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Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047 2008

Inspection

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009 C Name of organization BAPTIST HEALTH SYSTEM INC D Employer identification number B Check if applicable Please use IRS label or Address change 63-0312913 Doing Business As E Telephone number print or type. See Specific Instruc-☐ Name change (205) 715-5738 Initial return Number and street (or P O box if mail is not delivered to street address) Room/suite PO BOX 830605 **G Gross receipts** \$ 503,726,010 Termination tions. City or town, state or country, and ZIP + 4 BIRMINGHAM, AL 352830605 Amended return Application pending

		F Name and address of Principal Officer PRINGLE RAMSEY PO BOX 830605 BIRMINGHAM, AL 352830605		affilia		ΓYes Γ Nο	
T Ta	ax-exen	ppt status	527	1 ' '	l affiliates inc	luded?	
J W	/eb sit	e: ► WWW BHSALA COM		_	p Exemption		
К Ту	pe of or	ganization Corporation trust association other		L Year of Fo	rmation 1922	M State of legal domicile AL	
Pa	art I	Summary					
		Briefly describe the organization's mission or most sig	nıfıcant actıvıtıes				
Governance	2	SEE SCHEDULE O "AS A WITNESS TO THE LOVE OF SYSTEM IS COMMITTED TO MINISTRIES THAT EN SERVE, THROUGH INTEGRITY, COMPASSION, ADV. Check this box if the organization discontinued its of	HANCE THE HEALTH, VOCACY, RESOURCE	DIGNITY, AN	D EXCELLEN	ESS OF THOSE WE CE "	
Š	3	Number of voting members of the governing body (Part				3 13	
	4	Number of independent voting members of the governing				4 13	
8	5	Total number of employees (Part V, line 2a)		b)	•	5 4,299	
Activities &	6	Total number of volunteers (estimate if necessary) .			,	6 106	
ទ្ធ		Total gross unrelated business revenue from Part VIII		_	-	7a -87,282	
•		Net unrelated business taxable income from Form 990	, , , , , , , , , , , , , , , , , , , ,			7b -87,282	
			·	Pric	or Year	Current Year	
	8	Contributions and grants (Part VIII, line 1h)			1,629,04	8 2,809,788	
Revenue	9	Program service revenue (Part VIII, line 2g)		456,030,73	8 476,984,507		
	10	Investment income (Part VIII, column (A), lines 3, 4		28,117,13	9 -4,866,074		
ď	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c	ther revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)				
	12	Total revenue—add lines 8 through 11 (must equal P 12)		496,180,37	7 482,678,646		
	13	Grants and similar amounts paid (Part IX, column (A), lınes 1–3)			0	
	14	Benefits paid to or for members (Part IX, column (A),	line 4)			0	
\$	15	Salaries, other compensation, employee benefits (Pa 10)	rt IX, column (A), lines	5 –	162,118,21	1 163,568,719	
ପ୍ରକାନ୍ତରେ	16a	Professional fundraising fees (Part IX, column (A), lir	ne 11e)			0	
ਡੋ	Ь	(Total fundraising expenses, Part IX, column (D), line 25 $\frac{0}{}$)				
	17	Other expenses (Part IX, column (A), lines 11a-11d	, 11f-24f)		311,990,34	2 323,985,869	
	18	Total expenses—add lines 13–17 (must equal Part I	X, line 25, column (A))		474,108,55	3 487,554,588	
- 01	19	Revenue less expenses Subtract line 18 from line 12	2		22,071,82	4 -4,875,942	
Net Assets or Fund Balances				Beginn	ing of Year	End of Year	
100	20	Total assets (Part X, line 16)			684,923,13	0 687,655,388	
25 28	21	Total liabilities (Part X, line 26)			350,378,78	6 485,594,813	
žÏ	22	Net assets or fund balances Subtract line 21 from li	ne 20		334,544,34	4 202,060,575	
Pa	rt II	Signature Block					
		Under penalties of perjury, I declare that I have examined this re and belief, it is true, correct, and complete Declaration of prepar					
Ple		*****			-05-12		
Sig Her		Signature of officer		Date			
	_	PRINGLE RAMSEY SVP/CFO Type or print name and title					
Paid		Preparer's signature	Date	Check if self-empolyed	Preparer's P	TIN (See Gen Inst)	

Preparer's

Use Only

Type of print harne and
Preparer's signature

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

WarrenAverettKımbrough & MarınoLLC 2500 Acton Road

empolyed 🕨 🦲

Phone no 🕨 (205) 979-4100

May the IRS discuss this return with the preparer shown above? (See instructions)

Birmingham, AL 35243

EIN 🕨

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

1	Briefly describe the organization's mission "AS A WITNESS TO THE LOVE OF GOD, REVEALED THROUGH JESUS CHRIST, THE BAPTIST HEALTH SYSTEM IS COMMITTED TO MINISTRIES THAT ENHANCE THE HEALTH, DIGNITY, AND WHOLENESS OF THOSE WE SERVE, THROUGH INTEGRITY, COMPASSION, ADVOCACY, RESOURCEFULNESS, AND EXCELLENCE "
2	Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?
	If "Yes," describe these new services on Schedule O
3	Did the organization cease conducting or make significant changes in how it conducts any program services?
	If "Yes," describe these changes on Schedule O
4	Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported
4a	Code) (Expenses \$ 432,029,124 including grants of \$) (Revenue \$ 462,775,920) PATIENT SERVICES BAPTIST HEALTH SYSTEM, INC ("BHS"), CONTINUES IN ITS CHARITABLE MISSION, WHICH BEGAN IN 1922, OF PROVIDING MEDICAL AND EDUCATIONAL SERVICES TO THE COMMUNITY THROUGH ITS FOUR HOSPITALS AND OTHER PATIENT CARE FACILITIES ONE OF THE HOSPITALS IS LOCATED WITHIN THE CITY LIMITS OF BIRMINGHAM, AL, WHICH ENABLES BHS TO PROVIDE SERVICES TO AREAS OF THE CITY WHICH MIGHT OTHERWISE BE UNDERSERVED THE CORPORATION ALSO OWNS AND OPERATES HOSPITALS IN TALLADEGA, JASPER (ACTIVITIES ARE REPORTED ON ITS SEPARATE FORM 990 HOWEVER, IT WAS MERGED WITH BHS EFFECTIVE 6/30/2009 AND THEREFORE ITS BALANCE SHEET IS REFLECTED ON THIS RETURN), AND ALABASTER, AL. SEVERAL OF THESE HOSPITALS SERVE RURAL, COMMUNITIES WHICH, PRIOR TO BHS 'INVOLVEMENT, WERE IN NEED OF STABLE HEALTH CARE FACILITIES THESE RURAL HOSPITALS PROVIDE MUCH NEEDED SERVICES (SUCH AS OBSTETRICS), TO AREAS OF ALABAMA THAT WOULD OTHERWISE BE UNDERSERVED BHS EXPERIENCES LOSSES FROM THE OPERATIONS OF SOME OF THESE HOSPITALS, WHICH FURTHER DEMONSTRATES ITS COMMUNITIES TO SERVING THESE COMMUNITIES EACH HOSPITAL. PARTICIPATES IN THE MEDICARE AND MEDICAID PROGRAMS (SEE PART VIII) BHS EXPERIENCES LARGE CONTRACTUAL ADJUSTMENTS DUE TO THE LIMITED REIMBUSSEMENT PROVIDED BY THE GOVERNMENTAL PROGRAMS (SEE PART VIII) BHS EXPERIENCES LARGE CONTRACTUAL ADJUSTMENTS DUE TO THE LIMITED REIMBUSSEMENT PROVIDED BY THE GOVERNMENTAL PROGRAMS THE FOLLOWING CHART INCLUDES THE NUMBER OF PATIENT DAYS PROVIDED BY THESE GOVERNMENTAL PROGRAMS PROGRAM PATIENT DAYS PERCENTAGEMEDICARE 54, 452 41 82% MEDICARE HMO 30, 240 23 23% MEDICAID 13,508 10 37% TRICARE 466 0 36% OTHER STATE AND LOCAL MEDICAL PROGRAMS THIS PARTICIPATION IMPROVES ACCESS TO PATIENT CARE FOR THE COMMUNITIES SERVED BY BHS
4Ь	(Code) (Expenses \$ 9,124,445 including grants of \$) (Revenue \$ 0) CHARITY CARE THE BHS HOSPITALS PROVIDE A SIGNIFICANT AMOUNT OF CHARITY CARE TO THEIR COMMUNITIES NOTICES ARE POSTED IN EACH HOSPITAL TO INFORM PATIENTS THAT QUALITY HEALTH CARE SERVICES ARE AVAILABLE REGARDLESS OF A PERSON'S ABILITY TO PAY
4c	(Code) (Expenses \$ 29,931,620 including grants of \$) (Revenue \$ 20,911,167) GOVERNMENT SPONSORED HEALTHCARE GOVERNMENT SPONSORED HEALTHCARE INCLUDES UNPAID COSTS OF PUBLIC PROGRAMS, WHICH REPRESENTS THE SHORTFALL CREATED WHEN REIMBURSEMENTS ARE LESS THAN COSTS OF PROVIDING SERVICES BHS RECORDS SERVICES PROVIDED TO MEDICAID RECIPIENTS AFTER ANNUAL MEDICAID BENEFITS ARE EXHAUSTED AS CHARITY CARE
	(Code) (Expenses \$ 3,763,634 including grants of \$) (Revenue \$ 982,701)
_	
4d	Other program services (Describe in Schedule O)
	(Expenses \$ including grants of \$) (Revenue \$)
4e	Total program service expenses \$ 474,848,823 Must equal Part IX, Line 25, column (B).

Part IV	Checklist of	Required	Schedules
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			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors? 🕏	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		Νο
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C,	4	Yes	
5	Section $501(c)(4)$, $501(c)(5)$, and $501(c)(6)$ organizations. Is the organization subject to the section $6033(e)$ notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5		
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I.	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		Νο
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9		No
10	Did the organization hold assets in term, permanent,or quasi-endowments? If "Yes," complete Schedule D, Part V	10		No
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11	Yes	
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII .	12		No
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the U S ?	14a		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? If "Yes," complete Schedule F, Part I	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Part II</i>	15		Νο
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If</i> "Yes," complete Schedule F, Part III	16		No
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17		No
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		Νο
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	Yes	
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21		No
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		Νο
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25	24a	Yes	
ь	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	Yes	
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		Νο
25a	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27		No

Part VI . . .

Part IV Checklist of Required Schedules (Continued)

			res	NO
8	During the tax year, did any person who is a current or former officer, director, trustee, or key employee			
а	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV	28a		No
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV	28b		Νο
C	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV .	28c	Yes	
9	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		Νo
0	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		Νo
1	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		Νo
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		Νo
3	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33	Yes	
4	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	Yes	
5	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35	Yes	
6	501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
7	Did the organization conduct more than 5 percent of its activities through an entity that is not a related	37		No

Pa	rt V Statements Regarding Other IRS Filings and Tax Compliance	 				
					Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal	- 1				
	of U.S. Information Returns. Enter -0- if not applicable					
	<u> </u>	1a	400			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to v	vendo	ors and reportable			
	gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements filed for the calendar year ending with or within the year covered by this return	2a	4,299			
b	If at least one is reported in 2a, did the organization file all required federal employment Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this r		returns?	2b	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during treturn?			3a	Yes	
ь	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedu	lule O		3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a sign over, a financial account in a foreign country (such as a bank account, securities account)?	ount, c	or other financial	4a	Yes	
b	If "Yes," enter the name of the foreign country BB					
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Reporting Financial Accounts.	ort of I	Foreign Bank and			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during	the t	ax year [?]	5a		Νο
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax	x she	lter transaction?	5b		Νo
С	If "Yes," to 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt E Tax Shelter Transaction?			5c		
6a	Did the organization solicit any contributions that were not tax deductible?			6a		Νo
b	If "Yes," did the organization include with every solicitation an express statement that were not tax deductible?			6b		
7	Organizations that may receive deductible contributions under section 170(c).					
а	Did the organization provide goods or services in exchange for any quid pro quo contri more?	ibutio	n of \$75 or	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services prov	vided	[?]	7b		
С	Did the organization sell, exchange, or otherwise dispose of tangible personal property	y for w	which it was required to	7c		Νο
d	If "Yes," indicate the number of Forms 8282 filed during the year	 7d				
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay p benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a person			7f		N o
g	For all contributions of qualified intellectual property, did the organization file Form 88	399 as	required?	7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file	a For	rm 1098-C as	_		
_	required?		500(-)(3)	7h		
8	Section $501(c)(3)$ and other sponsoring organizations maintaining donor advised funds and supporting organizations. Did the supporting organization, or a fund maintained by a sponsorest business holdings at any time during the year?			8		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.					
а	Did the organization make any taxable distributions under section 4966?			9a		
ь	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	Section 501(c)(7) organizations. Enter					
а	Initiation fees and capital contributions included on Part VIII, line 12 1	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10Ь				
11	Section 501(c)(12) organizations Enter					
а	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in li	ıeu of	Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				

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

Section	Δ	Governing	Rody	and	Management
3 e ction /	٦.	Governing	Duuy	anu	manayement

			res	NO			
	For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.						
1a	Enter the number of voting members of the governing body 13						
Ь	Enter the number of voting members that are independent 13						
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		Νο			
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?.						
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?						
5	Did the organization become aware during the year of a material diversion of the organization's assets?						
6	Does the organization have members or stockholders?						
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes				
Ь	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes				
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following						
а	the governing body?	8a	Yes				
Ь	each committee with authority to act on behalf of the governing body?	8b	Yes				
9a	Does the organization have local chapters, branches, or affiliates?	9a		Νo			
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b					
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	Yes				
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11		Νο			

Section B. Policies

			Yes	No
12a	Does the organization have a written conflict of interest policy? If "No", go to line 13 \cdot .	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision			
а	The organization's CEO, Executive Director, or top management official?	15a	Yes	
b	Other officers or key employees of the organization?	15b	Yes	
	Describe the process in Schedule O			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed
- Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply own website. another's website. upon request
- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

SCOTT HUGHES
3201 4TH AVENUE SOUTH
BIRMINGHAM,AL 35222
(205) 715-5738

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed

Check this box if the organization did not compensate any officer, director, trustee or key employee

- * List all of the organization's **current** officers, directors, trustees (whether individuals or organizations) and key employees regardless of amount of compensation, and current key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- * List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- * List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- * List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

The check this box in the organization and i	·	(C) Position (check all that apply)							(5)	(F)
(A) Name and Title	(B) Average hours per week	Individual Trustee or Chrector	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099MISC)	Reportable compensation from related organizations (W- 2/1099-MISC)	Estimated amount of other compensation from the organization and related organizations
							_			

Part VII Continued

		(C) Position (check all that apply)							(E)	(F)
(A) Name and Title	(B) Average hours per week	Individual Trustee or Director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	Estimated amount of other compensation from the organization and related organizations
							-			
							<u> </u>			
	 		+	\vdash	\vdash		\vdash			
			<u> </u>							
1b Total							-	5,982,316	5 C	369,981

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ▶98

			Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If</i> " <i>Yes</i> ," <i>complete Schedule J for such individual</i>	3	Yes	
4	For any individual listed online 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	4	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule I for such person	5		Νο

Section B. Independent Contractors

Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
ROBINS & MORTON GROUP 400 SHADES CREEK PARKWAY BIRMINGHAM, AL 35209	CONSTRUCTION	40,960,973
SIEMENS MEDICAL SOLUTIONS USA INC 51 VALLEY STREAM PARKWAY MALVERN, PA 19355	IT SERVICES	4,398,782
ANESTHESIOLOGISTS ASSOCIATED PC 801 PRINCETON AVE BIRMINGHAM, AL 35211	MEDICAL	3,352,302
GENERAL ELECTRIC MEDICAL SYSTEMS PO BOX 402076 ATLANTA, GA 303842076	MAINTENANCE SVCS/CONSULTING	3,086,883
CROTHALL LAUNDRY SERVICE 200 16TH STREET SOUTH BIRMINGHAM, AL 35233	LAUNDRY SERVICES	2,445,512
2 Total number of independent contractors (including those in 1) where the organization	, ,	110

Statement of Revenue

					(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
46	1a	Federated car	npaigns 1a					
ints	ь	Membership d	ues					
Contributions, gifts, grants and other similar amounts	c	Fundraising ev	1b vents 1c					
# <u>#</u> #=	d	Related organ	ızatıons1d					
<u>₹</u>	e	Government grar	nts (contributions) 1e					
ution her si	f		tions, gifts, grants, and not included above	2,809,788				
弄る	g	Noncash cont	1f ributions included in					
Ş₩.	9							
· · ·	h	Total (Add lin	es 1a-1f)		2,809,788			
				Business Code				
Ele	2a	PATIENT SERVICE	E REVENU	900,099	476,984,507	476,984,507		
e ke	ь							
⊕ E	С							
rws	d							
3g	e							
Program Serwce Revenue	f	All other prog	ram service revenue					
š	g	Total. Add line ► \$ 476,984,5	es 2a-2f					
	3		come (including divi	dends, ınterest				
		othersimilara	amounts)		11,969,577	5,000		11,964,577
	4	Income from inve	estment of tax-exempt be	ond proceeds				
	_	Downlines		▶				
	5	Royalties .	(ı) Real	(II) Personal				
	6a	Gross Rents	2,376,184	(ii) i cisonai				
	ь	Less rental	2,440,398					
	С	expenses Rental income	-64,214					
	d	or (loss) Net rental inc	ome or (loss)		-64,214	-61,932	-87,282	85,000
			(ı) Securities	(II) O ther				
	7a	Gross amount	.,	1,276,450				
		from sales of assets other						
	ь	than inventory Less cost or	16,655,021	1,457,080				
		other basis and sales expenses						
	С	Gain or (loss)	-16,655,021	-180,630				
	d	Net gain or (lo	oss) 	. ▶	-16,835,651			-16,835,651
	8a	Gross income events (not in	from fundraising					
ше			ns reported on line					
Other Revenue			le G ıf total exceeds					
ű.			a					
Бe	b c		xpensesb (loss) from fundrais	ing events				
0								
	9a	Gross income activities See	from gaming e part IV, line 19					
		Complete Schelexceeds \$15,00						
		exceeds \$15,00	a					
	ь	Less directe	xpensesb					
	С		(loss) from gaming a	activities •				
	10a	Gross sales o returns and al						
	ь	less sost of	a goods sold b	518,225				
	c		goods sold b ·(loss) from sales of	494,865 Inventory •	23,360	23,360		
		Miscellaneou		Business Code				
	11a	GAIN ON EXT	FINGUISMENT	900,099	3,207,282	3,207,282		
	ь	DIETARY/CA		900,099	1,054,133	1,054,133		
	c	VARIOUS		900,099	907,911	907,911		
	d	All other reve	nue		2,621,953	2,621,953		
	e	Total. Add line	<u> </u>					
				\$ 7,791,279	402.670.646	404 740 044	67.000	4 705 071
	12	8c,	a. Add lines 1h, 2g, 3		482,678,646	484,742,214	-87,282	-4,786,074

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).									
Do ı	not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses				
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21								
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22								
3	Grants and other assistance to governments, organizations and individuals outside the U.S. See Part IV, lines 15 and 16								
4	Benefits paid to or for members								
5	Compensation of current officers, directors, trustees, and key employees	2,647,180		2,647,180					
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	1,746,594	1,746,594						
7	Other salaries and wages	134,422,967	131,051,374						
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	315,014	315,014						
9	Other employee benefits	24,436,964	24,296,645	140,319					
10	Payroll taxes								
11	Fees for services (non-employees)								
а	Management								
b	Legal								
c	Accounting								
d	Lobbying								
e	Professional fundraising See Part IV, line 17								
f	Investment management fees								
g	Other	14,973,248	13,986,294	986,954					
L2	Advertising and promotion								
L3	Office expenses								
L4	Information technology								
L5	Royalties								
16	Occupancy								
17	Travel								
18	Payments of travel or entertainment expenses for any Federal, state or local public officials								
19	Conferences, conventions and meetings								
20	Interest	9,888,062	8,005,092	1,882,970					
21	Payments to affiliates								
22	Depreciation, depletion, and amortization	25,468,913	24,916,626	552,287					
23	Insurance								
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)								
а	SUPPLIES AND OTHER EXPE	141,196,208	138,072,132	3,124,076					
ь	BAD DEBT	72,183,754	72,183,754						
С	CHARITY	53,311,577	53,311,577						
d	LEASE EXPENSE	6,964,107	6,963,721	386					
f	All other expenses								
25	Total functional expenses. Add lines 1 through 24f	487,554,588	474,848,823	12,705,765					
26	Joint Costs. Check Tiffollowing SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation								

Dart V	Balance	Shoot
Part X	Balance	Sheet

			(A) Beginning of year		(B) End of year
	1	Cash—non-interest-bearing	209,936	1	230,263
	2	Savings and temporary cash investments	ŕ	2	•
	- 3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	38,476,698	4	46,426,564
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>	<u> </u>	5	<u> </u>
	6	Receivables from other disqualified persons (as defined under section $4958(f)(1)$) and persons described in section $4958(c)(3)(B)$ Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net	1,174,778	7	3,457,606
	8	Inventories for sale or use	7,903,510	8	9,318,082
60	9	Prepaid expenses and deferred charges	3,435,290		4,287,916
Assets	10a	Land, buildings, and equipment cost basis			
⋖	_	10a 679,153,182			
	Ь	Less accumulated depreciation Complete Part VI of Schedule D	229,475,619	10c	300,655,331
	11	Investments—publicly traded securities	319,185,383	11	240,613,518
	12	Investments—other securities See Part IV, line 11 Complete Part VII of Schedule D	56,675,235	12	54,095,410
	13	Investments—program-related See Part IV, line 11 Complete Part VIII of Schedule D .		13	
	14	Intangible assets		14	15,071,606
	15	Other assets See Part IV, line 11 Complete Part IX of Schedule D	28,386,681	15	13,499,092
	16	Total assets. Add lines 1 through 15 (must equal line 34)	684,923,130	16	687,655,388
	17	Accounts payable and accrued expenses .	53,494,276	17	48,527,474
	18	Grants payable		18	
	19	Deferred revenue	414,470	19	414,043
	20	Tax-exempt bond liabilities	226,440,520	20	294,833,724
<u>. 6</u>	21	Escrow account liability Complete Part IV of Schedule D		21	
Liabilities	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified			
ä		persons Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	373,195	23	360,859
	24	Unsecured notes and loans payable		24	24,130,745
	25	Other liabilities Complete Part X of Schedule D	69,656,325	25	117,327,968
	26	Total liabilities. Add lines 17 through 25	350,378,786	26	485,594,813
S O O		Organizations that follow SFAS 117, check here ► ✓ and complete lines 27 through 29, and lines 33 and 34.			
ä	27	Unrestricted net assets	298,087,344	27	168,956,657
Balance	28	Temporarily restricted net assets	11,684,000	28	10,779,000
돧	29	Permanently restricted net assets	24,773,000	29	22,324,918
or Fund		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.			
<u>ر</u>	30	Capital stock or trust principal, or current funds		30	
Assets	31	Paid-in or capital surplus, or land, building or equipment fund		31	
As	32	Retained earnings, endowment, accumulated income, or other funds		32	
Net	33	Total net assets or fund balances	334,544,344	33	202,060,575
_	34	Total liabilities and net assets/fund balances	684,923,130	34	687,655,388
Pa	rt XI	Financial Statements and Reporting			

Dowl VI	Financial	Ctatamanta	and Reporting
7.11.5	l Financiai	Statements	and Reporting

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

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As Filed Data -

DLN: 93493133016150

Employer identification number

OMB No 1545-0047

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

Name of the organization

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1)nonexempt charitable trusts. Attach to Form 990 or Form 990-EZ. See separate instructions.

Open to Public Inspection

BAPTIS	T HEA	LTH SYSTEM IN	С					6.3	021201	2		
Dai	rt I	Peacon	for Bublic C	harity Status (to be co	mplotod	by all or	aanizatio		-031291:			
				ation because it is (Please	•	-			msuucu	.10115)		
1				iurches, or association of ch					Α)(i).			
2	<u></u>	•		ion 170(b)(1)(A)(ii). (Attac				-, -(-,(-,	/ (-/-			
3	Ī			e hospital service organizati			t ion 170(l	b)(1)(A)(i	ii). (Attac	h Schedu	le H)	
4	Ė	-	·	zation operated in conjuncti			-					
	•	hospital's name, city, and state										
5	Г	An organization operated for the benefit of a college or university owned or operated by a governmental unit described in										
	•	_	•	(Complete Part II)		•		, ,				
6	Г			overnment or governmental	unıt descr	ribed in Se	ction 170	(b)(1)(A)	(v).			
7		•		ally receives a substantial p						n the gene	eral public	:
	•	=)(1)(A)(vi) (Complete Par		• •				-	•	
8	Г		-	ed in Section 170(b)(1)(A)	•	nplete Par	tII)					
9	Γ	An organiza	ation that norma	ally receives (1) more than	331/3% 0	fits supp	ort from c	ontributior	ıs, membe	rship fees	s, and gro	SS
		receipts fro	m activities rel	ated to its exempt functions	s—subject	to certair	nexceptio	ns, and (2) no more	than 331/	/3% of	
		ıts support	from gross inve	estment income and unrelate	ed busines	ss taxable	ıncome (l	ess sectio	on 511 ta:	x) from bu	sinesses	
		acquired by	the organization	on after June 30, 1975 See	Section 5	609(a)(2).	(Complete	e Part III)			
10	\sqcap	An organiza	atıon organızed	and operated exclusively to	test for p	ublic safe	ty See Se	ction 509	(a)(4). (S	ee instruc	tions)	
11	Γ	An organiza	atıon organızed	and operated exclusively fo	r the bene	fit of, to p	erform the	functions	of, or to o	arry out t	he purpo:	ses of
		one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See Section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h										
			t describes the ype I b			- Function			h d	□ Type	iIII - Otl	her
e	\vdash	•		rtify that the organization is			-					
•	'	•		agers and other than one or			•			•	•	
		section 50		-	·		-				, , ,	•
f				d a written determination fro	m the IRS	5 that it is	a Type I,	Type II o	r Type III	supportir	ng organiz	zation,
а		check this		as the organization accepted	d any dift	or contrib	ution from	any of the				ı
g		following pe		as the organization accepted	a any gnt	or contrib		any or the	•			
		(i) a perso	n who directly o	r indirectly controls, either a	alone or to	gether wi	th persons	describe	d ın (ıı)		Yes	No
		and (III) be	ow, the governi	ng body of the the supported	d organiza	tion?				11g	(i)	
		(ii) a family	/ member of a p	erson described in (i) above	?					11g((ii)	
		(iii) a 35%	controlled enti	ty of a person described in (i) or (ii) al	bove?				11g(iii)	
h		Provide the	following inform	nation about the organizatio	ns the org	ganızatıon	supports					
					T				1		1	
		ame of	(ii) EIN	(iii) Type of organization		sthe		ou notify		sthe	(vii) An	
		oorted nization		(described on lines 1-9 above or IRC section	_	ation in Iisted in		inization i) of your		ation in organized	supp	ort
•	organ	nzacion		(See Instructions))		verning		ort?		US?		
document?												
					Yes	No	Yes	No	Yes	No		

Total

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

Pι	ıblic Support		, ,	,				
Cale	endar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e)	2008	(f) Total
1	Gifts, grants, contributions, and							
	membership fees received (Do not							
	include any "unusual grants ")							
2	Tax revenues levied for the organization's							
	benefit and either paid to or expended on							
_	its behalf The value of services or facilities					 		
3	furnished by a governmental unit to the							
	organization without charge							
4	Total. Add line 1-3					1		
5	The portion of total contribution by each							
5	person (other than a government unit or							
	publicly supported organization) included							
	on line 1 that exceed 2% of the amount							
	shown on line 11, column							
	· (f)							
6	Public Support subtract line 5 from line							
	4							
	otal Support		1		T			
	endar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) :	2008	(f) Total
7	A mounts from line 4							
8	Gross income from interest, dividends,							
	payments received on securities loans,							
	rents, royalties and income from similar							
_	sources							
9	Net income from unrelated business							
	activities, whether or not the business is regularly carried on							
10	Other income Do not include gain or loss							
10	from the sale of capital assets (Explain in							
	Part IV)							
11	Total Support (Add lines 7 through 10)							
12	Gross receipts from related activities, etc	(See instructio	ns)		•	12		
13	First Five Years. If the Form 990 is for the	organization's f	irst second thu	d fourth or fifth	ntay vearas a F		3)	
	organization, check this box and stop here		mat, second, tim	u, rouren, or mer	rtax year as a s	/O1(C)(C	• •	▶ □
								•
Co	omputation of Public Support Perc	entage						
14	Public Support Percentage for 2008 (line 6	5 column (f) dıvı	ded by line 11 c	olumn (f))		14		
15	Public Support Percentage for 2007 School	dule A , Part IV -	A, line 26f			15		
16a	33 1/3% Test - 2008. If the organization di	d not check the	box on line 13.	and line 14 is 3	3 1/3% or more.		this box	
	and stop here. The organization qualifies a				,			▶ □
b	33 1/3% Test - 2007. If the organization d				15 is 33 1/3% d	r more,	check th	
	box and stop here. The organization qualifi	es as a publicly	supported orga	nızatıon				▶ □
17a	10% Facts and Circumstances Test - 2008.							
	more, and if the organization meets the "fa		•					· —
	organization meets the "facts and circums							► □
Ь	10% Facts and Circumstances Test - 2007.							
	more, and if the organization meets the "fa		•					_
4.0	the organization meets the "facts and circu							n ▶
18	Private Foundation. If the organization did	not check the b	oux on line 13, 1	oa, 160, 1/a or	1/D, check this	oox an	u see	▶ □
	ınstructions							F-1

Pa	Support Schedule for On (Complete only if you ched				(2)		
	ction A. Public Support		_	,			
Cale	ndar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1	Gifts, grants, contributions, and						
	membership fees received (Do not						
2	include any "unusual grants ") Gross receipts from admissions,						
2	merchandise sold or services performed,						
	or facilities furnished in any activity that						
	is related to the organization's tax-						
	exempt purpose						
3	Gross receipts from activities that are						
	not an unrelated trade or business under						
	section 513						
4	Tax revenues levied for the						
	organization's benefit and either paid to						
	or expended on its behalf						
5	The value of services or facilities						
	furnished by a governmental unit to the						
_	organization without charge						
6	Total Add lines 1-5						
7a	A mounts included on lines 1, 2, and 3						
	received from disqualified persons Amounts included on lines 2 and 3						
D	received from other than disqualified						
	persons that exceed the greater of 1% of						
	the total of lines 9, 10c, 11, and 12 for						
	the year or \$5,000						
c	Total of lines 7a and 7b						
8	Public Support (Substract line 7c from						
_	line 6)						
То	tal Support						
Cale	ndar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9	A mounts from line 6						
10a	Gross income from interest, dividends,						
	payments received on securities loans,						
	rents, royalties and income from similar						
	sources						
b	Unrelated business taxable income (less						
	section 511 taxes) from businesses						
	acquired after 30 June, 1975		+				
С	Add lines 10a and 10b						
11	Net income from unrelated business						
	activities not included in line 10b, whether or not the business is regularly						
	carried on						
12	Other income Do not include gain or loss						
	from the sale of capital assets						
	(Explain in Part IV)						
13	Total Support (Add lines 9, 10c, 11 and						
	12)						
14	First Five Years If the Form 990 is for the	organızatıon's fı	rst, second, thir	d, fourth, or fifth	ntax year as a 5	01(c)(3) organı	zation,
	check this box and stop here						▶ □
	manufaction of Dublic Compact Days						
15	mputation of Public Support Perc Public Support Percentage for 2008 (line		dod by line 12 o	olumn (fl)		T 4= T	
			•	.orumin (1))		15	
16	Public Support Percentage for 2007 Sche	dule A , Part IV -	A, line 27g			16	
		D					
Co	mputation of Investment Income Investment Income Percentage for 2008 (ne 13 column /f	<u> </u>	17	
	-			-	"	17	
ΤQ	Investment Income Percentage from 2007	ocnequie A , Pa	TLIV-A, IINE 2/	H		18	

19a 33 1/3% Tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line

17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization **33 1/3% Tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization

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

Schedule A (Form 990 or 990-EZ) 2008

▶□

Part IV	Supplemental Information. Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)			
	Facts and Circumstances Test			

Schedule A (Form 990 or 990-EZ) 2008

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

OMB No 1545-0047

Open to Public Inspection

To be completed by organizations described below. Attach to Form 990 or Form 990-EZ

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities)

- ◆ Section 501(c)(3) organizations complete Parts I-A and B Do not complete Part I-C
- ◆ Section 501(c) (other than section 501(c)(3)) organizations complete Parts I-A and C below Do not complete Part I-B
- ◆ Section 527 organizations complete Part I-A only

• Se	e organization answered "Ye ection 501(c)(3) organizations that ection 501(c)(3) organizations that e organization answered "Ye	t have filed Form 5768 (election u t have NOT filed Form 5768 (elect	nder section 501(h)) co ion under section 501(omplete Part II-A Do not co	mplete Part II-B
N a BAI	ection 501(c)(4), (5), or (6) organiance of the organization PTIST HEALTH SYSTEM INC	·		63-0312913	tification number
Par	t I-A To be completed borganizations. (Se	y all organizations exenether the instructions for Sched		501(c) and section	527
1	Provide a description of the or	ganızatıon's dırect and ındırect p	olitical campaign acti	vities in Part IV	
2	Political expenditures				\$
3	V olunteer hours				
Pai	rt I-B To be completed be for Schedule C for d		npt under section	501(c)(3). (See the	instructions
1	Enter the amount of any excise	e tax incurred by the organizatio	n under section 4955		\$
2	Enter the amount of any excise	e tax incurred by organization m	anagers under section	4955	\$
3	If the organization incurred in	a section 4955 tax, did it file Fo	rm 4720 for this year?	,	┌ Yes ┌ No
4a	Was a correction made?				┌ Yes
ь	If "Yes," describe in Part IV				
Par	rt I-C To be completed be (See the instructions	y all organizations exen for Schedule C for details.)	npt under section	501(c), except sect	tion 501(c)(3).
1	Enter the amount directly expe	ended by the filing organization f	or section 527 exemp	t function activities	\$
2	Enter the amount of the filing of 527 exempt funtion activities	rganızatıon's ınternal funds con	rıbuted to other organ	izations for section	\$
3	Total of direct and indirect exe 1120-POL, line 17b	mpt function expenditures Add	lines 1 and 2 and ente	er here and on Form	\$
4	Did the filing organization file $f I$	Form 1120-POL for this year?			┌ Yes ┌ No
5	were made Enter the amount p political contributions received	nd Employer Identification Numboaid and indicate if the amount widen and promptly and directly delivection committee (PAC). If addit	as paid from the filing ered to a separate pol	organization's own interna litical organization, such a	l funds or were s a separate
	(a) Name	(b) Address	(c) FIN	(d) A mount haid from	(e) A mount of political

(a) Name	(b) Address	(c) EIN	(d) A mount paid from filing organization's internal funds If none, enter - 0 -	(e) A mount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

section 4911 tax for this year?

┌ Yes ┌ No

	and TT A . To be assembled at his		- + 6:1 - d F F 7	CO.
Ľ		organizations exempt under section 501(c)(3) the		68
		tion 501(h)). (See the instructions for Schedule C for c	letails.)	
		belongs to an affiliated group		
В	Check If the filing organization	checked box A and "limited control" provisions apply		
	Limita on Lol	hhuina Evnandihunaa	(a) Filing	(b) Affiliated
		bbying Expenditures—	Organization's	Group
	(The term "expenditure	s" means amounts paid or incurred.)	Totals	Totals
1a	Total lobbying expenditures to influe	nce public opinion (grass roots lobbying)	0	
b	Total lobbying expenditures to influe	nce a legislative body (direct lobbying)	123,009	
c	Total lobbying expenditures (add line	es 1a and 1b)	123,009	
d	Other exempt purpose expenditures		487,430,940	
е	Total exempt purpose expenditures ((add lines 1c and 1d)	487,553,949	
f	, 5	he amount from the following table in both	1,000,000	
	columns— If the amount on line 1e, column (a)			
	or (b) is:	The lobbying nontaxable amount is:		
	Not over \$500,000	20% of the amount on line 1e		
	,			
	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		
g	Grassroots nontaxable amount (ente	r 25% of line 1f)	250,000	
h	Subtract line 1g from line 1a Enter -	0 - ıf lıne g ıs more than lıne a	0	
i	Subtract line 1f from line 1c Enter - 0	O- if line f is more than line c	0	

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 1a through 1f of the instructions.)

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting

	Lobbying Expenditures During 4-Year Averaging Period					
	Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a	Lobbying non-taxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
ь —	Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
_с	Total lobbying expenditures	116,643	109,825	129,240	123,009	478,717
_d	Grassroots non-taxable amount	250,000	250,000	250,000	250,000	1,000,000
е —	Grassroots ceiling amount (150% of line d, column (e))					1,500,000
f	Grassroots lobbying expenditures					

	5768 (election under section 501(h)). (See the instructions for Schedule C for d					
		(a	1)		(b)	
	·	Yes	No	A	moun	nt
1	During the year, did the filing organization attempt to influence foreign, national, state or local					
	legislation, including any attempt to influence public opinion on a legislative matter or					
а	referendum, through the use of Volunteers?					
ь				1		
c	Media advertisements?					
d	Mailings to members, legislators, or the public?					
e	Publications, or published or broadcast statements?					
f						
g	Direct contact with legislators, their staffs, government officials, or a legislative body?					
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?					
i	Other activities If "Yes," describe in Part IV					
j	Total lines 1c through					
-	1) Did the patientias in line 1 agree the arrangements in the net decombed in section FO1/a)/2)2		Ī	1		
	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? If "Yes" enter the amount of any tax incurred under section 4912			+		
	If "Yes" enter the amount of any tax incurred by organization managers under section 4912					
	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?					
	t III-A To be completed by all organizations exempt under section 501(c)(4), sec	tion	5016) or	
G.	section 501(c)(6). (See the instructions for Schedule C for details.)		301(,, 0.	
			_		Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?		L	1		
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		L	2		<u> </u>
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?			3		
Par	t III-B To be completed by all organizations exempt under section 501(c)(4), sec					
	section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" (question 3 is answered "Yes." (See the instructions for Schedule C for details.)	OK II	Part	III-A	٠,	
1	Dues, assessments and similar amounts from members	T	1 \$			
2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political	F	'			
	expenses for which the section 527(f) tax was paid).					
	Current Year		2a \$			
b	Carryover from last year		2b\$			
C	Total	<u> </u>	2c \$			
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	-	3 \$			
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political					
	expenditure next year?		4 \$			
5	Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)		5 \$			
Pā	Supplemental Information	•				
	mplete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and F so, complete this part for any additional information	Part II	l-B, line	e 1ı		
	Identifier Return Reference Explanation	on				

Part IV Supplemental I	Part IV Supplemental Information					
Ident if ier	Return Reference	Explanation				

Schedule C (Form 990 or 990EZ) 2008

OMB No 1545-0047

Open to Public Inspection

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

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

Supplemental Financial Statements

	me of the organization TIST HEALTH SYSTEM INC		Employer identification number
J- 11			63-0312913
Pa	rt I Organizations Maintaining Donor Acorganization answered "Yes" to Form 99		unds or Accounts. Complete if the
		(a) Donor advised funds	(b) Funds and other accounts
L	Total number at end of year		
2	Aggregate Contributions to (during year)		
3	Aggregate Grants from (during year)		
1	Aggregate value at end of year		
5	Did the organization inform all donors and donor advis funds are the organization's property, subject to the o		or advised Yes No
6	Did the organization inform all grantees, donors, and used only for charitable purposes and not for the bend		•
	impermissible private benefit? rt II	of the every protect and "Ves" t	<u> </u>
1	Purpose(s) of conservation easements held by the or Preservation of land for public use (e.g., recreation of natural habitat Preservation of open space Complete lines 2a-2d if the organization held a quality of the last day of the tay year.	on or pleasure) Preservation of an Preservation of ce	historically importantly land area rtified historic structure of a conservation easement
	on the last day of the tax year		Held at the End of the Year
а	Total number of conservation easements		2a
b	Total acreage restricted by conservation easements	-	2b
c			2c
_	Number of conservation easements on a certified his		
d	Number of conservation easements included in (c) a	•	2d
3	Number of conservation easements modified, transfe	rred, released, extinguished, or terminate	d by the organization during
	the taxable year ▶		
1	Number of states where property subject to conserva	ition easement is located ►	
5	Does the organization have a written policy regarding enforcement of the conservation easements it holds?		ations, and Yes No
5	Staff or volunteer hours devoted to monitoring, inspec	cting and enforcing easements during the	year 🕨
7	A mount of expenses incurred in monitoring, inspectir	ng, and enforcing easements during the ye	ear ► \$
8	Does each conservation easement reported on line 2 $170(h)(4)(B)(I)$ and $170(h)(4)(B)(II)^7$	(d) above satisfy the requirements of sec	tion Yes No
•	In Part XIV, describe how the organization reports co balance sheet, and include, if applicable, the text of t the organization's accounting for conservation easem	he footnote to the organization's financial	• •
ar	TIII Organizations Maintaining Collectio Complete if the organization answered "		or Other Similar Assets.
la	If the organization elected, as permitted under SFAS art, historical treasures, or other similar assets held provide, in Part XIV, the text of the footnote to its fin	for public exhibition, education or research	ch in furtherance of public service,
b	If the organization elected, as permitted under SFAS historical treasures, or other similar assets held for provide the following amounts relating to these items	oublic exhibition, education, or research i	
	(i) Revenues included in Form 990, Part VIII, line 1		► \$
	(ii) Assets included in Form 990, Part X		▶ \$
2	If the organization received or held works of art, histo	orical treasures, or other similar assets fo	,
-	following amounts required to be reported under SFAS	· · · · · · · · · · · · · · · · · · ·	2 ,,

Revenues included in Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

ап	Organizations Maintaining Collections of Art,	His	tori	<u>cal Treas</u>	<u>ures, or Othe</u>	<u>r Similar</u>	Asse	ts (co	ntınued)
3	Using the organization's accession and other records, check any items (check all that apply)	of th	ie foll	owing that a	re a sıgnıfıcant u	se of its col	lection	า	
а	Public exhibition	d	\vdash	Loan or ex	change programs				
b	Scholarly research	e	Γ	Other					
c	Preservation for future generations								
	Provide a description of the organization's collections and explai Part XIV	n hov	v the	further the	organization's ex	empt purpo	se in		
5	During the year, did the organization solicit or receive donations assets to be sold to raise funds rather than to be maintained as p		,			ıılar	Г	Yes	┌ No
ar	t IV Trust, Escrow and Custodial Arrangements.				anızatıon answ	ered "Yes'	' to Fo	orm 9	90,
	Part IV, line 9, or reported an amount on Form 99								
а	Is the organization an agent, trustee, custodian or other intermed included on Form 990, Part X?	diary	for c	ontributions	or other assets r	not	Γ	Yes	┌ No
b	If "Yes," explain why in Part XIV and complete the following table	е							
							A mou	ınt	
C .	Beginning balance				1c				
t	Additions during the year				1d				
2	Distributions during the year				1e				
F	Ending balance				1f				
1	Did the organization include an amount on Form 990, Part X, line	21?					Γ	Yes	┌ No
	If "Yes," explain the arrangement in Part XIV								
a	rt V Endowment Funds. Complete if the organization								
	(a)Current Year	(b)	Prior \	'ear (c) T	wo Years Back (d)	Three Years Ba	ick (e	Four Ye	ears Back
1	Beginning of year balance								
)	Contributions								
	Investment earnings or losses								
1	Grants or scholarships								
•	Other expenditures for facilities and programs								
	Administrative expenses								
j	End of year balance								
	Provide the estimated percentage of the year end balance held a	S							
1	Board designated or quasi-endowment								
)	Permanent endowment ►								
: 1	Term endowment ► Are there endowment funds not in the possession of the organiza	tion t	that s	re held and	administered for	the			
	organization by		cira c	ne nera ana				Yes	No
	(i) unrelated organizations					[3a(i)		
	(ii) related organizations					[3a(ii)		
)	If "Yes" to 3a(II), are the related organizations listed as required						3Ь		
	Describe in Part XIV the intended uses of the organization's end								
H	t VI Investments—Land, Buildings, and Equipmer	ıt. S							
	Description of investment			Cost or other (investment)	(b)Cost or other basis (other)	(c) Deprecia	tion	(d) Boo	ok value
l	and				41,934,535			4	1,934,53
) E	Buildings	i			216,344,652	112,869	,440	10	3,475,21
: 1	easehold improvements				2,990,456	1,528	,645		1,461,81
1 E	Equipment				326,017,583	251,900	,809	7	4,116,774
e (Other				91,865,956	12,198	,957	7	9,666,999

300,655,331

investments—Other Securities. See	Form 990, Part X, line 12	
(a) Description of security or cateory (including name of security)	(b)Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other INVESTMENTS IN SUBSIDIARIES	E4 00E 410	C
Other INVESTMENTS IN SUBSIDIARIES	54,095,410	
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)	54,095,410	
Total (Column (b) Should equal (only 550, full N, col (b) mic 12)	31,033,110	
Part VIII Investments—Program Related. Se	e Form 990, Part X, line 1	13.
(a) Description of investment type	(b) Book value	(c) Method of valuation
(a) Description of investment type	(b) book value	Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		
Part IX Other Assets. See Form 990, Part X, II	ne 15.	
(a) Descri	ption	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col.(B) line.	15.)	
Part X Other Liabilities. See Form 990, Part X		·
(a) Description of Liability	(b) A mount	
Federal Income Taxes		
	 	
Total. (Column (b) should equal Form 990, Part X, col (B) line 25) ▶	117,327,968	

Par	t XI Reconciliation of C	hange in Net Assets from Forr	<u>n 990 to Financial State</u>	ments	
1	Total revenue (Form 990, Part			1	
2	Total expenses (Form 990, Par	t IX, column (A), line 25)		2	
3	Excess or (deficit) for the year	Subtract line 2 from line 1		3	
4	Net unrealized gains (losses) o	n investments		4	
5	Donated services and use of fa	cilities		5	
6	Investment expenses			6	
7	Prior period adjustments			7	
8	Other (Describe in Part XIV)			8	
9	Total adjustments (net) Add lir	nes 4 - 8		9	
10	Excess or (deficit) for the year	per financial statements Combine lines	s 3 and 9	10	
Part		evenue per Audited Financial		ue per Return	
1	Total revenue, gains, and othe	r support per audited financial stateme	nts	1	
2	Amounts included on line 1 bu	it not on Form 990, Part VIII, line 12			
а	Net unrealized gains on invest	ments	. 2a		
b	Donated services and use of fa	acılıtıes	. 2b		
c	Recoveries of prior year grants	s	. 2c		
d	Other (Describe in Part XIV)		. 2d		
e	Add lines 2a through 2d .			. 2e	
3	Subtract line ${f 2e}$ from line ${f 1}$.			. 3	
4	Amounts included on Form 99	0, Part VIII, line 12, but not on line 1			
а	Investment expenses not incl	uded on Form 990, Part VIII, line 7b	. 4a		
b	Other (Describe in Part XIV)		4b		
c	Add lines 4a and 4b			. 4c	
5		d 4c. (This should equal Form 990, Par			
		xpenses per Audited Financia			
1		r audited financial statements		. 1	
2		it not on Form 990, Part IX, line 25	1 - 1		
а		acılıtıes			
b			2b		
с		, Part IX, line 25	2c		
d	Other (Describe in Part XIV)		. 2d	 <u> </u>	
e ~	Add lines 2a through 2d			. 2e	
3	Subtract line 2e from line 1 .			. 3	
4		0, Part IX, line 25, but not on line 1:	4-		
a L		uded on Form 990, Part VIII, line 7b		 	
b	Other (Describe in Part XIV) Add lines 4a and 4b		. 4b	4c	
с 5		nd 4c. (This should equal Form 990, Pa	rt I line 10 \	. 5	
	t XIV Supplemental Inf		nt 1, iiiie 16)	. 3	
Com	plete this part to provide the des	scriptions required for Part II, lines 3, 5, Part XII, lines 3, 5, Part XII, lines 2d and 4b, and Part XI		4, Part XIV, lines 1b and	2b,
	Ident if ier	Return Reference	Ехр	lanat ion	

Additional Data

Software ID:

Software Version:

EIN: 63-0312913

Name: BAPTIST HEALTH SYSTEM INC

Form 990, Schedule D, Part X, - Other Liabilities (a) Description of Liability (b) Amount

(a) Description of Liability	(b) A mount
MINIMUM PENSION LIABILITY	69,998,659
DEFERRED GAINS	1,968,524
ACCRUED COMPENSATION AND BENEFIT LIABILITIES	1,437,447
LONG-TERM WORKERS' COMP LIABILITY	7,893,678
LONG-TERM MALPRACTICE LIABILITY	5,813,452
PENSION PLAN LIABILITY	11,830,649
1ST COMM PATIENT LOAN PROGRAM	104,710
ANESTHESIA CONTRACT FIN45	4,174,273
SECURITY DEPOSITS	1,125
CAPITAL LEASES	1,711,607
LEASE CONTINGENCY	1,021,944
TAXABLE BONDS	11,371,900

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DLN: 93493133016150

OMB No 1545-0047

Open to Public **Inspection**

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answer "Yes" to Form 990, Part IV, line 20.

Hospitals

Name of the organization BAPTIST HEALTH SYSTEM INC

Employer identification number

						-0312913					
Pa	rt I Charity Care and	i Certain O	tner Com	munity Benefits a	t Cost (Optional fo	r 2008)		Yes	No		
12	Does the organization have a	charity care	policy? If "N	lo." skip to auestion 6	a		.	162	140		
	If "Yes," is it a written policy						1a				
2	If the organization has multip				describes application	of the charity	1b				
_	care policy to the various hos	spitals		_		of the charty					
	A pplied uniformly to all he Generally tailored to indiv	ospitals ⁄idual hospita	Is	Applied uniforml	y to most hospitals						
3	Answer the following based o organization's patients	n the charity	care eligibili	ty criteria that applies	to the largest number	of the					
а	Does the organization use Fe income individuals? If "Yes,"						3a				
	Γ _{100%} Γ _{150%}	Γ_2	200%	Other	%						
b	b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care										
	Г 200% Г 250%	Г 300	о% Г	350% Г 400	0%	%					
c	If the organization does not u determining eligibility for free test or other threshold, regar	or discounte	d care Inclu	ide in the description v	whether the organization						
4	Does the organization's polic	y provide free	ordiscount	ed care to the "medica	ally indigent"?		4				
5a											
b	If "Yes," did the organization	's charity car	e expenses	exceed the budgeted a	mount?		5b				
C	If "Yes" to line 5b, as a resul care to a patient who was elig						5c				
6a	Does the organization prepar	e an annual c	ommunity be	enefit report?			6a				
6b	If "Yes," does the organization	on make it ava	aılable to the	public?			6b				
	Complete the following table worksheets with the Schedule		ksheets prov	vided in the Schedule h	l instructions Do not	submit these					
7	Charity Care and Certain C	ther Commu	nıty Benefits	at Cost							
	Charity Care and Means-Tested Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community be expense	enefit	(f) Pero total ex			
а	Charity care at cost (from worksheets 1 and 2)										
b	Unreimbursed Medicaid (from worksheet 3, column a)										
С	Unreimbursed costs—other means-tested government programs (from worksheet 3, column b)										
d	Total Charity Care and Means-Tested Programs										
e	Other Benefits Community health improvement services and community benefit operations (from (worksheet 4)										
f	Health professions education (from worksheet 5)										
g	Subsidized health services (from worksheet 6)										
	Research (from worksheet 7)					1					
	Cash and in-kind contributions to community groups (from worksheet 8)										
-	Total (line 7d and 7i)					+					

	rt II Community Building activities) (Optional		(b) Persons served (optional)	(c) Total communit	-	Direct offse revenue		(e) Net commur building expens	nity	(f) Percer total expe	nt of
1	Physical improvements and housing										
2	Economic development										
3	Community support										
4	· · · · · · · · · · · · · · · · · · ·										
5	Leadership development and training for community members										
- 6	Coalition building Community health improvement										
	advocacy										
8	Workforce development										
9	Other Total							+			
	rt IIII Bad Debt, Medicar	e. & Colle	ction Prac	l tices (Ontional :	or 2008)						
		<u> </u>		() p	<u>,</u>						
Sect	ion A. Bad Debt Expense									Yes	No
1	Does the organization report by Statement No. 15?			dance with Heathca	re Financia	ıl Manaç	emer	nt Association	1		
2	Enter the amount of the organ			e (at cost)		2	•				
3	Enter the estimated amount o	_			•	3					
_	attributable to patients eligible								1		
4	Provide in Part VI the text of t In addition, describe the costi for including other bad debt ar	ng methodolo	ogy used in d	etermining the amo				•			
Sect	ion B. Medicare					1					
5	Enter total revenue received f					. 5			1		
6	Enter Medicare allowable cost					. 6			1		
7 8	Enter line 5 less line 6—surp Describe in Part VI the extent the costing methodology or so following methods was used	to which any	shortfall rep	orted on line 7 sho	uld be trea				-		
	Cost accounting system	Γc	ost to charge	e ratio	C O ther						
Sect	ion C. Collection Practices										
9a	Does the organization have a	written debt o	collection pol	ıcy?					9a		
9b Pa	If "Yes," does the organization patients who are known to quart IV Management Com	lify for charit	y care or fina	ncial assistance? I	Describe in	Part V I			9b		_
	(a) Name of entity	(b) Description activity of		profit ^c	anizatio % or sto ership %	ck	(d) Officers, directors trustees, or key employees' profit % or stock ownership%	profit	Physiciar : % or sto iership %	oc k
1											
2							\top				
							+				
4											
5							+				
							_				
6											
7											
8											
9											
10											
11							\dashv				
12		+					+				
13							+				
14							+				
		İ									

Part V Facility Information (Required for 2008)									
Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
CITIZENS BAPTIST MEDICAL CENTER 604 STONE AVENUE TALLADEGA,AL 35161	х	х					х		
PRINCETON BAPTIST MEDICAL CENTER 701 PRINCETON AVENUE SW BIRMINGHAM, AL 35211	Х	Х		Х			х		
SHELBY BAPTIST MEDICAL CENTER 1000 FIRST STREET NORTH ALABASTER,AL 35007	х	х					х		
			<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>		

P	art VI S	Supplemental Information (Optional for 2008)
Со	mplete this	part to provide the following information
1	Provide th	e description required for Part I, line 3c, Part I, line 7 , Part III, line 4 , Part III, line 8 , and Part III, line 9b
_		
_		
_		
_		
_		
_		
2	Needs Ass	essment. Describe how the organization assesses the health care needs of the communities it serves
_		
_		
3		lucation of Eligibility for Assistance. Describe how the organization informs and educates patients and persons who may be atient care about their eligibility for assistance under federal, state, or local government programs or under the organization's re policy
_		
4		y Information. Describe the community the organization serves, taking into account the geographic area and demographic its it serves
_		
5		y Building Activities. Describe how the organization's community building activities, as reported in Part II, promote the health munities the organization serves
6		y other information important to describing how the organization's hospitals or other health care facilities further its exempt y promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
_		
_		
7		nization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in the health of the communites served
_		
8	Ifapplicab	le, identify all states with which the organization, or a related organization, files a community benefit report

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As Filed Data -

DLN: 93493133016150

OMB No 1545-0047

Compensation Information

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

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

2008

Open to Public Inspection

Name of the organization BAPTIST HEALTH SYSTEM INC

Schedule J

Department of the Treasury

Internal Revenue Service

(Form 990)

Employer identification number

63-0312913

Pa	Tt I Questions Regarding Compensation	n				
					Yes	Νo
1a	Check the appropiate box(es) if the organization pro 990, Part VII, Section A, line 1a Complete Part II					
	First class or charter travel	Γ	Housing allowance or residence for personal use			
	▼ Travel for companions	Γ	Payments for business use of personal residence			
	Tax idemnification and gross-up payments	Γ	Health or social club dues or initiation fees			
	Discretionary spending account	Γ	Personal services (e g , maid, chauffeur, chef)			
b	If line 1a is checked, did the organization follow a w provision of all the expenses described above? If "			1b	Yes	
2	Did the organization require substantiation prior to officers, directors, trustees, and the CEO/Executiv			2	Yes	
3	Indicate which, if any, of the following the organizat organization's CEO/Executive Director Check all t		·			
	✓ Compensation committee	굣	Written employment contract			
	Independent compensation consultant	굣	Compensation survey or study			
	Form 990 of other organizations	⊽	Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990,	Part VII	I, Section A, line 1a			
а	Receive a severance payment or change of control	payment	t?	4a	Yes	
b	Participate in, or receive payment from, a suppleme	ental non	iqualified retirement plan?	4b	Yes	
c	Participate in, or receive payment from, an equity-b	pased co	mpensation arrangement?	4c		Νo
	If "Yes" to any of lines 4a-c, list the persons and p	rovide th	ne applicable amounts for each item in Part III			
	501(c)(3) and 501(c)(4) organizations only must co	omplete	lines 5-8.			
5	For persons listed in form 990, Part VII, Section A compensation contingent on the revenues of	, lıne 1a,	, did the organization pay or accrue any			
а	The organization?			5a		Νo
b	Any related organization?			5b		Νo
	If "Yes," to line 5a or 5b, describe in Part III					
6	For persons listed in form 990, Part VII, Section A compensation contingent on the net earnings of	, lıne 1a,	, did the organization pay or accrue any			
а	The organization?			6a		Νo
b	Any related organization?			6b		Νo
	If "Yes," to line 6a or 6b, describe in Part III					
7	For persons listed in form 990, Part VII, Section A payments not described in lines 5 and 6? If "Yes,"		, ,	7	Yes	
8	Were any amounts reported in Form 990, Part VII, subject to the initial contract exception described in Part III			8		N o

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(I)-(III) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

SPEES PRINGLE RAMSEY CHARLES ALAN BRADFORD KEITH PARROTT DAVID WILSON RICHARD SHIREY ELIZABETH ENNIS		(B) Breakdown of	W-2 and/or 1099-MIS	SC compensation	(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation
MICHAEL SHANE SPEES PRINGLE RAMSEY CHARLES ALAN BRADFORD KEITH PARROTT DAVID WILSON RICHARD SHIREY ELIZABETH ENNIS GREG JOHNSTON WILLIAM JAMES TAPSCOTT AMY ALLEN DOUGLAS C DAVENPORT MARK BRYAN MARY ELIZABETH O'BRIEN		(i) Base compensation	(ii) Bonus & ıncentive compensation	(iii) Other compensation	compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
MICHAEL SHANE SPEES	(ı) (ıı)	541,947	243,471	4,420	89,675	11,392	890,905	
PRINGLE RAMSEY	(ı) (ıı)	376,765	126,900	38,578		8,205	550,448	
CHARLES ALAN BRADFORD	(ı) (ıı)	209,408	67,737		19,350	10,401	306,896	
KEITH PARROTT	(ı) (ıı)	305,250	42,394	99,038	37,423	8,301	492,406	
DAVID WILSON	(ı) (ıı)	263,668	85,853	34,141	28,781	10,589	423,032	
RICHARD SHIREY	(ı) (ıı)	277,966	96,979	43,875	33,102	10,646	462,568	
ELIZABETH ENNIS	(ı) (ıı)	277,473	69,965	107,287	39,980	1,075	495,780	
GREG JOHNSTON	(ı) (ıı)	238,396	82,858	32,315	21,212	10,485	385,266	
WILLIAM JAMES TAPSCOTT	(ı) (ıı)	282,070				10,512	292,582	
AMY ALLEN	(ı) (ıı)	198,999	55,384	32,585	25,600	4,430	316,998	
DOUGLAS C DAVENPORT	(I) (II)			372,385			372,385	
MARK BRYAN	(ı) (ıı)			437,750			437,750	
MARY ELIZABETH O'BRIEN	(I) (II)			362,492			362,492	
CHARLES FAULKNER	(ı) (ıı)	91,731	32,669	449,567			573,967	
	(i)							
	(ii)							

Part III Supplemental Information

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

Ident if ier	Return Reference	Explanation
		Travel for Companions The BHS travel policy does not allow for reimbursement of travel expenses for companions However, the Corporation will make exceptions for instances in which executive spouses are required to attend seminars/training. In accordance with IRS Regulation section 1 162(c), BHS pays reasonable travel expenses as the attendance of the spouses is required in order to perform the substantive duties of the employee's business.
	Part I, Line 4a	SEVERANCE PAYMENTS MARK BRYAN - \$437,750 Douglas C Davenport - \$372,385 Mary Elizabeth O'Brien - \$362,492 Charles Faulkner - \$133,269
	,	BHS OFFERS AN ANNUAL INCENTIVE PLAN TO MEMBERS OF THE MANAGEMENT TEAM PAYOUT UNDER THE INCENTIVE PLAN IS CONTINGENT ON THE FOLLOWING 1) OVERALL SYSTEM AND FACILITY SPECIFIC TARGETS MUST BE MET IN ORDER FOR ANY PAYOUT THIS INCLUDES A SYSTEM WIDE OPERATING INCOME TARGET 2) CRITICAL SUCCESS FACTORS MUST ALSO BE MET EACH FACTOR IS ASSIGNED A PERCENTAGE WEIGHT TO DETERMINE TOTAL PAYOUT FACTORS INCLUDE FINANCIAL TARGETS, RETENTION, QUALITY, OPERATIONAL GROWTH, AS WELL AS INDIVIDUAL GOALS AND OBJECTIVES THE BONUS PAYOUT IS CALCULATED BASED ON THE BASE PAY AT THE END OF THE FISCAL YEAR

Software ID: Software Version:

EIN: 63-0312913

Name: BAPTIST HEALTH SYSTEM INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name	L	(B) Breakdown o	W-2 and/or 1099-MIS	C compensation	(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation reported in prior Form
		(i) Base Compensation	(ii) Bonus & incentive compensation (iii) Other compensation compensation ben ,947 243,471 4,420 89,675 ,765 126,900 38,578 19,350 ,408 67,737 19,350 ,250 42,394 99,038 37,423 ,668 85,853 34,141 28,781 ,966 96,979 43,875 33,102 ,473 69,965 107,287 39,980 ,396 82,858 32,315 21,212 ,070	benefits	(B)(ı)-(D)	990 or Form 990-EZ		
	(I) II)	541,947	243,471	4,420	89,675	11,392	890,905	
PRINGLE RAMSEY ((I) II)	376,765	126,900	38,578		8,205	550,448	
	(ı) ıı)	209,408	67,737		19,350	10,401	306,896	
	(ı) II)	305,250	42,394	99,038	37,423	8,301	492,406	
DAVID WILSON ((I) II)	263,668	85,853	34,141	28,781	10,589	423,032	
	(ı) II)	277,966	96,979	43,875	33,102	10,646	462,568	
	(ı) II)	277,473	69,965	107,287	39,980	1,075	495,780	
	(I) II)	238,396	82,858	32,315	21,212	10,485	385,266	
	(ı) ıı)	282,070				10,512	292,582	
	(ı) II)	198,999	55,384	32,585	25,600	4,430	316,998	
DOUGLAS C DAVENPORT ((ı) ıı)			372,385			372,385	
	(ı) II)			437,750			437,750	
MARY ELIZABETH O'BRIEN ((ı) ıı)			362,492			362,492	
CHARLES FAULKNER ((ı) ıı)	91,731	32,669	449,567			573,967	

Schedule K (Form 990)

Supplemental Information on Tax Exempt Bonds

OMB No 1545-0047

Open to Public **Inspection**

Department of the Treasury Internal Revenue Service

To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O.

Name of the organization BAPTIST HEALTH SYSTEM INC Employer identification number

63-0312913

										103 0312	7 - 0			
P	art I Bond Issues (Requi	red for 2008)								•				
	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date	Issued	(e) Issu	e Price	(f) Des	cription of	Purpose	(g) De	feased	Beh	On alf of uer
											Yes	No	Yes	No
A	SEE SCHEDULE O	63-0847033	091104GG8	11-29-	2005	248,	260,262	seE SCHED	ULE O			x		×
В	sEE SCHEDULE O	63-0847033	notapplic	03-16-	2007	25,	.000,000	SEE SCHED	ULE O			х		х
Pa	art II Proceeds (Optional)	for 2008)						l				1		•
					4	E	3		;	D			E	
1	Total Proceeds of Issue													
2	Gross Proceeds in Reserve Fu	nds												
3	Proceeds in Refunding or Defe	asance Escrows												
4	Other Unspent Proceeds													
5	Issuance Costs from Proceeds	S												
6	Working Capital Expenditures	from Proceeds												
7	Capital Expenditures from Pro-	ceeds												
8	Year of Substantial Completion	n								I				
				Yes	No	Yes	No	Yes	No	Yes	No	Ye	s	No
9	Were the bonds issued as part	of a current refunding is:	sue?											
10	Were the bonds issued as part	of an advance refunding	ıssue?											
11	Has the final allocation of proc	eeds been made?												
12	Does the organization maintain final allocation of proceeds?	n adequate books and rec	ords to support the											
Pa	rt IIII Private Business U	se (Optional for 2008)	,						1				
						+	3	-		D			E	
				Yes	No	Yes	No	Yes	No	Yes	No	Ye	5	No
1	Was the organization a partner which owned property financed		ember of an LLC,											
2	Are there any lease arrangeme which may result in private bus	•	nanced property											
For	Paperwork Reduction Act Notice, se	e the Instructions for Forn	າ 990.			Cat No 501	L93E			Sc	hedule K	(Form 99	0) 2008	

Schedule K	(Form 990) 20	800	
Part III	Private Bu	siness Use	(Continued)

		4	A	E	3	(С	I	D	I	E
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?										
3b	Are there any research agreements with respect to the financed property which may result in private business use?										
3с	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?										
4	Enter the percentage of financed property used in a private business use by entities other than a 501(c)(3) organization or a state or local government										
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another 501(c)(3) organization, or a state or local government										
6	Total of lines 4 and 5										
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?										
Pai	rt IV Arbitrage (Optional for 2008)										
		ı	Α	E	3	(<u>c</u>	ı	<u> </u>	ı	Ε
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T been filed wth respect to the bond issue?										
2	Is the bond issue a variable rate issue?										
3a	Has the organization or the government issuer identified a hedge with respect to the bond issue on its books and records?										
ь	Name of provider										
С	Term of hedge										
4a	Were gross proceeds invested in a GIC?										
ь	Name of provider										
С	Term of GIC										
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5											
	Were any gross proceeds invested beyond an available temporary period?										

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DLN: 93493133016150

OMB No 1545-0047

Open to Public Inspection

Schedule L

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

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

Transactions with Interested Persons

Name of the organization BAPTIST HEALTH SYSTEM INC

Employer identification number

To be completed by organization		s" on Fo						90-EZ		V, line c) Cori	
1 (a) Name of disqualifie	d person		(b) Des	criptio	n of transa	ction			<u> </u>	Yes	No
2 Enter the amount of tax imposed on				ons d	uring the y	earuı	nder	<u> </u>			
section 4958							•	* — * <u> </u>			
Part II Loans to and/or From To be completed by organiza			Form 990. Part	TV . lır	ne 26. or Fo	orm 9	90-F	7. Part	V. lın	e 38a	
(a) Name of interested person and purpose	(b) Loan to or from the organization?		riginal principal		alance due		In	(f Appr by boa) oved ard or	(g)W	/rıtter ment
	To From	1				Yes	No	comm Yes	No No	Yes	No
		·									
_											
otal			. ▶ \$				ı	ı		1	
art III Grants or Assistance B To be completed by organ				90 P	art IV lin	ie 27					
(a) Name of interested person	(b)Relationshi	p betwe	en interested pe janization		(c)A m			nt or ty	pe of	assista	nce
	dila	Time ong	James at 1011								
Part IV Business Transactions											
To be completed by organ	izations that answe (b) Relationshi		es" on Form 9	90, P	art IV, lin	ie 28	a, 28	b, or λ		(e) Sha	irina d
(a) Name of interested person	between interest person and the	ed	(c) A mount of transaction	:	(d) Descr	iption	of tra	ınsactı	- 1,	rganız reven	atıon'
	organization									Yes	No
LABAMA GAS CORPORATION	ROGER PUTNAM, TRUSTEE, IS ALSO AN OFFICER OF ALAGASCO	0	1,867,	083	IATURAL (GAS S	SERV I	CE			Νο
HORACIC CARDIAC AND VASCULAR URGERY OF ALABAMA	SHEFTON RIGGIN M D , TRUSTEE, HOLDS AN OWNERSHIP INTEREST	S,	436,	701	CONTRACT	ΓSER	VICE	S			Νο
OBINS AND MORTON	BILL MORTON, FORMER TRUSTEE		40,960,		73 CONSTRUCTION CONTRACTING WORK						Νo
	PRESIDENT AND	CEOI	EO 40,960,973 CONSTRUCTION GA CONTRACTING WORK								

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Revenue \$ 0

(Form 990)

SCHEDULE 0

Department of the Treasury Internal Revenue Service

Name of the organization

BAPTIST HEALTH SYSTEM INC

Supplemental Information to Form 990

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

DLN: 93493133016150 OMB No 1545-0047

Inspection Employer identification number

63-0312913 Return Identifier **Explanation** Reference EDUCATION AND RESEARCH -- BHS IS ACTIVELY INVOLVED IN MEDICAL EDUCATION AND CLINICAL PASTORAL EDUCATION BHS CURRENTLY HAS APPROXIMATELY 94 RESIDENCY POSITIONS IN TRANSITIONAL YEAR, INTERNAL MEDICINE, PATHOLOGY, RADIOLOGY, AND GENERAL SURGERY PROGRAMS THE CLINICAL Form 990, Other PASTORAL EDUCATION PROVIDES TRAINING FOR 7 RESIDENTS AS WELL AS NUMEROUS PART-TIME Part III, line Program STUDENTS THIS TRAINING EQUIPS STUDENTS TO PROVIDE A BETTER LEVEL OF SPIRITUAL CARE TO PATIENTS 4d Services

IN ADDITION, BHS, IN CONJUNCTION WITH SAMFORD UNIVERSITY SCHOOL OF NURSING, PROVIDES TRAINING FOR NURSES THAT ARE HIRED THROUGHOUT THE SOUTHEASTERN UNITED STATES Expenses \$ 2844257

		including grants of \$ 0 Revenue \$ 982701	
Identifier Return Explanation			
Form 990, Part III, line 4d	Other Program Services	BHS CONTINUALLY PROVIDES MANY SERVICES IN HEALTH PROMOTION AND SCREENING TO THE PUBLIC FREE OF CHARGE, OR AT A NOMINAL COST SUCH SERVICES ARE PROVIDED THROUGH SCHOOLS, EMPLOYERS, AND FACILITIES THAT ARE EASILY ACCESSIBLE BY THE GENERAL PUBLIC EMPLOYEES ARE ENCOURAGED TO DEVOTE SERVICES TO OTHER CHARITABLE ORGANIZATIONS IN THE COMMUNITY, AS WELL AS TO PROVIDE FINANCIAL SUPPORT EMPLOYEES AND OTHER COMMUNITY MEMBERS HAVE ALSO PROVIDED SIGNIFICANT SUPPORT OF BHS' CHARITABLE ACTIVITIES.—EVIDENCING THE COMMUNITIES' WILLINGNESS TO ACKNOWLEDGE AND SUPPORT THE MISSION OF BAPTIST HEALTH SYSTEM, INC. Expenses \$ 919377, including grants of \$ 0.	

ldentifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7a		PURSUANT TO THE RESTATED ARTICLES OF INCORPORATION OF BAPTIST HEALTH SYSTEM, INC, THE BIRMINGHAM BAPTIST ASSOCIATION, AN ALABAMA NONPROFIT CORPORATION RECOGNIZED AS EXEMPT FROM FEDERAL INCOME TAX PURSUANT TO SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, ELECTS THE BOARD OF TRUSTEES OF BAPTIST HEALTH SYSTEM, INC FROM A SLATE PRESENTED BY BAPTIST HEALTH SYSTEM, INC

ldentifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7b		ANY AMENDMENT TO THE BAPTIST HEALTH SYSTEM, INC. ARTICLES OF INCORPORATION MUST BE APPROVED BY THE BIRMINGHAM BAPTIST ASSOCIATION AND ANY MORTGAGE PLACED ON ANY PART OR PORTION OF REAL PROPERTY OWNED BY BAPTIST HEALTH SYSTEM, INC. MUST BE APPROVED BY THE BIRMINGHAM BAPTIST ASSOCIATION

ldentifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		THE FORM 990 IS PROVIDED TO THE BOARD FOR REVIEW AND IS AN AGENDA ITEM AT A REGULARLY SCHEDULED BOARD MEETING OPEN FOR ANY DISCUSSION BEFORE THE RETURN IS FILED

ldentifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		THE CORPORATION, DEDICATED TO ITS FAITH BASED HEALTH CARE MINISTRY, HAS DEMONSTRATED THE VALUE OF INTEGRITY BY SETTING FORTH A POLICY PROHIBITING CONFLICT OF INTEREST AND PROVIDING A MECHANISM FOR REPORTING POTENTIAL CONFLICT OF INTEREST SITUATIONS THE PURPOSE OF THIS CONFLICT OF INTEREST POLICY IS TO PROTECT THE CORPORATIONS INTEREST WHEN IT IS CONTEMPLATING ENTERING INTO A TRANSACTION OR ARRANGEMENT THAT MIGHT BENEFIT THE PRIVATE INTEREST OF A TRUSTEE, BOARD COMMITTEE MEMBER, HOSPITAL ADVISORY COUNCIL MEMBER, OFFICER, DIRECTOR, OR MANAGER OF BHS THIS POLICY IS INTENDED TO SUPPLEMENT BUT NOT REPLACE ANY APPLICABLE FEDERAL OR ALABAMA LAWS GOVERNING CONFLICTS OF INTEREST APPLICABLE TO NONPROFIT AND CHARITABLE ORGANIZATIONS THE CORPORATION CONDUCTS AN ANNUAL CONFLICT OF INTEREST SURVEY FOR ALL OF ITS BOARD MEMBERS, OFFICERS, DIRECTORS, AND MANAGERS TO ENSURE THAT ALL POTENTIAL CONFLICTS ARE REPORTED AND ADDRESSED THE CORPORATION ALSO HAS A TRAVEL POLICY IN PLACE THAT ALLOWS FOR THE REIMBURSEMENT OF TRAVEL EXPENSES THAT ARE REASONABLE IN AMOUNT AND ARE CONSIDERED ORDINARY, NECESSARY, AND APPROPRIATE TO THE CONDUCT OF THE CORPORATION'S BUSINESS THE REIMBURSEMENT GUIDELINES ARE IN ACCORDANCE WITH INTERNAL REVENUE REGULATIONS THE AMOUNT OF FUNDS EXPENDED EACH YEAR RELATED TO TRAVEL IS BUDGETED EMPLOYEES AND TRUSTEES OF THE CORPORATION ARE NOT COMPENSATED THROUGH EXPENSE ALLOWANCES TO BE REIMBURSED FOR TRAVEL, EMPLOYEES AND TRUSTEES MUST SUBMIT A SIGNED EXPENSE REPORT FORM AND PROVIDE DOCUMENTATION IN THE FORM OF RECEIPTS FOR ANY EXPENSE OF \$20 OR MORE

ldentifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		THE ANNUAL PROCESS OF REVIEWING COMPENSATION FOR EXECUTIVES CLASSIFIED AS DISQUALIFIED PERSONS UNDER IRS INTERMEDIATE SANCTIONS GUIDELINES INCLUDES THE FOLLOWING STEPS THE GOVERNANCE COMMITTEE (A SUB COMMITTEE OF THE BOARD OF DIRECTORS) REVIEWS AND APPROVES BASE SALARY, INCENTIVES, FRINGE AND OTHER BENEFITS, AND RETIREMENT AND/OR DEFERRED COMPENSATION BENEFITS THE GOVERNANCE COMMITTEE EMPLOYS A THIRD PARTY CONSULTANT TO PROVIDE THE INDEPENDENT MARKET DATA AND UTILIZES A DOCUMENTED TOTAL COMPENSATION PHILOSOPHY TO GUIDE IN THE DECISION MAKING PEER GROUP MARKET DATA AND ANALYSIS IS UTILIZED FOR COMPARISON OF THE TOTAL COMPENSATION PACKAGE MEETING MINUTES ARE MAINTAINED WHICH REFLECT THE CONSIDERATION OF PHILOSOPHY, PERFORMANCE, AND MARKET DATA THE ANNUAL PROCESS FOR EXECUTIVES NOT CLASSIFIED AS DISQUALIFIED PERSONS UNDER IRS INTERMEDIATE SANCTIONS GUIDELINES INCLUDE THE FOLLOWING THE BHS PRESIDENT AND CEO REVIEWS AND APPROVES ALL COMPENSATION DECISIONS THIRD PARTY CONSULTANTS AND TOTAL COMPENSATION SURVEYS ARE UTILIZED TO PROVIDE INDEPENDENT MARKET DATA A DOCUMENTED TOTAL COMPENSATION PHILOSOPHY IS UTILIZED TO GUIDE IN THE DECISION MAKING PEER GROUP MARKET DATA AND ANALYSIS IS UTILIZED FOR COMPARISON OF THE TOTAL COMPENSATION PACKAGE THE GOVERNANCE COMMITTEE REVIEWS AND APPROVES INCENTIVES, FRINGE BENEFITS, AND RETIREMENT AND/OR DEFERRED COMPENSATION BENEFITS

ldentifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		AS A GENERAL RULE, THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC ANY WRITTEN REQUEST BY THE PUBLIC WOULD BE REVIEWED AND ACTED UPON BY THE BOARD

ldentifier	Return Reference	Explanation
FORM 990, PART IV, LINE 12 AND PART XI, LINE 2B		THE ORGANIZATION'S FINANCIAL STATEMENTS ARE AUDITED ON A CONSOLIDATED BASIS BUT NOT ON A SEPARATE BASIS THE BOARD OF TRUSTEES HAS A SEPARATE AUDIT AND INTEGRITY COMMITTEE THAT ASSUMES RESPONSIBILITY FOR THE OVERSIGHT OF THIS ACTIVITY AND SELECTION OF INDEPENDENT ACCOUNTANT

ldentifier	Return Reference	Explanation
SCHEDULE K, PART I, LINE A	ISSUER NAME AND DESCRIPTION OF PURPOSE	ISSUER NAME THE SPECIAL CARE FACILITIES FINANCING AUTHORITY OF THE CITY OF BIRMINGHAM - BAPTIST MEDICAL CENTERS DESCRIPTION OF PURPOSE REFINANCE OLD BONDS AND IMPROVEMENTS FOR HEALTHCARE FACILITIES THE REFUNDED BONDS WERE ISSUED ON THE FOLLOWING DATES Hospital Revenue Bonds (Walker Regional MAY 25, 1993 Medical Center, Inc. Project), Series 1993, issued by The Medical Clinic Board of the City of Jasper Tax-Exempt Revenue Bonds (The Baptist Medical MAY 12, 1993 Centers), Series 1993-A, issued by The Special Care Facilities Financing Authority of the City of Birmingham - Baptist Medical Centers Revenue Bonds, Series 1995-B (Baptist Health MAY 2, 1995 System, Inc.), issued by The Special Care Facilities Financing Authority of the City of Birmingham - Baptist Medical Centers Revenue Bonds, Series 1996-A (Baptist Health OCTOBER 1, 1996 System, Inc.), issued by The Special Care Facilities Financing Authority of the City of Birmingham - Baptist Medical Centers Revenue Bonds, Series 2000A-2 (Baptist MARCH 30, 2000 Health System, Inc.), issued by The Special Care Facilities Financing Authority of the City of Birmingham - Baptist Medical Centers Revenue Bonds, Series 2000-C (Baptist Health MAY 31, 2000 System, Inc.), issued by The Special Care Facilities Financing Authority of The City of Birmingham - Baptist Medical Centers To Construct & Equip a Hospital Bed Tow er To Construct & Equip a Hospital Energy Plant To Relocate a Hospital Emergency Room To Construct a Hospital Parking Deck

Identifier	Return Reference	Explanation
SCHEDULE K, PART I, LINE B	ISSUER NAME AND DESCRIPTION OF PURPOSE	ISSUER NAME THE SPECIAL CARE FACILITIES FINANCING AUTHORITY OF THE CITY OF BIRMINGHAM - BAPTIST MEDICAL CENTERS DESCRIPTION OF PURPOSE To Purchase Hospital Equipment To Expand a Hospital Surgery Room To Construct a Hospital Parking Deck To Renovate a Hospital Parking Lot

Identifier	Return Reference	Explanation
FORM 990, PART IV, LINE 24B		ON NOVEMBER 29, 2005, THE SPECIAL CARE FACILITIES FINANCING AUTHORITY OF THE CITY OF BIRMINGHAM - BAPTIST MEDICAL CENTERS ISSUED ITS REVENUE BONDS (BAPTIST HEALTH SYSTEM, INC.), SERIES 2005-A (THE "SERIES 2005-A BONDS"), FOR THE BENEFIT OF BHS FOR MORE INFORMATION ON THE SERIES 2005-A BONDS, SEE SCHEDULE K. A PORTION THE PROCEEDS OF THE SERIES 2005-A BONDS WAS DEPOSITED IN THE ACQUISITION FUND RELATING TO THE SERIES 2005-A BONDS FOR EXPENDITURE ON NEW BHS CAPITAL PROJECTS. AT THE TIME OF ISSUANCE OF THE SERIES 2005-A BONDS, BHS EXPECTED TO MEET THE GENERAL 3-YEAR TEMPORARY PERIOD FOR CAPITAL PROJECTS CONTEMPLATED BY SECTION 148(C) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND SECTION 1 148-2(E)(2) OF THE TREASURY REGULATIONS PROMULGATED THEREUNDER IN OTHER WORDS, BHS EXPECTED TO SPEND ALL PROCEEDS IN THE ACQUISITION FUND BY NOVEMBER 29, 2008 AND OTHERWISE COMPLY WITH THE REQUIREMENTS OF THE GENERAL 3-YEAR TEMPORARY PERIOD AFTER ISSUANCE OF THE SERIES 2005-A BONDS, BHS DETERMINED THAT IT WAS IN ITS BEST INTEREST AND BEST SERVED ITS HEALTHCARE MISSION TO REDIRECT A LARGER PORTION OF THE PROCEEDS OF THE SERIES 2005-A BONDS FROM CAPITAL PROJECTS AT BHS'S PRINCETON BAPTIST MEDICAL CENTER TO CAPITAL PROJECTS AT BHS'S SHELBY BAPTIST MEDICAL CENTER THE PROCESS OF REDIRECTING PROCEEDS TO SHELBY BAPTIST MEDICAL CENTER CAUSED DELAYS THAT CAUSED BHS TO INVEST PROCEEDS IN THE ACQUISITION FUND BEYOND THE TEMPORARY PERIOD EXCEPTION CONTEMPLATED BY SECTION 148(C) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND SECTION 1 148-2(E)(2) OF THE TREASURY REGULATIONS PROMULGATED THEREUNDER ALL PROCEEDS IN THE ACQUISITION FUND WERE EXPENDED BY JUNE 2, 2009

ldentifier	Return Reference	Explanation
FORM 990, PART VIII, LINE 7C	ON SALE OF	BAPTIST HEALTH SYSTEM, INC 'S INVESTMENTS ARE POOLED WITH A RELATED ENTITY, WALKER BAPTIST MEDICAL CENTER, INC (EIN 63-0375726) THE TOTAL GAIN OR LOSS IS ALLOCATED TO BAPTIST HEALTH SYSTEM, INC, BASED ON ITS PARTICIPATION IN THE TOTAL POOL OF INVESTMENTS FOR THIS REASON, THERE ARE NO SPECIFIC PROCEEDS OR COSTS OF INDIVIDUAL SECURITY SALES TO REPORT

ldentifier	Return Reference	Explanation
SCHEDULE R, PART II AND PART V	MERGER BETWEEN WALKER BAPTIST MEDICAL CENTER AND BAPTIST HEALTH SYSTEM, INC	AS OF JUNE 30, 2009 WALKER BAPTIST MEDICAL CENTER (WALKER) MERGED INTO BAPTIST HEALTH SYSTEM, INC (BHS), BOTH ALABAMA NONPROFIT CORPORATIONS, PURSUANT TO THE PROVISIONS OF SECTION 10-3A-103 OF THE CODE OF ALABAMA 1975 WALKER'S ACTIVITIES FOR FISCAL YEAR 6/30/2009 ARE REPORTED ON ITS SEPARATE FORM 990 BUT ITS BALANCE SHEET IS REFLECTED ON THIS RETURN The board of directors for Walker Baptist Medical Center is comprised solely of officers of Baptist Health System Consequently, Walker Baptist Medical Center is subject to the control of the board of directors of Baptist Health System, which is a community board Effective June 30, 2009, Walker Baptist Medical Center was merged with Baptist Health System

DLN: 93493133016150

OMB No 1545-0047

Open to Public . Inspection

Related Organizations and Unrelated Partnerships

Department of the Treasury Internal Revenue Service

(Form 990)

SCHEDULE R

▶ Attach to Form 990. To be completed by organizations that answerd "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37. ► See separate instructions.

Name of the organization BAPTIST HEALTH SYSTEM INC

Employer identification number

63-0312913

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity
SHELBY BAPTIST AFFINITY LLC PO BOX 830605 BIRMINGHAM, AL 352830605 20-3150646	HOLDING COMPANY	AL	4,346,818	1,605,690	BHS AFFINITY INC
HOOVER BAPTIST MEDICAL CENTER LLC pO BOX 830605 BIRMINGHAM, AL 352830605 20-5417206	LEASE MEDICAL FACILITIES	AL	329,548	14,762,697	N/A
REGENCY HOLDINGS LLC PO BOX 830605 BIRMINGHAM, AL 352830605 20-5136737	HOLDING COMPANY	AL	50,136	1,044,568	BHS AFFINITY INC
WALKER BAPTIST AFFINITY LLC PO BOX 830605 BIRMINGHAM, AL 352830605 20-3864809	HOLDING COMPANY	AL	-71,110	2,869,647	BHS AFFINITY INC
PRISON HEALTHCARE LLC PO BOX 830605 BIRMINGHAM, AL 352830605 20-3437722	HEALTHCARE SERVICES FOR PRISONERS	AL	421,181	0	N/A
BHC-TALLADEGA PEDIATRICS LLC pO BOX 830605 BIRMINGHAM, AL 352830605 33-1178239	PEDIATRIC HEALTHCARE SERVICE	AL	2,210,492		BAPTIST HEALTH CENTERS INC

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public chanty status (if section 501(c)(3))	(F) Direct controlling entity
BAPTIST PARTNERSHIP HOLDINGS INC PO BOX 830605 BIRMINGHAM, AL352830605 63-0963324	HOLDING COMPANY	AL	501(C)(3)	509(A)(2)	N/A
WALKER REGIONAL MEDICAL CENTER INC DBA WALKER BAPTIST MEDICAL CENTER PO BOX 3547 JASPER, AL35502 63-0375726	HOSPITAL	AL	501(C)(3)	HOSPITAL	N/A

Part III	I Identification of Related Organizations Taxable as a Partnershi									
	(A)	(B)	(C) Legal	(D)	(E)					

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant Income(related, Investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	allocat	ortionate	(I) Code V—UBI amount on Box 20 of K-1	Gene mar par	(J) eral or naging tner?
SHELBY BAPTIST AMBULATORY SURGERY CENTER LLC 1010 FIRST STREET NORTH ALABASTER, AL35007 20-3150946	MEDICAL CLINIC		SHELBY BAPTIST AFFINITY LLC	UNRELATED	4,346,817	1,605,690	Yes	No No		Yes	No

Part IV	Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
BHS AFFINITY INC PO BOX 830605 BIRMINGHAM, AL352830605 63-1111454	HOLDING COMPANY	AL	N/A	С	2,570	25,823,420	100 000 %
BAPTIST HEALTH CENTERS INC pO BOX 830605 BIRMINGHAM, AL352830605 63-0925859	PHYSICIANS PRACTICES	AL	BHS AFFINITY INC	С	50,176,906	28,993,373	100 000 %
AFFINITY SOUTHEAST INSURANCE INC ICB BUILDING UPPER ROEBUCK STREET BRIDGETOWN, BARBADOS BB 98-0462365	INSURANCE	ВВ	BHS AFFINITY INC	С	3,128,773	13,233,365	100 000 %
							2 (Form 990) 2008

Part V	Transactions with Related Organizations	
Note. C	omplete line 1 if any entity is listed in Parts II, III or IV	Y
		_

- 1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?
- a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity **b** Gift, grant, or capital contribution to other organization(s)
- **c** Gift, grant, or capital contribution from other organization(s)
- **d** Loans or loan guarantees to or for other organization(s)
- e Loans or loan guarantees by other organization(s)
- **f** Sale of assets to other organization(s)
- Purchase of assets from other organization(s)
- **h** Exchange of assets
- i Lease of facilities, equipment, or other assets to other organization(s)
- j Lease of facilities, equipment, or other assets from other organization(s)
- k Performance of services or membership or fundraising solicitations for other organization(s)
- I Performance of services or membership or fundraising solicitations by other organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets
- n Sharing of paid employees
- Reimbursement paid to other organization for expenses
- **p** Reimbursement paid by other organization for expenses
- **q** Other transfer of cash or property to other organization(s)
- r Other transfer of cash or property from other organization(s)

	Note. Complete line 1 if any entity is listed in Parts II, III or IV		Yes	No
1 Dı	uring the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		1	
а	Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity	1a	Yes	
b	Gift, grant, or capital contribution to other organization(s)	1b	'	No
c	Gift, grant, or capital contribution from other organization(s)	1c	Yes	
d	Loans or loan guarantees to or for other organization(s)	1d	, 	No
e	Loans or loan guarantees by other organization(s)	1e	'	No
f	Sale of assets to other organization(s)	1f	'	No
g	Purchase of assets from other organization(s)	1g	'	No
h	Exchange of assets	1h	1	No
i	Lease of facilities, equipment, or other assets to other organization(s)	1i	'	No
j	Lease of facilities, equipment, or other assets from other organization(s)	1j	1	No
k	Performance of services or membership or fundraising solicitations for other organization(s)	1k	Yes	
1	Performance of services or membership or fundraising solicitations by other organization(s)	11	l'	No
m	Sharing of facilities, equipment, mailing lists, or other assets	1m	'	No
n	Sharing of paid employees	1n	1	No
			1 ,	
o	Reimbursement paid to other organization for expenses	10	Yes	
р	Reimbursement paid by other organization for expenses	1р	Yes	
q	O ther transfer of cash or property to other organization(s)	1q	Yes	
r	O ther transfer of cash or property from other organization(s)	1r	Yes	
		<u> </u>		
~	If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds			
~	Trule diswer to dily of the above is Tes, see the instructions for information on who must complete this fine, including covered relationships and transaction and should			

(A) Name of other organization(s)	(B) Transaction type(a-r)	(C) Amount Involved
(1)		
See Additional Data Table		
(2)		
(3)		
(4)		
(5)		
(6)		

Part VI Unrelated Organizations Taxable as a Partnership

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships

(A) Name, address, and EIN of entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Are all partners section 501(c)(3) organizations?		(E) Share of Disprovent allocations assets			(G) Code V—UBI amount on Box 20 of K-1	(H) General o managing partner?)
			Yes	No		Yes	No		Yes	No
			•			•	•	Sabadula	D / Form	000) 2000

Software ID: Software Version:

EIN: 63-0312913

Name: BAPTIST HEALTH SYSTEM INC

Form 990, Schedule R, Part I - Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary Activity	(C) Legal Domicile (State or Foreign Country)	(D) Total income (\$)	(E) End-of-year assets (\$)	(F) Direct Controlling Entity
SHELBY BAPTIST AFFINITY LLC PO BOX 830605 BIRMINGHAM, AL 352830605 20-3150646	HOLDING COMPANY	AL	4,346,818	1,605,690	BHS AFFINITY INC
HOOVER BAPTIST MEDICAL CENTER LLC pO BOX 830605 BIRMINGHAM, AL 352830605 20-5417206	LEASE MEDICAL FACILITIES	AL	329,548	14,762,697	N/A
REGENCY HOLDINGS LLC PO BOX 830605 BIRMINGHAM, AL 352830605 20-5136737	HOLDING COMPANY	AL	50,136	1,044,568	BHS AFFINITY INC
WALKER BAPTIST AFFINITY LLC PO BOX 830605 BIRMINGHAM, AL 352830605 20-3864809	HOLDING COMPANY	AL	-71,110	2,869,647	BHS AFFINITY INC
PRISON HEALTHCARE LLC PO BOX 830605 BIRMINGHAM, AL 352830605 20-3437722	HEALTHCARE SERVICES FOR PRISONERS	AL	421,181	0	N/A
BHC-TALLADEGA PEDIATRICS LLC pO BOX 830605 BIRMINGHAM, AL 352830605 33-1178239	PEDIATRIC HEALTHCARE SERVICE	AL	2,210,492		BAPTIST HEALTH CENTERS INC

Form 990, Schedule R, Part V -	Transactions with Related Organizations
	(A)

WALKER REGIONAL MEDICAL CENTER INC DBA WALKER BAPTIST MEDICAL CENTER

AFFINITY SOUTHEAST INSURANCE INC

BAPTIST HEALTH CENTERS INC

(8)

(9)

(10)

	(A) Name of other organization	(B) Transaction type(a-r)	(C) A mount Involved (\$)
(1)	BAPTIST HEALTH CENTERS INC	А	591,256
(2)	SHELBY BAPTIST AMBULATORY SURGERY CENTER LLC	А	589,055
(3)	AFFINITY SOUTHEAST INSURANCE INC	С	3,000,000
(4)	BAPTIST HEALTH CENTERS INC	К	664,923
(5)	AFFINITY SOUTHEAST INSURANCE INC	К	111,136
(6)	BAPTIST HEALTH CENTERS INC	0	4,736,221
(7)	BAPTIST HEALTH CENTERS INC	P	2.316.791

Q

R

R

3,989,254

3,077,000

46,441,126

Software ID: Software Version:

EIN: 63-0312913

Name: BAPTIST HEALTH SYSTEM INC

Form 990, Part VII - Section Aaa

Form 990, Part VII - Section Aaa	1							ı		
		(C) Position (check all that apply)							(E)	(F)
(A) Name and Title	(B) Average hours per week	Individual Trustee or Errector	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	Estimated amount of other compensation from the organization and related organizations
MICHAEL SHANE SPEES , PRES & CEO/EXO-NONVOTIN	40 00	Х		х				789,838	0	99,211
WAYNE PATE , CHAIRMAN	1 00	Х						0	0	0
DORIS K SEWELL , VICE CHAIRMAN	1 00	Х						0	0	0
RANDY ATKINSON , SECRETARY	1 00	Х						0	0	0
CLEMENT COTTER MD , TRUSTEE	1 00	Х						0	0	0
RICHARD FARRAR , TRUSTEE	1 00	Х						0	0	0
JOHN HOLCOMB , TRUSTEE	1 00	Х						0	0	0
JO MORRIS , TRUSTEE	1 00	Х						0	0	0
ROGER PUTNAM , TRUSTEE	1 00	Х						0	0	0
SHEFTON RIGGINS MD , TRUSTEE	1 00	Х						0	0	0
ALLEN RUSHTON , TRUSTEE	1 00	Х						0	0	0
RON PATE THD , EX-OFFICIO	1 00	Χ						0	0	0
NEAL TEMPLETON MD , TRUSTEE	1 00	Χ						0	0	0
JIM EMACK , EX-OFFICIO	1 00	Х						0	0	0
PRINGLE RAMSEY , SR VP & CFO	40 00			Х				542,243	0	6,900
CHARLES ALAN BRADFORD , SR VP & CHIEF HR OFFICER	40 00			х				277,145	0	28,886
KEITH PARROTT , ADMINISTRATOR	40 00				Χ			446,682	0	44,532
DAVID WILSON , ADMINISTRATOR	40 00				Χ			383,662	0	38,317
RICHARD SHIREY , CIO	40 00					Х		418,820	0	42,638
ELIZABETH ENNIS , VP MED ED/RESEARCH	40 00					х		454,725	0	39,980
GREG JOHNSTON , VP FINANCE	40 00					Х		353,569	0	30,745
WILLIAM JAMES TAPSCOTT , DIRECTOR OF RESIDENCY PR	40 00					Х		282,070	0	9,536
AMY ALLEN , VP, CHIEF ACCOUNTING OFF	40 00					х		286,968	0	29,236
DOUGLAS C DAVENPORT , FORMER OFFICER	0 00						х	372,385	0	0
MARK BRYAN , FORMER OFFICER	0 00						Χ	437,750	0	0
MARY ELIZABETH O'BRIEN , FORMER OFFICER	0 00						Х	362,492	0	0
CHARLES FAULKNER , FORMER OFFICER	0 00						х	573,967	0	0