



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization’s mission
To deliver high quality healthcare emphasizing excellence and compassion consistent with the healing ministry of jesus chrst

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting or make significant changes in how it conducts any program services? ☐ Yes ☒ No
If “Yes,” describe these changes on Schedule O

4

Describe the exempt purpose achievements for each of the organization’s three largest program services by expenses
Section 501(c)(3) and (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 \$ 224,148,735 including grants of \$ 515,834) (Revenue \$ 266,932,490)

Charnty Care Program - Hendrick Medical Center, in keeping with its mission, vision, and values as a baptist organization, has always maintained a generous charity care program to assure that those with the inability to pay have access to the services provided by hendrick the charity policy in effect during the period covered by this report provides that families with incomes below 250% of the federal poverty guidelines are eligible for services, with no personal financial responsibility Families with incomes above 250% of the federal poverty guidelnes receive care with partial financial responsibility increasing as the family income exceeds the federal poverty guidelines Hendrick provides financial counselors and social workers to help patients with healthcare needs by identifying community resources available and by assisting them in their efforts to identify and qualify for government-sponsored programs Providing Government programs below cost Hendrick is also committed to participating in government funded programs such as medicare, medicaid, tricare, county indigency, etc the cost of services often exceeds the reimbursement provided by these programs Professional Health Education Hendrick Medical Center has affiliation agreements and provides financial support to many professional health educational efforts for the purposes of enhancing the knowledge of existing health professionals and educating new health professionals to meet the increasing demand Hendricks efforts are focused in areas of study where shortages could potentially limit the capacity of the healthcare system to meet the needs of the Texas midwest Hendrick has provided funding and has entered into educational related affiliations agreements Some of which are indentified 1 Texas Tech University Health Sciences Center - School of Pharmacy, BSN 2nd Degree Program and BSN Traditional Program 2 Patty Hanks Shelton School of Nursing - RN, BSN, MSN and MSN/FNP programs 3 Cisco Jr College - LVN/ADN, Surgery Technician, Pharmacy Technician, Medical Assistant and Respiratory Therapy programs 4 Texas State Technical College - ADN, EMT, Transcription, Nurse Clerk, Nurse Aide and Phlebotomy programs 5 Abilene Christian University - Speech/Language Pathology, social work, psychology, Exercise Health Science, Bible & Family studies, Body & Soul 6 Hardin-Simmons Univ - Doctorate of Physical Therapy, Social Work, Theology, Communication, Athletic Training 7 Texas State University - Respiratory Therapy program 8 Hendrick School of Radiography A student loan program is available for students enrolled in the school Students are eligible for a \$3,750 00 loan at the beginning of their first and second year Hendrick’s Student loan program is transitioning into the Tuition Reimbursement Program The transition will be complete after December 2011 9 Abilene Ind School District - Holland Medical High School A Tuition reimbursement program is provided for students in critical need positions at Hendrick Medical Center upon verification of student loan debt

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d



















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

4e

Total program service expenses \$ 224,148,735 Must equal Part IX, Line 25, column (B).

Part IV

Checklist of Required Schedules

		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	No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II 	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	No
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	Yes
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	Yes
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? If "Yes," complete Schedule F, Part II 	15	No
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? If "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	No
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	Yes
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	Yes
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	No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
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	
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
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 IV

Checklist of Required Schedules (Continued)

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

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a231		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a2,774		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
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 premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11	Section 501(c)(12) organizations. Enter			
a	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 lieu 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 A. Governing Body and Management

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.

		Yes	No
1a	Enter the number of voting members of the governing body		
1b	Enter the number of voting members that are independent		
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?		No
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?		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	Yes	
5	Did the organization become aware during the year of a material diversion of the organization's assets?		No
6	Does the organization have members or stockholders?		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	Yes	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	the governing body?	Yes	
8b	each committee with authority to act on behalf of the governing body?	Yes	
9a	Does the organization have local chapters, branches, or affiliates?		No
9b	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?		
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	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		No

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No", go to line 13	Yes	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	Yes	
13	Does the organization have a written whistleblower policy?	Yes	
14	Does the organization have a written document retention and destruction policy?	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		
15a	The organization's CEO, Executive Director, or top management official?	Yes	
15b	Other officers or key employees of the organization? Describe the process in Schedule O	Yes	
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?	Yes	
16b	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?	Yes	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed _____
18	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. <input type="checkbox"/> own website <input checked="" type="checkbox"/> another's website <input checked="" type="checkbox"/> 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. STEPHEN KIMMELL 1900 PINE ST Abilene, TX 79601 (325) 670-2000

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

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

[illegible]

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b Total								3,654,085	0	253,990

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," 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? <i>If "Yes," complete Schedule J for such individual</i>	4 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

1 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
Aramark	dietary services	3,091,403
Quantum Plus Inc	Medical Services	1,719,701
Texas Midwest ER Physicians	staffing for phys	800,004
hcsq cardiovascular	medical services	556,634
blood systems inc	lab services	551,104
2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization		16

Part VIII

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	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues						
			1b					
	c	Fundraising events						
			1c					
	d	Related organizations . . .	1d	65,643				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above		389,751				
			1f					
g	Noncash contributions included in lines 1a-1f \$							
h	Total (Add lines 1a-1f)			455,394				
Program Service Revenue			Business Code					
	2a	Net Patient Service Revenue	621,110	252,024,474	246,705,618	5,318,856		
	b	RELATED RENTAL REVENUE	621,110	680,621	680,621			
	c	FEES FOR PROVISION OF MEDICAL CARE	621,110	14,227,395	14,227,395			
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f						
		\$ 266,932,490						
Other Revenue	3	Investment income (including dividends, interest other similar amounts)		5,274,071		-693,900	5,967,971	
	4	Income from investment of tax-exempt bond proceeds		0				
	5	Royalties		0				
	6a	Gross Rents	(i) Real	(ii) Personal				
				60,561				
				60,561				
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)						
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			-3,404,777	-78,086				
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)	-3,404,777	-78,086				
	d	Net gain or (loss)		-3,482,863			-3,482,863	
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000						
	b	Less direct expensesb		0			
	c	Net income or (loss) from fundraising events						
	9a	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000						
	b	Less direct expensesb		0			
	c	Net income or (loss) from gaming activities						
10a	Gross sales of inventory, less returns and allowances							
b	Less cost of goods soldb		0				
c	Net income or (loss) from sales of inventory							
Miscellaneous Revenue		Business Code						
11a	Cafeteria Sales	722,210	1,964,999	1,964,999				
b	MISCELLANEOUS INCOME	900,099	6,811,453	6,811,453				
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
	\$ 8,776,452							
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			277,955,544	270,390,086	4,624,956	2,485,108	

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 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	477,913	477,913		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	37,921	37,921		
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	2,663,419	2,663,419		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	85,131,226	71,918,788		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,757,658	1,494,084	263,574	
9	Other employee benefits	7,611,278	5,150,470	2,460,808	
10	Payroll taxes	6,513,328	5,594,551	918,777	
11	Fees for services (non-employees)				
a	Management	322,788	273,070	49,718	
b	Legal	318,911	110,259	208,652	
c	Accounting	141,493		141,493	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	8,231		8,231	
g	Other	20,871,397	18,203,624	2,667,773	
12	Advertising and promotion	517,585	293,147	224,438	
13	Office expenses	2,615,425	2,062,106	553,319	
14	Information technology	2,520,993	1,785,860	735,133	
15	Royalties	0			
16	Occupancy	3,884,109	3,730,867	153,242	
17	Travel	492,895	368,605	124,290	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials	0			
19	Conferences, conventions and meetings	0			
20	Interest	2,910,077	2,909,139	938	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	12,407,087	10,811,015	1,596,072	
23	Insurance	3,737,942	181,267	3,556,675	
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	Medical Supplies	59,378,324	59,049,300	329,024	
b	Bad Debt	28,404,444	28,404,444		
c	Equipment	5,085,972	5,085,972		
d	Dietary	2,250,371	2,248,348	2,023	
e	Recruiting & Placement	1,070,790	175,244	895,546	
f	All other expenses	1,770,243	1,119,322	650,921	
25	Total functional expenses. Add lines 1 through 24f	252,901,820	224,148,735	28,753,085	0
26	Joint Costs. Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X **Balance Sheet**

		(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		1 -1,109,924
	2	Savings and temporary cash investments	38,689,466	2 35,807,938
	3	Pledges and grants receivable, net	1,775,246	3 1,823,283
	4	Accounts receivable, net	28,857,554	4 28,157,521
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6
	7	Notes and loans receivable, net	6,681,629	7 6,505,449
	8	Inventories for sale or use	5,436,766	8 5,225,964
	9	Prepaid expenses and deferred charges	3,785,826	9 3,121,134
	10a	Land, buildings, and equipment cost basis		
		10a 219,017,066		
	b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>		
		10b 128,295,803	106,576,147	10c 90,721,263
	11	Investments—publicly traded securities	49,727,556	11 44,859,969
	12	Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>	62,148,942	12 64,704,949
	13	Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13 10,286,067
14	Intangible assets		14 1,257,796	
15	Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	8,184,742	15 15,455,068	
16	Total assets. Add lines 1 through 15 (must equal line 34)	311,863,874	16 306,816,477	
Liabilities	17	Accounts payable and accrued expenses	23,502,141	17 16,669,690
	18	Grants payable		18
	19	Deferred revenue	86,909	19 76,128
	20	Tax-exempt bond liabilities		20 58,995,547
	21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22
	23	Secured mortgages and notes payable to unrelated third parties	81,820,623	23 5,416,238
	24	Unsecured notes and loans payable		24
	25	Other liabilities <i>Complete Part X of Schedule D</i>	19,860,458	25 25,421,004
	26	Total liabilities. Add lines 17 through 25	125,270,131	26 106,578,607
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27	Unrestricted net assets	172,561,118	27 185,382,295
	28	Temporarily restricted net assets	11,351,413	28 11,960,616
	29	Permanently restricted net assets	2,681,212	29 2,894,959
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30
	31	Paid-in or capital surplus, or land, building or equipment fund		31
	32	Retained earnings, endowment, accumulated income, or other funds		32
	33	Total net assets or fund balances	186,593,743	33 200,237,870
	34	Total liabilities and net assets/fund balances	311,863,874	34 306,816,477

Part XI **Financial Statements and Reporting**

			Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> cash <input checked="" type="checkbox"/> accrual <input type="checkbox"/> other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
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		No
b	If "Yes," did the organization undergo the required audit or audits?	3b		

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

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.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization Hendrick Medical Center	Employer identification number 75-0827446
---	--

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only **one** organization)

1	<input type="checkbox"/>	A church, convention of churches, or association of churches described in Section 170(b)(1)(A)(i).
2	<input type="checkbox"/>	A school described in Section 170(b)(1)(A)(ii). (Attach Schedule E)
3	<input checked="" type="checkbox"/>	A hospital or a cooperative hospital service organization described in Section 170(b)(1)(A)(iii). (Attach Schedule H)
4	<input type="checkbox"/>	A medical research organization operated in conjunction with a hospital described in Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
5	<input type="checkbox"/>	An organization operated for the benefit of a college or university owned or operated by a governmental unit described in Section 170(b)(1)(A)(iv). (Complete Part II)
6	<input type="checkbox"/>	A federal, state, or local government or governmental unit described in Section 170(b)(1)(A)(v).
7	<input type="checkbox"/>	An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in Section 170(b)(1)(A)(vi) (Complete Part II)
8	<input type="checkbox"/>	A community trust described in Section 170(b)(1)(A)(vi) (Complete Part II)
9	<input type="checkbox"/>	An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See Section 509(a)(2). (Complete Part III)
10	<input type="checkbox"/>	An organization organized and operated exclusively to test for public safety See Section 509(a)(4). (See instructions)
11	<input type="checkbox"/>	An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes 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 a <input type="checkbox"/> Type I b <input type="checkbox"/> Type II c <input type="checkbox"/> Type III - Functionally Integrated d <input type="checkbox"/> Type III - Other
e	<input type="checkbox"/>	By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
f	<input type="checkbox"/>	If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
g	<input type="checkbox"/>	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? (ii) a family member of a person described in (i) above? (iii) a 35% controlled entity of a person described in (i) or (ii) above?
h	<input type="checkbox"/>	Provide the following information about the organizations the organization supports

	Yes	No
11g(i)		No
11g(ii)		No
11g(iii)		No

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (See Instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			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.)

Public Support						
Calendar 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						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add line 1-3						
5 The portion of total contribution by each 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						

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss 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 instructions)					12	
13 First Five Years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Computation of Public Support Percentage		
14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15	
16a 33 1/3% Test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% Test - 2007. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% Facts and Circumstances Test - 2008. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% Facts and Circumstances Test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		<input type="checkbox"/>

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

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total Add lines 1-5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 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						
cTotal of lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13Total Support (Add lines 9, 10c, 11 and 12)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Computation of Public Support Percentage			
15	Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15	
16	Public Support Percentage for 2007 Schedule A, Part IV -A, line 27g	16	

Computation of Investment Income Percentage			
17	Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	17	
18	Investment Income Percentage from 2007 Schedule A, Part IV -A, line 27h	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		
b	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		
20	Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

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 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

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

OMB No 1545-0047

2008

Open to Public Inspection

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

If the organization answered “Yes,” to Form 990, Part IV, Line 4, or Form 990EZ, Part VI, line 47 (Lobbying Activities)

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax)

- Section 501(c)(4), (5), or (6) organizations complete Part III

Name of the organization Hendrick Medical Center	Employer identification number 75-0827446
---	--

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations. (See the instructions for Schedule C for details.)

- 1

Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2

Political expenditures

\$ _____
- 3

Volunteer hours

Part I-B To be completed by all organizations exempt under section 501(c)(3). (See the instructions for Schedule C for details.)

- 1

Enter the amount of any excise tax incurred by the organization under section 4955

\$ _____
- 2

Enter the amount of any excise tax incurred by organization managers under section 4955

\$ _____
- 3

If the organization incurred in a section 4955 tax, did it file Form 4720 for this year?

☐ Yes

☐ No
- 4a

Was a correction made?

☐ Yes

☐ No
- b

If "Yes," describe in Part IV

Part I-C To be completed by all organizations exempt under section 501(c), except section 501(c)(3). (See the instructions for Schedule C for details.)

- 1

Enter the amount directly expended by the filing organization for section 527 exempt function activities

\$ _____
- 2

Enter the amount of the filing organization's internal funds contributed to other organizations for section 527 exempt funtion activities

\$ _____
- 3

Total of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b

\$ _____
- 4

Did the filing organization file **Form 1120-POL** for this year?

☐ Yes

☐ No
- 5

State the names, addresses and Employer Identification Number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's own internal funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV

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

Part II-A

To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). (See the instructions for Schedule C for details.)

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures— (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)			
b Total lobbying expenditures to influence a legislative body (direct lobbying)			
c Total lobbying expenditures (add lines 1a and 1b)			
d Other exempt purpose expenditures			
e Total exempt purpose expenditures (add lines 1c and 1d)			
f Lobbying nontaxable amount Enter the amount from the following table in both columns— If the amount on line 1e, column (a) or (b) is: Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000 The lobbying nontaxable amount is: 20% of the amount on line 1e \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000			
g Grassroots nontaxable amount (enter 25% of line 1f)			
h Subtract line 1g from line 1a Enter -0- if line g is more than line a			
i Subtract line 1f from line 1c Enter -0- if line f is more than line c			
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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.)

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					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line d, column (e))					
f Grassroots lobbying expenditures					

Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)). (See the instructions for Schedule C for details.)

		(a)		(b)
		Yes	No	Amount
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 referendum, through the use of	a Volunteers?		No	
	b Paid staff or management (include compensation in expenses reported on lines c through i)?		No	
	c Media advertisements?		No	
	d Mailings to members, legislators, or the public?		No	
	e Publications, or published or broadcast statements?		No	
	f Grants to other organizations for lobbying purposes?	Yes		30,042
	g Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		No	
	i Other activities If "Yes," describe in Part IV		No	
	j Total lines 1c through 1i			30,042
	2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
	b If "Yes" enter the amount of any tax incurred under section 4912			
			No	

Part III-A To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). (See the instructions for Schedule C for details.)

		Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1	
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	

Part III-B To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes." (See the instructions for Schedule C for details.)

1	Dues, assessments and similar amounts from members	1 \$
2	Section 162(e) non-deductible lobbying and political expenditures <i>(do not include amounts of political expenses for which the section 527(f) tax was paid).</i>	
a	Current Year	2a \$
b	Carryover from last year	2b \$
c	Total	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 \$

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation

Supplemental Information

Explanation

SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **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.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Hendrick Medical Center

Employer identification number

75-0827446

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate Contributions to (during year)	
3	Aggregate Grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	
	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?	
	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>	

Part II

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of certified historic structure

☐ Preservation of open space

2

Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

a

Total number of conservation easements

b

Total acreage restricted by conservation easements

c

Number of conservation easements on a certified historic structure included in (a)

d

Number of conservation easements included in (c) acquired after 8/17/06

	Held at the End of the Year
2a	
2b	
2c	
2d	

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶

4

Number of states where property subject to conservation easement is located ▶

5

Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds?

☐ Yes

☐ No

6

Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶

7

Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes

☐ No

9

In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization’s financial statements that describes the organization’s accounting for conservation easements

Part III

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

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

Part III

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

3

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

a

☐

Public exhibition

b

☐

Scholarly research

c

☐

Preservation for future generations

d

☐

Loan or exchange programs

e

☐

Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain why in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

3a(i)

Yes

No

(ii)

related organizations

3a(ii)

Yes

No

b

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

3b

Yes

No

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		10,558,404		10,558,404
b Buildings		73,945,987	37,654,244	36,291,743
c Leasehold improvements		4,259,495	1,728,514	2,530,981
d Equipment		125,098,492	88,913,045	36,185,447
e Other		4,291,401		4,291,401
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				89,857,976

(a) Description of security or category (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 See Additional Data		
Total. (Column (b) should equal Form 990, Part X, col (B) line 12) ▶	64,704,949	

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
95 Series Debt Reserves	10,286,067	C
Total. (Column (b) should equal Form 990, Part X, col (B) line 13) 		

(a) Description	(b) Book value
Educational Loans/Recruiting	1,324,588
Interest Receivable	221,729
Due from Affiliates	5,311,340
FNB Self Insurance Trust	8,082,637
Other Assets	514,774
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	15,455,068

(a) Description of Liability	(b) Amount
Federal Income Taxes	
Funds Held for Others	31,725
Annuity Payable	345,372
Due to Affiliates	9,678,682
Pension Liability	419,110
SELF INSURANCE RESERVES	9,253,683
DUE TO 3RD PARTY PAYORS	5,692,432
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	25,421,004

Schedule D (Form 990) 2008

Part XI

Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	277,955,544
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	252,901,820
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	25,053,724
4	Net unrealized gains (losses) on investments	4	-3,477,263
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-1,965,791
9	Total adjustments (net) Add lines 4 - 8	9	-5,443,054
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	19,610,670

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	272,505,331
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	-3,477,263
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	116,862
e	Add lines 2a through 2d	2e	-3,360,401
3	Subtract line 2e from line 1	3	275,865,732
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	2,089,812
c	Add lines 4a and 4b	4c	2,089,812
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	277,955,544

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	252,894,661
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	60,561
e	Add lines 2a through 2d	2e	60,561
3	Subtract line 2e from line 1	3	252,834,100
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	67,720
c	Add lines 4a and 4b	4c	67,720
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	252,901,820

Part XIV

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation
fin 48 financial statements footnote		In june 2006, fasb issued fasb interpretation (fin) no 48 , accounting for uncertainty in income taxes ("fin no 48") Fin no 48 is an interpretation of sfas no 109, which prescribes a comprehensive model for recognizing, measuring, presenting and disclosing the financial statements uncertain tax positions that hendrick has taken or expect to take in hendrick tax returns The fasb had delayed the effective date until fiscal years beginning after december 15, 2008, with early adoption permitted Hendrick will adopt fin no 48 for fiscal year ending august 31, 2010, unless it is further delayed by fasb the impact of fin no 48 on hendrick's financial statements, if any, has not been determined at this time
Reconciliation of Change in Net Assets	Sch D, Part XI	Equity Earnings in Subsidiaries (56,301) Change in Unrestricted Net Assets of HMCf 2,002,014 Net Assets released from Restriction 20,078 ----- 1,965,791
Reconciliation of Revenue and Expenses per Tax Return to Audited Report	Sch D, Part XII and Part XIII	Revenue on books, not on return Equity in Earnings of Subsidiaries 56,301 Rental Expenses included in Revenue on return 60,561 ----- 116,862 Revenue on Return, not on books Change in interest in Net Assets of HMCf 2,002,014 Donations included in revenue per books 64,720 Other Expenses included in revenue per books 3,000 Net Assets Released from Restriction 20,078 ----- 2,089,812 Expenses on books, not on return Rental Expenses included in revenue on return 60,561 Expenses on return, not on books Donations included in revenue per books 64,720 Other Expenses included in revenue per books 3,000 ----- 67,720

Additional Data

Software ID:
Software Version:
EIN: 75-0827446
Name: Hendrick Medical Center

Form 990, Schedule D, Part VII - Investments— Other Securities

(a) Description of security or cateory (including name of security)	(b)Book value	(c) Method of valuation Cost or end-of-year market value
AMHS Heritage LLC	207,923	C
Cash Value of Life Insurance	65,640	C
Investment in HMCF Net Assets	24,074,036	C
Investment in SHA LLC	12,701,473	C
Unrealized Gain/Loss	-5,305,635	F
Section 457B Investments	380,087	C
Section 457F Investments	39,023	C
Premier Purchasing LP	3,929,153	C
Premier Inc - Common Stock	95,000	C
FNB Investment Trust	19,040,625	C
INVESTMENT IN HMOB	9,477,624	C

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

Name of the organization
Hendrick Medical Center

Employer identification number

75-0827446

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance ☐ **Yes** ☒ **No**

2 For grant makers. Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States

3 Activities per Region (Use Schedule F-1 (Form 990) if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures in region
Europe (Including Iceland and Greenland)	0	0	Program Services	Investment	129,300
Central America and the Caribbean	0	0	Program Services	Investment	201,574
Totals ►	0	0			330,874

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000 ☐ ☐
Use Schedule F-1 if additional space is needed.

[illegible]

2 Enter total number of organizations that are recognized as charities by the foreign country or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶

3 Enter total number of other organizations or entities ►

Complete this part to provide the information required in Part I, line 2, and any other additional information.

Schedule F (Form 990) 2008

Software ID:
Software Version:
EIN: 75-0827446
Name: Hendrick Medical Center

Form 990 Schedule F Part II - Grants and Other Assistance to Organizations or Entities Outside The United States

(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
--------------------------	--	------------	----------------------	--------------------------	---------------------------------	-----------------------------------	--	---

SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

► Attach to Form 990.

Name of the organization
Hendrick Medical Center

Employer identification number
75-0827446

Part I

Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

		Yes	No	
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals <div><input type="checkbox"/> Applied uniformly to all hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div> <div><input type="checkbox"/> Generally tailored to individual hospitals</div>			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care <div><input type="checkbox"/> 100%</div> <div><input type="checkbox"/> 150%</div> <div><input type="checkbox"/> 200%</div> <div><input checked="" type="checkbox"/> Other _____ 250%</div> b Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%</div> <div><input type="checkbox"/> 250%</div> <div><input type="checkbox"/> 300%</div> <div><input type="checkbox"/> 350%</div> <div><input type="checkbox"/> 400%</div> <div><input checked="" type="checkbox"/> Other _____ 500%</div> c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care 4 Does the organization's policy provide free or discounted care to the "medically indigent"?	3a	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from <i>worksheets 1 and 2</i>)		4,150	9,918,429		9,918,429	3 92 %
b Unreimbursed Medicaid (from <i>worksheet 3, column a</i>)		21,722	15,695,251	9,770,314	5,924,937	2 34 %
c Unreimbursed costs—other means-tested government programs (from <i>Worksheet 3, column b</i>)						
d Total Charity Care and Means-Tested Government Programs		25,872	25,613,680	9,770,314	15,843,366	6 26 %
Other Benefits						
e Community health improvement services and community benefit operations (from <i>worksheet 4</i>)	54		87,867	6,153	81,714	0 03 %
f Health professions education (from <i>worksheet 5</i>)	3		371,935		371,935	0 15 %
g Subsidized health services (from <i>worksheet 6</i>)	1	645	143,464	30,278	113,186	0 04 %
h Research (from <i>worksheet 7</i>)						
i Cash and in-kind contributions to community groups (from <i>worksheet 8</i>)	4	634	17,756		17,756	0 01 %
j Total Other Benefits	62	1,279	621,022	36,431	584,591	0 23 %
k Total (line 7d and 7j)	62	27,151	26,234,702	9,806,745	16,427,957	6 49 %

Part II

Community Building Activities (Complete this table if the organization conducted any community building activities) (Optional for 2008)

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					
2	Economic development	4	1,600	3,059	0	3,059
3	Community support	1	22	171	0	171
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total	5	1,622	3,230	0	3,230

Part III

Bad Debt, Medicare, and Collection Practices (Optional for 2008)

Section A—Bad Debt Expense

		Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1	No
2	Enter the amount of the organization's bad debt expense (at cost)	2	8,805,378
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	2,201,344
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, or rationale for including other bad debt amounts in community benefit		

Section B—Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	80,728,877
6	Enter Medicare allowable costs of care relating to payments on line 5	6	92,868,923
7	Enter line 5 less line 6—surplus or (shortfall)	7	-12,140,046
8	Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit, and the costing methodology or source used to determine the amount reported on line 6 and indicate which of the following methods was used <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C—Collection Practices

9a	Does the organization have a written debt collection policy?	9a	Yes
9b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI	9b	Yes

Part IV

Management Companies and Joint Ventures (Optional for 2008)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

Name and address

Schedule H (Form 990) 2008

Part VI

Supplemental Information (Optional for 2008)

Complete this part to provide the following information

1

Provide the description required for Part I, line 3c, Part I, line 6a, Part I, line 7g, Part I, line 7, column (f), Part I, line 7, Part III, line 4, Part III, line 8, Part III, line 9b, and Part V See Instructions

The provision for uncollectible accounts, including medicare, medicaid and champus contractals, bad debts, charity and other third-party contractual deductions, is made using the reserve method and is based upon management's continuing review of accounts receivable Amounts reported on line 2 is based on bad debts per the audited financial statements after applying the cost to charge ratio Amounts reported in line 3 are the organization's estimate of the amount of bad debt attributable to charity care patients estimated at 25%

The organization uses Medicare cost report methodology, which apportions routine costs (room and board) based on Medicaid or Medicare days to total days, and the ancillary portion is apportioned based on program charges to total charges

If the patient qualifies for charity care per written hospital criteria, the qualifying balance is written off to charity care and no further collection efforts are made

2

Needs Assessment. Describe how the organization assesses the health care needs of the communities it serves

A community health assessment survey was commissioned by Hendrick in the fall of 2006 and was conducted the following spring The primary objective was to establish a benchmark for the general health of the community that is served by Hendrick and use the resulting data in support of Hendrick's own self assessment as a non-profit organization To execute the project, Hendrick partnered with staff and faculty from the Department of Management Science in the College of Business at Abilene Christian University A modified form of the Behavioral Risk Factors Surveillance System questionnaire developed at the US Centers for Disease Control and Prevention was used as the survey instrument The questionnaire was mailed to a sample of 8,000 households in Taylor County The sample was selected from a proprietary household list maintained by the Abilene Reporter News and is parent organization, E W Scripps Company A total of 1,880 questionnaires were returned, for a response rate of 23 5%

3

Patient Education of Eligibility for Assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy

Hendrick provides many opportunities for patient education on financial assistance The programs are outlined on Hendrick's website, signs and brochures are at every registration point, pre-admit letters are sent to surgery patients that contain financial assistance information, and applications are given to every uninsured Trauma Center patient

4

Community Information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

Hendrick is actively delivering care for a 19 county service area with a broad range of demographics

5

Community Building Activities. Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

The community building activities are used to positively impact the community, and educate the community on health topics These are designed to meet the specific needs of the community

6

Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

Hendrick is able to further its exempt purpose by providing more physician coverage in needed areas, reinvest back into the community with educational opportunities, and other in-kind contributions The community board brings perspective and needs of the community

7

If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communitesserved

Not applicable

8

If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Hendrick Medical Center

Grants and Other Assistance to Organizations,
Governments and Individuals in the U.S.

Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22. Attach to Form 990.

OMB No 1545-0047

2008

Open to Public
Inspection

Employer identification number
75-0827446

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 if additional space is needed ☐

1(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Texas Tech University2500 Broadway Lubbock, TX 79409	75-2668016	Governmental	451,114				Nurse Education
Development Corporation of Abilene555 Walnut Street Room 208 Abilene, TX 79601	75-6000440	governmental		26,799	book value	building	Support

- 2

Enter total number of section 501(c)(3) and government organizations
- 3

Enter total number of other organizations

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e) Method of valuation (book, FMV , appraisal, other)	(f)Description of non-cash assistance
Funds Friendship House	120	37,921			

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.
See Additional Data Table

Identifier	Return Reference	Explanation
Sch I, Part I, Question 2	Describe procedures for monitoring the use of grant funds	The organization evaluates and monitors donees based on public and private data

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
Hendrick Medical Center

Employer identification number
75-0827446

Part I Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</div><div><div><div><input type="checkbox"/> First class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input checked="" type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>b</div><div>If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain</div></div>	1bYes	
<div><div>2</div><div>Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?</div></div>	2Yes	
<div><div>3</div><div>Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply</div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div>		
<div><div>4</div><div>During the year, did any person listed in Form 990, Part VII, Section A, line 1a</div></div>		
<div><div>a</div><div>Receive a severance payment or change of control payment?</div></div>	4aYes	
<div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	4bYes	
<div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>	4c	No
<div><div>501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.</div></div>		
<div><div>5</div><div>For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of</div></div>		
<div><div>a</div><div>The organization?</div></div>	5a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>	5b	No
<div><div>6</div><div>For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of</div></div>		
<div><div>a</div><div>The organization?</div></div>	6a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>	6b	No
<div><div>7</div><div>For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III</div></div>	7	No
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III</div></div>	8	No

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Tim Lancaster	(i)	368,763	135,321	226,736	6,900	12,248	749,968	
	(ii)	0	0	0	0	0	0	
Stephen Kimmel	(i)	236,386	88,448	238,467	6,900	21,790	591,991	
	(ii)	0	0	0	0	0	0	
Joe Pearson	(i)	156,975	52,363	46,015	5,717	15,857	276,927	
	(ii)	0	0	0	0	0	0	
Mike McBroom	(i)	141,687	41,350	71,459	5,416	11,074	270,986	
	(ii)	0	0	0	0	0	0	
Jo Rake	(i)	139,609	38,232	42,581	5,025	14,204	239,651	
	(ii)	0	0	0	0	0	0	
Lisa Harp	(i)	106,822	18,081	15,368	3,411	15,184	158,866	
	(ii)	0	0	0	0	0	0	
Rosemaria Levinsky	(i)	152,750	33,401	24,511	5,075	6,817	222,554	
	(ii)	0	0	0	0	0	0	
Joanne B Martucci	(i)	84,860	0	79,754	2,493	1,494	168,601	
	(ii)	0	0	0	0	0	0	
Teresita Kolin	(i)	189,024	1,237	4,864	4,397	5,827	205,349	
	(ii)	0	0	0	0	0	0	
Tamren Pate	(i)	172,384	0	15,912	5,200	15,059	208,555	
	(ii)	0	0	0	0	0	0	
Patricia Rollins	(i)	137,383	0	20,690	4,086	5,230	167,389	
	(ii)	0	0	0	0	0	0	
Robert Harlow	(i)	145,251	0	5,685	4,724	17,920	173,580	
	(ii)	0	0	0	0	0	0	
Noel Sugay	(i)	145,364	0	4,271	4,170	16,236	170,041	
	(ii)	0	0	0	0	0	0	
Tim Riley	(i)	128,225	10,109	8,617	4,116	11,460	162,527	
	(ii)	0	0	0	0	0	0	
	(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.

[illegible]

Software ID:
Software Version:
EIN: 75-0827446
Name: Hendrick Medical Center

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Tim Lancaster	(i) (ii)	368,763 0	135,321 0	226,736 0	6,900 0	12,248 0	749,968 0	
Stephen Kimmel	(i) (ii)	236,386 0	88,448 0	238,467 0	6,900 0	21,790 0	591,991 0	
Joe Pearson	(i) (ii)	156,975 0	52,363 0	46,015 0	5,717 0	15,857 0	276,927 0	
Mike McBroom	(i) (ii)	141,687 0	41,350 0	71,459 0	5,416 0	11,074 0	270,986 0	
Jo Rake	(i) (ii)	139,609 0	38,232 0	42,581 0	5,025 0	14,204 0	239,651 0	
Lisa Harp	(i) (ii)	106,822 0	18,081 0	15,368 0	3,411 0	15,184 0	158,866 0	
Rosemaria Levinsky	(i) (ii)	152,750 0	33,401 0	24,511 0	5,075 0	6,817 0	222,554 0	
Joanne B Martucci	(i) (ii)	84,860 0	0 0	79,754 0	2,493 0	1,494 0	168,601 0	
Teresita Kolin	(i) (ii)	189,024 0	1,237 0	4,864 0	4,397 0	5,827 0	205,349 0	
Tamren Pate	(i) (ii)	172,384 0	0 0	15,912 0	5,200 0	15,059 0	208,555 0	
Patricia Rollins	(i) (ii)	137,383 0	0 0	20,690 0	4,086 0	5,230 0	167,389 0	
Robert Harlow	(i) (ii)	145,251 0	0 0	5,685 0	4,724 0	17,920 0	173,580 0	
Noel Sugay	(i) (ii)	145,364 0	0 0	4,271 0	4,170 0	16,236 0	170,041 0	
Tim Riley	(i) (ii)	128,225 0	10,109 0	8,617 0	4,116 0	11,460 0	162,527 0	

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization Hendrick Medical Center	Employer identification number 75-0827446
--	---

Identifier	Return Reference	Explanation
Form 990, Part VI, Question 7a	Describe who may elect one or more members of the governing body	Article 1, Section 4 of the bylaws provides, in part, that the baptist general convention of texas appoints at least 75% of the members of the board of trustees

Identifier	Return Reference	Explanation
Form 990, Part VI, Question 7b	Decisions of governing body subject to approval by other persons	article VII of the restated articles of incorporation provides, in part, that an amendment of article II relating to the purpose of the corporation and article VI relating to the number and method of the election or appointment of the board of trustees shall occur only with the consent of the baptist general convention of texas or its executive board

Identifier	Return Reference	Explanation
Form 990, Part VI, QUestion 10	Describe review process of form 990	The organization engages an outside accounting firm to prepare form 990 once prepared, the form is reviewed by the organization's internal accountants and administrative management prior to filing

Identifier	Return Reference	Explanation
form 990, part VI, question 12c	Describe the organization's practice for monitoring compliance with policy	The organization sends out a conflict of interest questionnaire annually to all Trustees of the board and to the executive employees The questionnaires are reviewed by our outside auditors prior to the annual audit and by the organization's director of compliance to identify possible conflicts of interest and other financial relationships under the conflict of interest policy

Identifier	Return Reference	Explanation
Form 990, Part VI, Questions 15a & 15b	process for determining compensation of ceo and key employees	A comprehensive review of compensation is conducted by an independent party at least every three years This report presents the results of the analysis of salary, incentive, total cash compensation (salary plus incentive), benefits, and total compensation (total cash and benefits) Integrated Healthcare Strategies (IHS) works with the Personnel Committee to formally define an executive total compensation philosophy Hendrick Health Systems current philosophy is to use ranges built around the median of the market with a 50% spread from minimum to maximum Incentive opportunity levels are competitive with practices of peer groups and benefits will be delivered at market competitive levels Severance and perquisites reflect a conservative philosophy The Committee determined that the peer group would be primarily regional not-for-profit hospitals of similar size and complexity National peer group will be used for reference purposes where appropriate The Hendrick Health System Personnel Committee is delegated the responsibility for the executive compensation program by the Board of Trustees The Committee Sets the overall executive compensation philosophy to be implemented by Hendrick Health System, sets compensation components for the President & CEO, reviews, discusses and makes decisions based on the President & CEOs recommendations for his direct reports, reports a summary of the process back to the Board of Trustees along with the actual compensation approved for the President and CEO, and approves all incentive goals and awards

Identifier	Return Reference	Explanation
form 990, part VI, question 19	Describe whether the organization makes its documents available to public	the organization makes its governing documents, conflict of interest policy, and financial statements available to the public upon request

Identifier	Return Reference	Explanation
Form 990, Part VI, Question 4	Changes to organizational documents	The organization amended the bylaws to add a statement regarding the Governance Committee's promotion of efficient and effective Board governance The amended bylaws also renamed the Christian Life Committee to the Mission and Ministry Committee

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

Hendrick Medical Center

Employer identification number

75-0827446

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
Hendrick Medical Office Building PO Box 3117 Abilene, TX 79604 75-2856740	build rental	TX	2,682,859	15,165,578	na

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 charity status (if section 501(c)(3))	(F) Direct controlling entity
Hendrick Medical Center Foundation PO Box 3117 Abilene, TX79604 23-7413284	fundraising	TX	501(c)(3)	11	na
Mesa Springs Retirement Village Inc PO Box 3117 Abilene, TX79604 75-1988319	Healthcare	TX	501(c)(3)	9	na
Hendrick Anesthesia Network PO Box 3117 Abilene, TX79604 75-2728889	anesthesia	TX	501(c)(3)	9	na
Hendrick provider network PO Box 3117 Abilene, TX79604 75-2660403	Phys Group	TX	501(c)(3)	9	na
Hendrick center for extended care PO Box 3117 Abilene, TX79604 75-2434172	hospital	TX	501(c)(3)	3	na
Hendrick Medical Development Corporation PO Box 3117 Abilene, TX79604 75-1586080	support svcs	TX	501(c)(3)	11	NA

Part III Identification of Related Organizations Taxable as a Partnership

(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	(H) Disproporionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner?	
							Yes	No		Yes	No
SHA LLC 12940 North HWY 183 Austin, TX78750 75-2569094	Health Services	TX		Related	95,227,668	22,211,604		No	0		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
Hendrick Health Network PO Box 3117 Abilene, TX79604 72-1619011	health Insurance	TX	Medical Center	C-Corporation	35,550	0	100 %
Hendrick Managed Care Network LLC po box 3117 abilene, TX79604 52-2001034	inactive	TX	N/A	c-corporation	0	0	

Part V

Transactions with Related Organizations

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

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

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)

g 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)

l 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

o 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)

Yes

No

1a Yes

1b No

1c Yes

1d No

1e No

1f No

1g No

1h Yes

1i No

1j No

1k No

1l Yes

1m No

1n No

1o No

1p No

1q No

1r No

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

(A) Name of other organization(s)	(B) Transaction type(a-r)	(C) Amount Involved
(1) Hendrick Medical Center Foundation	C	65,643
(2) Hendrick Provider Network	A	152,512
(3) Hendrick Center for Extended Care	A	75,789
(4) Hendrick Medical Center Foundation	H	2,223,618
(5) Hendrick Medical Development Corporation	I	4,467,715
(6) Hendrick Medical Center Foundation	A	3,568

Schedule R (Form 990) 2008

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.

[illegible]

Software ID:
Software Version:
EIN: 75-0827446
Name: Hendrick Medical Center

Form 990, Schedule R, 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 charity status (if 501(c)(3))	(F) Direct Controlling Entity
Hendrick Medical Center Foundation PO Box 3117 Abilene, TX79604 23-7413284	fundraising	TX	501(c)(3)	11	na
Mesa Springs Retirement Village Inc PO Box 3117 Abilene, TX79604 75-1988319	Healthcare	TX	501(c)(3)	9	na
Hendrick Anesthesia Network PO Box 3117 Abilene, TX79604 75-2728889	anesthesia	TX	501(c)(3)	9	na
Hendrick provider network PO Box 3117 Abilene, TX79604 75-2660403	Phys Group	TX	501(c)(3)	9	na
Hendrick center for extended care PO Box 3117 Abilene, TX79604 75-2434172	hospital	TX	501(c)(3)	3	na
Hendrick Medical Development Corporation PO Box 3117 Abilene, TX79604 75-1586080	support svcs	TX	501(c)(3)	11	NA

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

(A) Name of other organization		(B) Transaction type(a-r)	(C) Amount Involved (\$)
(1)	Hendrick Medical Center Foundation	C	65,643
(2)	Hendrick Provider Network	A	152,512
(3)	Hendrick Center for Extended Care	A	75,789
(4)	Hendrick Medical Center Foundation	H	2,223,618
(5)	Hendrick Medical Development Corporation	I	4,467,715
(6)	Hendrick Medical Center Foundation	A	3,568

Additional Data

Software ID:
Software Version:
EIN: 75-0827446
Name: Hendrick Medical Center

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Scott Hibbs , Trustee	2 0	X						0	0	0
David Cason , Trustee	2 0	X						0	0	0
Mike Woodard , Trustee	2 0	X						0	0	0
David Scott , Trustee	2 0	X						0	0	0
J V Martin , 1st Vice Chair	2 0	X						0	0	0
Charles Maciel , Trustee	2 0	X						0	0	0
Pat Kelly , Trustee	2 0	X						0	0	0
David Morris , 2nd Vice Chair	2 0	X						0	0	0
Larry Vinson , Trustee	2 0	X						0	0	0
Shelly Utely , Trustee	2 0	X						0	0	0
Ron Fogle , Chair	2 0	X						0	0	0
Hillary Moore , Trustee	2 0	X						0	0	0
Dennis Laster , Trustee	2 0	X						0	0	0
Ward Hayes , Trustee	2 0	X						0	0	0
Terry Beal , Trustee	2 0	X						0	0	0
Leigh Black , Trustee	2 0	X						0	0	0
Tim Lancaster , President	40 0			X				730,820	0	19,148
Stephen Kimmel , CFO	40 0			X				563,301	0	28,690
Joe Pearson , Vice President	40 0			X				255,353	0	21,574
Mike McBroom , Vice President	40 0			X				254,496	0	16,490
Jo Rake , Vice President	40 0			X				220,422	0	19,229
Lisa Harp , Vice President	40 0			X				140,271	0	18,595
Rosemaria Levinsky , Vice President	40 0			X				210,662	0	11,892
Tim Riley , Asst Vice President	40 0			X				146,951	0	15,576
Bob Prewit , Vice President	40 0			X				125,130	0	15,960
Teresita Kolin , RN	40 0					X		195,125	0	10,224
Tamren Pate , Medical Director	40 0					X		188,296	0	20,259
Patricia Rollins , RN	40 0					X		158,073	0	9,316
Robert Harlow , Physicist	40 0					X		150,936	0	22,644
Noel Sugay , RN	40 0					X		149,635	0	20,406

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Joanne B Martucci , former officer	0 0						X	164,614	0	3,987