group; LLCC Cancer Support Group; Stroke Support Group; Diabetes Support Group; Mended Hearts; Al-Anon; Alcoholics Anonymous; Narcotics Anonymous; Alzheimer's Support Group; Smoking Cessation Class; and Lifeline.

**SCHEDULE OF INVESTMENT LAND, BUILDINGS & EQUIPMENT**

Attachment 12: page 1 - 990 Page 4, Part IV, Line 55

Open to Public Inspection		For Calendar year 2007, or tax year period beginning 10-01-2007		and ending 09-30-2008.	
Name of Organization		Employer Identification Number			
Pikeville Medical Center, Inc.		61-0458376			
Category or Description of Property	Cost or Other Basis	Accumulated Depreciation	End of Year Book Value	Ending FML (990-PF Only)	
Condo 1D Improvements	9,194	5,403	3,791		
Condo 2C Improvements	21,387	17,322	4,065		
Condo 2C	45,000	35,958	9,042		
Condo 3B	45,000	35,958	9,042		
Condo 4A	48,000	35,167	12,833		
Grace Call Building	2,564,311	1,030,406	1,533,905		
Condo 3B Improvements	25,578	10,154	15,424		
Condo 4A	7,120	6,254	866		
Grace Call Building Improvements	113,158	64,015	49,183		
Condo - Root Blower	950	950			
Norris Doublewide Improvements	3,298	3,298			
Condo 1D	45,000	35,958	9,042		
Norris Doublewide	33,600	33,600			
Doublewide & Improvements	57,640	44,385	13,255		
Park Street Properties	107,200	5,360	101,840		
Park Street House	201,900	6,057	195,843		
North Mayo Trail Property	325,000	7,448	317,552		
South Mayo Trail Property	145,000	4,833	140,167		
Roberts Complex and Adjacent Properties	752,500	41,647	710,853		
Turkin Building	670,000	15,354	654,646		
Turking Building Improvements	4,272	71	4,201		
Park Street House Improvements	4,100	752	3,348		
Total	5,229,248	1,440,350	3,788,898		

## SCHEDULE OF OTHER INVESTMENTS

Attachment 13: page 1 - 990 Page 4, Part IV, Line 56

<b>Open to Public Inspection</b>	<b>For calendar year 2007, or tax period beginning      10-01-2007, and ending            09-30-2008.</b>					
<b>Name of Organization</b> <b>Pikeville Medical Center, Inc.</b>					<b>Employer Identification Number</b> <b>61-0458376</b>	
Description of Investment - Other	Cost or FMV	EOY Book Value				
Investment in PMC Foundation, Inc.	Cos	368,736				
Green Meadows Membership	Cos	800				
Investment in Pikeville Medical Development Corp	Cos	471,342				
Investment - 457B Plan	FMV	115,316				
Total		956,194				

**SCHEDULE OF LAND, BUILDINGS & EQUIPMENT**

Attachment 14: page 1 - 990 Page 4, Part IV, Line 57

Open to Public Inspection		For Calendar year 2007, or tax year period beginning 10-01-2007			and ending 09-30-2008.	
Name of Organization		Employer Identification Number				
Pikeville Medical Center, Inc.		61-0458376				
Category or Description of Property	Cost or Other Basis	Accumulated Depreciation	End of Year Book Value	Ending FML (990-PF Only)		
Land	4,693,770		4,693,770			
Land Improvements	4,392,714	2,894,527	1,498,187			
Buildings	84,075,638	23,811,311	60,264,327			
Leasehold Improvements	698,933	334,556	364,377			
Fixed Equipment	7,309,887	5,343,558	1,966,329			
Major Movable Equipment	81,924,234	54,531,673	27,392,561			
Construction in Progress	1,708,960		1,708,960			
Total	184,804,136	86,915,625	97,888,511			

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Attachment 15: page 1 - 990 Page 4, Part IV, Line 58

Description of Other Assets	Beginning of Year	End of Year	EOY FMV (990-PF Only)
Assets Whose Use Is Limited Under Bond Indenture	5,193,802	5,287,594	
Goodwill	1,212,514	753,456	
Bond Issuance Costs	1,099,821	1,012,357	
US Bank Collateralized Investment	325,000	325,000	
Notes Receivable	6,434		
Physician Mortgage Guarantee	18,876	14,158	
Totals	7,856,447	7,392,565	

**SCHEDULE OF TAX EXEMPT BOND LIABILITIES**

Attachment 16: page 1 - 990 Page 4, Part IV, Line 64a

Open to Public  
Inspection

For Calendar year 2007, or tax year period beginning 10-01-2007

and ending 09-30-2008.

Name of Organization

Pikeville Medical Center, Inc.

Employer Identification Number

61-0458376

Name of Issue		Purpose of Issue	Amount Outstanding	Unexpended Bond Proceeds	Third Party Use
Kentucky Economic Development Finance Auth Hospital Revenue and Refunding Revenue Bonds, Series 1997		Refunding 1993 Bonds; Finance Expansion; Fund Debt Service Reserve Fund; Bond Issuance Costs	37,045,000	3,295,738	NO
Total			37,045,000	3,295,738	

Third Party Space Percentage	Maturity Date	Repayment Terms	Interest Rate	Security
	2028-02	Variable rates of interest ranging from 5.0% to 5.7%, due in variable installments		Hospital Revenue

# SCHEDULE OF MORTGAGES AND OTHER NOTES PAYABLE

Attachment 17: page 1 - 990 Page 4, Part IV, Line 64b

Open to Public Inspection	For Calendar year 2007, or tax year period beginning 10-01-2007	and ending 09-30-2008.
Name of Organization	Employer Identification Number	
Pikeville Medical Center, Inc.	61-0458376	

Lender's Name, Title and Relationship to Any Officer, Director, Trustee, Key Employee or Substantial Contributor	Original Amount	Balance Due	Date of Note	Maturity Date	Repayment Terms	Interest Rate
Citizens National Bank						
None	4,539,000	2,456,117	2006-02	2011-05	3 Months Interest Only and 56 Months Principal & Interest Monthly Installments	5.7500
US Bank						
Hospital Board Member is also a Board Member of Bank Community Trust Bank	1,291,910	387,573	2005-03	2010-03	12 Months Interest Only and 48 Months Principal & Interest	5.2400
Hospital Board Member is also a Board Member of Bank; Key Employee's Spouse is Employed by the Bank Community Trust Bank	1,850,000	1,059,095	2005-11	2010-11	Line of Credit - 12 Months Interest Only and 48 Months	6.0000

Total		Purpose of Loan	Description of Lender Consideration	Consideration FMV
Equipment	Security Provided by Borrower	Finance Equipment		
Unsecured		Finance Building Project		
Unsecured		Finance Building Project		
Equipment		Finance Equipment		
Total		3,902,785		
			Total	
			Total amount of mortgages	



# SCHEDULE OF MORTGAGES AND OTHER NOTES PAYABLE

Attachment 17: page 2 - 990 Page 4, Part IV, Line 64b

Open to Public Inspection		For Calendar year 2007, or tax year period beginning 10-01-2007				and ending 09-30-2008.	
Name of Organization		Employer Identification Number					
Pikeville Medical Center, Inc.		61-0458376					
Lender's Name, Title and Relationship to Any Officer, Director, Trustee, Key Employee or Substantial Contributor	Original Amount	Balance Due	Date of Note	Maturity Date	Repayment Terms	Interest Rate	
Hospital Board Member is also a Board Member of Bank; Key Employee's Spouse is Employed by the Bank Community Trust Bank	4,846,915	2008-03	2013-03	Principal & Interest Monthly Installments	6.0000		
Hospital Board Member is also a Board Member of Bank; Key Employee's Spouse is Employed by the Bank	4,850,000	2008-02	2013-02		6.5000		
<b>Total</b>	<b>4,850,000</b>	<b>9,138,767</b>					

  

Security Provided by Borrower	Purpose of Loan	Description of Lender Consideration	Consideration FMV
Unsecured	Finance Land/Building Purchases		
		<b>Total</b>	
		<b>Total amount of mortgages</b>	

**SCHEDULE OF OTHER LIABILITIES**

Attachment 18: page 1 - 990 Page 4, Part IV, Line 65

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.	
Name of Organization Pikeville Medical Center, Inc.		Employer Identification Number 61-0458376

Description of Liability	Beginning of Year	End of Year
Reserves for Reciprocal of America Claims & Estimated Cost Report Settlements	1,796,625	7,133,839
Reserves for Worker's Compensation Claims	229,511	170,068
Capital Lease Obligation	161,621	462,326
Purchase of Physician Practice	800,000	600,000
Deferred Compensation Liability		115,316
Totals	2,987,757	8,481,549

Attachment 19: page 1 - 990 Page 5, Part IV-A, Line b(4)

Description of Other Revenue	Total Amount
Revenues Shown Net of Expense for Net Rental Income/Loss and Gross Prof/Loss from Sales of Inventory	6,587,579

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**SCHEDULE OF OTHER EXPENSES INCLUDED**

Attachment 20: page 1 - 990 Page 5, Part IV-B, Line b(4)

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007 , and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Description of Other Expenses	Total Amount
Expenses reflected at net for Rental Income/Loss and Gross Profit/Loss from Sales of Inventory	6,587,579
Total	6,587,579

# CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

Attachment 21: page 1 - 990 Page 5, Part V-A

Open to Public Inspection		For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.		
Name of Organization Pikeville Medical Center, Inc.			Employer Identification Number 61-0458376	
(A) Name and Address	(B) Title and Average Hrs. per Week	(C) Compensation (If not paid, enter 0)	(D) Cont. to Employee Ben. Plans & Def. Comp.	(E) Expense Account & Other Allowances
Joe Dean Anderson P.O. Box 785 Pikeville, KY 41501	Secretary 4.00	0	14,814	0
Walter Blankenship 136 Myra Barnes Avenue Pikeville, KY 41501	Director 2.00	0	0	0
Ronald Burchett P.O. Box 1198 Pikeville, KY 41501	Vice President 4.00	0	0	0
T.T. Colley 103 Walnut Street Pikeville, KY 41501	Director 2.00	0	14,814	0
David Collins P.O. Box 2768 Pikeville, KY 41501	Director 2.00	0	0	0
Dennis Halbert, M.D. P.O. Box 2648 Pikeville, KY 41501	Director 4.00	0	14,814	0
Judith Hinkle 511 Walnut Street Pikeville, KY 41501	Director 2.00	0	0	0
Hobart Clay Johnson P.O. Box 550 Pikeville, KY 41501	Director 2.00	0	0	0
John LaBreche 105 Pinson Branch Road Pikeville, KY 41501	Director 4.00	0	249	0
Alex Poulos, M.D. P.O. Box 2648 Pikeville, KY 41502	Director 4.00	0	14,814	0
Larry Coleman, M.D. 419 Town Mountain Road Pikeville, KY 41501	Chief of Staff 2.00	0	0	0
Lacy Puckett 114 Cedar Lane Pikeville, KY 41501	Emeritus Board Memb 0.00	0	0	0
JoNell Robinson P.O. Box 2350 Pikeville, KY 41502	Director 4.00	0	7,126	0
Sue Smallwood P.O. Box 217 Dorton, KY 41520	Director 4.00	0	7,126	0
John Waddell 379 Chloe Road Pikeville, KY 41501	Director 2.00	0	0	0
Mary Simpson, PhD 1654 Mudlick Road Pikeville, KY 41501	Director 2.00	0	0	0
Aaron Crum, M.D. 191 Cedar Creek	Chief of Staff			

# CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

Attachment 21: page 2 - 990 Page 5, Part V-A

Open to Public Inspection		For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.		
Name of Organization Pikeville Medical Center, Inc.				Employer Identification Number 61-0458376
(A) Name and Address	(B) Title and Average Hrs. per Week	(C) Compensation (If not paid, enter 0)	(D) Cont. to Employee Ben. Plans & Def. Comp.	(E) Expense Account & Other Allowances
Pikeville, KY 41501	2.00	0	0	0
Walter E. May	President/CEO			
P.O. Box 2200	40.00			
Pikeville, KY 41502		441,998	38,180	0
William Johnson, M.D.	Chf Medical Officer			
4678 Zebulon Highway	40.00	257,644	35,756	0
Pikeville, KY 41501				
Cheryl Hickman	Asst to President			
126 S Elm Street	40.00	173,985	33,823	0
Pikeville, KY 41501				
Juanita Deskins	VP Human Resources			
P.O. Box 3413	40.00	159,047	25,611	0
Pikeville, KY 41502				
Deborah Puckett	CEO-Rehab Services			
349 Kati Street	40.00	144,476	24,228	0
Pikeville, KY 41501				
Michael Slusher	AVP Support Svc			
70 Vera Drive	40.00	122,907	24,311	5,000
Pikeville, KY 41501				
Thelma Vinson	VP Dev & Strategic			
1573 Indian Creek	40.00	104,013	28,673	0
Virgie, KY 41572				
Terence Farrell	VP Prof/Support Svcs			
750 Blue River Br	40.00	195,450	25,543	0
Blue River, KY 41607				
Tracy Brand	Assistant COO			
176 Ratliff Road	40.00			
Pikeville, KY 41501		113,924	24,508	0
Jerry Johnson	Chief Operating Off			
232 North Monte Drive	40.00	269,912	46,351	3,600
Pikeville, KY 41501				
Danny Harris	CFO-VP Finance			
152 Quail Walk	40.00	295,370	35,584	0
Pikeville, KY 41501				
Michelle Hagy	Asst CFO			
P.O. Box 1035	40.00			
Pikeville, KY 41502		131,466	25,467	0
Pikeville, KY 41502				
Margaret Kiser	AVP Revenue Cycle			
Box 375	40.00	108,378	25,578	0
Robinson Creek, KY 41560				
Debra Hampton	Chief Nursing Off			
151 Walnut Street	40.00	38,462	5,522	2,131
Pikeville, KY 41501				
C. Preston Lewis	AVP-Surgical Svcs			
67 Katy Friend Branch	40.00	103,072	27,874	0
Prestonsburg, KY 41653				
Sheila Belcher	AVP-Nursing			
67 Tracey Street	40.00			
Pikeville, KY 41501		93,427	19,761	0

# CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

Attachment 21: page 3 - 990 Page 5, Part V-A

Open to Public Inspection	For calendar year 2007, or tax period beginning 10-01-2007, and ending 09-30-2008.
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Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376
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(A) Name and Address	(B) Title and Average Hrs. per Week	(C) Compensation (If not paid, enter 0)	(D) Cont. to Employee Ben. Plans & Def. Comp.	(E) Expense Account & Other Allowances
Robert Keith Bridges 174 W Cedar Drive Pikeville, KY 41501	AVP-Cust Svc/PR 40.00	85,140	22,100	6,146
Bernard Galla 10 Landgraf Avenue Bridgeville, PA 15017	CIO 40.00	171,953	32,197	0
Peggy Justice 335 Chloe Rd Pikeville, KY 41501	AVP-Professio Svc 40.00	51,846	12,187	0

BOOKS ARE IN CARE OF

Attachment 22 - 990 Page 7, Part VI, Line 91a

For calendar year 2007 or tax period beginning 10-01, and ending 09-30-2008.	
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376
Part VI - Line 91a	

Individual Name .....  
or  
Business Name:  
Pikeville Medical Center, Inc.  
% Michelle Hagy, Interim CFO

Street Address ..... 911 Bypass Road

U.S. Address:

Zip code 41501 City Pikeville State KY

or

Foreign Address

City .....

Province or State .....

Country .....

Postal code .....

Phone Number ..... (606) 218-3974

Fax Number ..... (606) 437-4996



Attachment 23: page 1 - 990 Page 8, Part VII, Line 93

## Inspection

**For calendar year 2007, or tax period beginning 10-01-2007 , and ending 09-30-2008.**

Pikeville Medical Center, Inc.

61-0458376

**Totals**

Attachment 24: page 1 - 990 Page 8, Part VII, Line 103

<b>Name of Organization</b> Pikeville Medical Center, Inc.	<b>Employer Identification Number</b> 61-0458376
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JVA Copyright Forms (Software Only) - 2007 TW L0705F 07 EOGR87

Attachment 25: page 1 990 Page 8, Part VIII

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.		
Name of Organization		Employer Identification Number	
Pikeville Medical Center, Inc.		61-0458376	

Line Number	Briefly describe how the activity reported in column (E) of Part VII specifically contributed to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
104	Program Service Revenue is generated by providing accessible, quality healthcare to all patients regardless of their ability to pay.

# **SCHEDULE OF INFORMATION REGARDING TAXABLE SUBSIDIARIES AND DISREGARDED ENTITIES**

Attachment 26: page 1 990 Page 8, Part IX

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

(A) Name, Address, and EIN of Corporation, Partnership, or Disregarded Entity	(B) Percent of Ownership Int.	(C) Nature of Activities	(D) Total Income	(E) End-of-Year Assets
Pikeville Medical Center Foundation, Inc. 911 Bypass Road Pikeville KY 41501 61-1274046	100.0000	Inactive		48,262
Pikeville Medical Development Corporation 911 Bypass Road Pikeville KY 41501 20-2487928	100.0000	Inactive	23	10,399

# COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

Attachment 27: page 1 Schedule A Page 1, Part I

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization <b>Pikeville Medical Center, Inc.</b>	Employer Identification Number <b>61-0458376</b>

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to empl. benefit plans & deferred compensation	(e) Expense account and other allowances
Keith Hall, M.D. 497 Northmonte Woods Pikeville, KY 41501	Orthopedic Surgeon 40.00	802,251	42,519	0
Bill Harris, M.D. 107 Primrose Lane Pikeville, KY 41501	Cardiologist 40.00	800,500	44,993	0
Kevin Pugh, M.D. 127 Summer Street Pikeville, KY 41501	Orthopedic Surgeon 40.00	713,559	32,373	0
Tamara Musgrave, M.D. 74 Scott Addition Ct Pikeville, KY 41501	Oncologist 40.00	700,000	33,286	0
Dennis Havens, M.D. 156 Third Street Pikeville, KY 41501	Cardiac Surgeon 40.00	600,000	40,619	0

# COMPENSATION OF THE FIVE HIGHEST PAID INDEPENDENT CONTRACTORS FOR PROFESSIONAL SERVICES

Attachment 28: page 1 Schedule A Page 1, Part II-A

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

## Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Philips Medical Systems, Inc. 710 Bridgeport Avenue Shelton, CT 06484	Professional Service	4,540,221
Siemens Medical Systems, Inc. 2501 Barrington Road Hoffman Estates, IL 60195	Professional Service	3,210,466
Precyse Solutions LLC 198 Allendale Road King Of Prussia, PA 19406	HIM Services	2,245,968
Morrison Mgmt Specialists, Inc. 5801 Peachtree Dunwoody Atlanta, GA 30342	Food Services	2,053,581
McKesson HBOC P.O. Box 98347 Chicago, IL 60693	Professional Service	1,869,577

# COMPENSATION OF THE FIVE HIGHEST PAID INDEPENDENT CONTRACTORS FOR OTHER SERVICES

Attachment 29: page 1 Schedule A Page 1, Part II-B

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Rose Builders 7 Stacy Street Harold, KY 41635	Construction	1,643,237
General Electric Company, Inc. P.O. Box 96483 Chicago, IL 60693	Biomedical Services	992,926
Creative Lighting & Bath, Inc. 926 S. Mayo Trail Pikeville, KY 41501	Support Services	579,346
Shurtleff's Dry Cleaning & Laundry Services P.O. Box 2260 Pikeville, KY 41502	Laundry Services	497,756
Health Grades, Inc. 500 Golden Ridge Road Suite 100 Golden, CO 80401	Quality Assessment	376,017

## SELF DEALING STATEMENT

Attachment 30: page 1 Sch A Page 2, Part III, Line 2, Self-Dealing Statemen

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376
Line number from Schedule A, page 2, line 2a to 2e .....	2a

### Statement Regarding Transaction

Danny Harris - His sister owns Pikeville from which the hospital rents equipment.



## HOW YOU DETERMINE THAT RECIPIENTS QUALIFY

Attachment 31: page 1 Sch A Page 2, Part III, Line 3a, How You Determine Re

Open to Public Inspection	For calendar year 2007 or tax period beginning	10-01-2007, and ending	09-30-2008.
Name of Organization	Pikeville Medical Center, Inc.		Employer Identification Number 61-0458376

### Explanation

Pikeville Medical Center has a qualified Educational Assistance Program. The purpose is to provide for the recruitment and retention of employees. Those individuals interested in participating in the Education Assistance Plan must complete an application form and stipulate the hospital need and how the education program will benefit the hospital. The types of Educational Assistance Plans are Tuition Reimbursement and Financial Assistance. Tuition Reimbursement Eligibility: a) Full-time hired to work at least 36 hours a week, who have satisfactory performance and have completed at least one year of eligible service are eligible to participate. b) Only courses beginning after the completion of one year of eligible service are eligible for reimbursement. c) Only one type of educational assistance at a time may be received from Pikeville Medical Center. d) Must be currently working at the time of reimbursement or employee will not be eligible to receive the reimbursement. e) If full time status changes before the time of reimbursement, employee will not be eligible to receive the reimbursement. f) The CEO and/or the President may make exceptions to this policy. Financial Assistance Eligibility: The financial assistance program may provide funds for full-time study of healthcare profession to students enrolled in accredited colleges or technical schools. Both employees and non-employees are eligible to apply. Assistance must be approved by the Dept Director, VP/AVP, and COO or CEO.

## SELF DEALING STATEMENT

Attachment 30: page 2 Sch A Page 2, Part III, Line 2, Self-Dealing Statement

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376
Line number from Schedule A, page 2, line 2a to 2e	2b

### Statement Regarding Transaction

Hobart Clay Johnson - Local attorney. He serves as a Board member of Community Trust Bank and of Trust Company of Kentucky. Community Trust Bank provides banking services for the hospital. Trust Company of Kentucky is the trustee of the funds held in relation to the hospital's 1997 bonds. Alex Poulos, M.D. - Hospital staff physician. He serves as a Board member of US Bank. US Bank provides banking services for the hospital. David Collins - Certified Public Accountant. He serves as a Board member of Community Trust Bank and of Trust Company of Kentucky. Community Trust Bank provides banking services for the hospital. Trust Company of Kentucky is the trustee of the funds held in relation to the hospital's 1997 bonds. Peggy Rasnick Justice - Hospital Assistant Vice President of Professional Services. Her brother serves as a Board member of US Bank. US Bank provides banking services for the hospital. Juanita Deskins - Hospital Vice President of Human Resources. Her husband is employed by Community Trust Bank. Community Trust Bank provides banking services for the hospital.

## SELF DEALING STATEMENT

Attachment 30: page 3 Sch A Page 2, Part III, Line 2, Self-Dealing Statement

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376
Line number from Schedule A, page 2, line 2a to 2e	2c

### Statement Regarding Transaction

Dennis Halbert, M.D. and Alex Poulos, M.D. - Hospital staff physicians and also members of Pikeville Radiology with whom the hospital contracts with for radiology services. Hobart Clay Johnson - Local attorney. The hospital has a physician recruitment agreement with his nephew. His daughter in law owns a catering service with which the hospital receives catering services. T.T. Colley - His son is the owner of KVWV Traffic control with which the hospital receives parking lot striping and sealing services. His granddaughter is a partial owner of Skyy Studios with which the hospital receives graphic design services. Walter E. May - Hospital President/CEO. He is an owner of East Kentucky Broadcasting whose radio stations provide advertising for the hospital. His wife's law firm provides legal services for the hospital. Aaron Crum, M.D. - Hospital staff physician with whom the hospital contracts to provide ultrasound interpretations. Also, he received an honorarium payment from the hospital for a CME speaking engagement. His mother in law is the owner of Pounds Away with which the hospital contracts with to provide wellness services for employees.

## SELF DEALING STATEMENT

Attachment 30: page 4 Sch A Page 2, Part III, Line 2, Self-Dealing Statement

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376
Line number from Schedule A, page 2, line 2a to 2e .....	2c

### Statement Regarding Transaction

The above transactions identified in 2a, 2b, and 2c were performed at arms length providing no excess benefit to any disqualified person.

## SELF DEALING STATEMENT

Attachment 30: page 5 Sch A Page 2, Part III, Line 2, Self-Dealing Statement

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007, and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376
Line number from Schedule A, page 2, line 2a to 2e	2d

### Statement Regarding Transaction

Joe Dean Anderson - His daughter is employed as a Radiology Coordinator of the hospital. Walter E. May - He received compensation as President/CEO from the hospital. See Part V-A, Form 990. His daughter in law is employed as a Core Measures Specialist of the hospital. His son in law is employed as a Chaplain of the hospital. Lacy Puckett - (Emeritus Member) - His daughter in law is employed as CEO-Rehab Services of the hospital. See Part V-A, Form 990. Jo Nell Robinson - Her husband is employed as a Chaplain of the hospital. David Collins - Certified Public Accountant - His daughter is employed as the Director of Leadership Training and Development of the hospital.

## LOBBYING ACTIVITY BY NONELECTING PUBLIC CHARITIES EXPLANATION

Attachment 32: page 1 Sch A, Page 5, Part VI-B, Nonelecting Public Charitie

Open to Public Inspection	For calendar year 2007 or tax period beginning	10-01-2007, and ending	09-30-2008.
Name of Organization Pikeville Medical Center, Inc.			Employer Identification Number 61-0458376

### Explanation

Statement of Significant Activities: 1. Tracking and analyzing legislative and regulatory activities that relate to healthcare. 2. Building positive working relationships with legislators, staff and government officials. 3. A portion of dues paid to the Kentucky Hospital Association (KHA) are used for lobbying efforts.

**SCHEDULE OF OTHER DEDUCTIONS**

Attachment 33: page 1 - 990-T Page 1, Part II, Line 28

Open to Public Inspection	For calendar year 2007 or tax period beginning 10-01-2007 , and ending 09-30-2008.
Name of Organization Pikeville Medical Center, Inc.	Employer Identification Number 61-0458376

Description of Deduction	Total Amount
General & Administrative	153,068
Supplies	1,385
Purchased Services	2,979
Minor Equipment	153
Other Expense	2,702

Page Total	
Total	160,287

Transmission Date: 08-14-2009  
Transmission Time: 08:54:16 PM (MST)  
Transmission Number: 1  
**990 Transmission**  
Printed: 11-16-2010

Organization Name	EIN	Refund	Type	Confirmation
Pikeville Medical Center, Inc.	XX-XXX8376	0	US	2258487

Total Transmitted: 1

990 for tax period ended 09/30/08