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Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 2009
	The organization may have to use a copy of this return to satisfy state reporting requirements	Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009											
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		Please use IRS label or print or type. See Specific Instructions.				C Name of organization COMMUNITY HOSPITALS OF INDIANA INC				D Employer identification number 35-0983617	
						Doing Business As				E Telephone number (317) 355-5822	
						Number and street (or P O box if mail is not delivered to street address) 1500 NORTH RITTER AVENUE			Room/suite	G Gross receipts \$ 755,028,774	
						City or town, state or country, and ZIP + 4 INDIANAPOLIS, IN 46219					
		F Name and address of principal officer MICHAEL C BLANCHET 1500 NORTH RITTER AVENUE INDIANAPOLIS, IN 46219				H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
						H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)					
						H(c) Group exemption number					
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527											
J Website: WWW.ECOMMUNITY.COM											
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other						L Year of formation 1952		M State of legal domicile IN			






Part I	Summary
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1	<p>Briefly describe the organization's mission or most significant activities</p> <p>COMMUNITY HOSPITALS OF INDIANA, INC ("CHI") IS A 501(C)(3) CORPORATION SERVING THE HEALTH RELATED NEEDS OF THE CITIZENS OF THE INDIANAPOLIS METROPOLITAN AREA AND CENTRAL INDIANA CHI OPERATES TWO GENERAL ACUTE CARE HOSPITALS AND PROVIDES INPATIENT, OUTPATIENT, EMERGENCY AND AMBULATORY HEALTH CARE SERVICES TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY FORM 990, PART I, LINE 4 - INDEPENDENT VOTING MEMBERS COMMUNITY HOSPITALS OF INDIANA, INC ("CHI") IS AN AFFILIATE OF COMMUNITY HEALTH NETWORK ("THE NETWORK"), AN INTEGRATED HEALTH DELIVERY SYSTEM CHI, TOGETHER WITH THE OTHER TAX-EXEMPT AFFILIATES OF THE NETWORK, IS CONTROLLED BY A TAX-EXEMPT PARENT ORGANIZATION, COMMUNITY HEALTH NETWORK, INC ("CHNW") CHNW EXERCISES CONTROL OVER CHI THROUGH A SERIES OF GOVERNANCE RIGHTS A) CHNW IS THE SOLE MEMBER OF CHI, B) CHNW HAS THE AUTHORITY TO APPROVE THREE-FOURTHS OF THE DIRECTORS THAT ARE ELECTED TO CHI'S BOARD OF DIRECTORS, C) CHI HAS DELEGATED EXCLUSIVE AUTHORITY TO CHNW, ACTING THROUG</p>	
2	<p>Check this box <input checked="" type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets</p>	
3	<p>Number of voting members of the governing body (Part VI, line 1a)</p>	<p>3 <u>1</u></p>
4	<p>Number of independent voting members of the governing body (Part VI, line 1b)</p>	<p>4 <u>1</u></p>
5	<p>Total number of employees (Part V, line 2a)</p>	<p>5 <u>6,19</u></p>
6	<p>Total number of volunteers (estimate if necessary)</p>	<p>6 <u>60</u></p>
7a	<p>Total gross unrelated business revenue from Part VIII, column (C), line 12</p>	<p>7a <u>-495,76</u></p>
b	<p>Net unrelated business taxable income from Form 990-T, line 34</p>	<p>7b <u>-495,76</u></p>

		Prior Year	Current Year
Revenue	8 Contributions and grants (Part VIII, line 1h)	9,281,357	9,149,787
	9 Program service revenue (Part VIII, line 2g)	595,756,819	610,914,781
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	37,643,152	20,327,205
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	40,180,083	39,374,966
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	682,861,411	679,766,739
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	230,980,406	250,315,675
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25) \blacktriangleright^0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	419,503,709	393,810,072
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	650,484,115	644,125,747
	19 Revenue less expenses Subtract line 18 from line 12	32,377,296	35,640,992
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	851,909,108	1,057,110,757
	21 Total liabilities (Part X, line 26)	594,957,515	660,851,608
	22 Net assets or fund balances Subtract line 21 from line 20	256,951,593	396,259,149

Part II	Signature Block
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Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
	***** Signature of officer	2010-11-12 Date
	JEFFERY KIRKHAM CHIEF FINANCIAL OFFICER Type or print name and title	

Paid Preparer's Use Only	Preparer's signature  JAMES A CASKEY CPA CFP	Date 2010-11-12	Check if self-employed  <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4  CASKEY & DAILY PC 4745 STATESMEN DRIVE SUITE C INDIANAPOLIS, IN 46250			EIN 
				Phone no  (317) 585-2647

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part IIISTatement of Program Service Accomplishments

1

Briefly describe the organization’s mission

COMMUNITY HOSPITALS OF INDIANA, INC ("CHI") IS A 501(C)(3) CORPORATION SERVING THE HEALTH RELATED NEEDS OF THE CITIZENS OF THE INDIANAPOLIS METROPOLITAN AREA AND CENTRAL INDIANA CHI OPERATES TWO GENERAL ACUTE CARE HOSPITALS AND PROVIDES INPATIENT, OUTPATIENT, EMERGENCY AND AMBULATORY HEALTH CARE SERVICES TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY FORM 990, PART I, LINE 4 - INDEPENDENT VOTING MEMBERS COMMUNITY HOSPITALS OF INDIANA, INC ("CHI") IS AN AFFILIATE OF COMMUNITY HEALTH NETWORK ("THE NETWORK"), AN INTEGRATED HEALTH DELIVERY SYSTEM CHI, TOGETHER WITH THE OTHER TAX-EXEMPT AFFILIATES OF THE NETWORK, IS CONTROLLED BY A TAX-EXEMPT PARENT ORGANIZATION, COMMUNITY HEALTH NETWORK, INC ("CHNW") CHNW EXERCISES CONTROL OVER CHI THROUGH A SERIES OF GOVERNANCE RIGHTS A) CHNW IS THE SOLE MEMBER OF CHI, B) CHNW HAS THE AUTHORITY TO APPROVE THREE-FOURTHS OF THE DIRECTORS THAT ARE ELECTED TO CHI'S BOARD OF DIRECTORS, C) CHI HAS DELEGATED EXCLUSIVE AUTHORITY TO CHNW, ACTING THROUG

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 501(c)(4) organizations and section 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 \$ 438,108,476 including grants of \$) (Revenue \$ 610,914,781)

COMMUNITY HOSPITALS OF INDIANA, INC OPERATES TWO ACUTE CARE FULL SERVICE HOSPITALS IN INDIANAPOLIS, INDIANA WITH 1,029 LICENSED BEDS IN 2009, COMMUNITY HOSPITALS SERVED 26,971 INPATIENTS FOR A TOTAL OF 138,907 INPATIENT DAYS OF SERVICE THE TWO HOSPITALS ALSO PROVIDED 787,733 OUTPATIENT VISITS, WHICH INCLUDED 106,163 EMERGENCY VISITS, 54,756 URGENT CARE VISITS, AND 594,887 MENTAL HEALTH VISITS COMMUNITY HOSPITALS OFFERS MANY PATIENT FOCUSED HEALTHCARE SERVICES THAT INCLUDE WOMEN AND CHILDREN SERVICES, PEDIATRICS, ONCOLOGY, MENTAL HEALTH SERVICES, NEUROSCIENCES, ORTHOPEDICS, JOINT REPLACEMENT, BREAST CARE SERVICES, SURGERY SERVICES, REHABILITATION SERVICES, HEALTH PROMOTION SERVICES, EMERGENCY SERVICES, AND TRAINING AND EDUCATION FOR HEALTH CARE PROFESSIONALS

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

\$ 438,108,476

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		No
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 similar funds or 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, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10		No
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.			
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.			
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No	
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	12A	Yes	
13	Is the organization a school 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 United States?	14a		No
14b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? 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 U S ? If "Yes," complete Schedule F, Part III	16		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions 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 of gross income from gaming activities 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	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	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? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
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? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

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	1a	238	
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
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	2a	6,190	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
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	Yes
b If "Yes," enter the name of the foreign country: <input type="text" value="CJ"/> 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 line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and 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 receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			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 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8	
9 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

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body	1a	10	
b	Enter the number of voting members that are independent	1b	7	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
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?	3	Yes	
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, 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	9		No

Section B. Policies

(This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11		No
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		No

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶IN
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 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 ▶ JEFFERY KIRKHAM 1500 N RITTER AVENUE INDIANAPOLIS, IN 46219 (317) 355-5822

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

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

Form **990** (2009)

1b	Total	6,725,884	1,050,416	1,059,803
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2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **▶**346

		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	No
4	For any individual listed on line 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

Section B. Independent Contractors

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
ROLLINS CONSTRUCTION 3024 N RIDGEVIEW DRIVE INDIANAPOLIS, IN 46226	CONSTRUCTION	50,291,654
OWENS AND MINOR PO BOX 93773 CHICAGO, IL 60673	MEDICAL SUPPLY	21,468,555
ANTHEM BCBS IN GROUP PO BOX 105113 ATLANTA, GA 30348	INSURANCE	12,176,210
ARAMARK 22485 NETWORK PLACE CHICAGO, IL 60673	FOOD/APPAREL	5,884,037
GE HEALTHCARE PO BOX 277475 ATLANTA, GA 30384	MEDICAL SUPPLY	4,918,723

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **▶**242

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 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	762,411			
	e	Government grants (contributions)	1e	8,387,376			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f \$ _____					
	h	Total. Add lines 1a-1f		9,149,787			
Program Service Revenue	2a	PATIENT SERVICES	Business Code	900,099	610,914,781	610,914,781	
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		610,914,781			
	Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		27,997,808	16,548,808	
4		Income from investment of tax-exempt bond proceeds . . .					
5		Royalties					
6a		Gross Rents	(i) Real	(ii) Personal			
b		Less rental expenses					
c		Rental income or (loss)	3,487,257				
d		Net rental income or (loss)			3,487,257		3,487,257
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
b		Less cost or other basis and sales expenses	67,548,230	43,202			
c		Gain or (loss)	75,198,868	63,167			
d		Net gain or (loss)	-7,650,638	-19,965	-7,670,603		-7,670,603
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18					
b		Less direct expenses	a				
c		Net income or (loss) from fundraising events . . .					
9a		Gross income from gaming activities See Part IV, line 19					
b		Less direct expenses	a				
c		Net income or (loss) from gaming activities . . .					
10a		Gross sales of inventory, less returns and allowances					
b		Less cost of goods sold	a				
c		Net income or (loss) from sales of inventory . . .					
Miscellaneous Revenue		Business Code					
11a	LEASED EQUIPMENT		532,420	8,257,497	8,257,497		
b	CAFETERIA REVENUE		722,210	2,893,828			2,893,828
c	LEASED EMPLOYEES		541,900	2,786,644	2,786,644		
d	All other revenue			21,949,740	22,445,505	-495,765	
e	Total. Add lines 11a-11d			35,887,709			
12	Total revenue. See Instructions			679,766,739	660,953,235	-495,765	10,159,482

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				
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	4,277,643	2,466,711	1,810,932	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	186,682,584	137,906,647	48,775,937	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	16,860,296	67,557	16,792,739	
9	Other employee benefits	29,232,398	21,488,505	7,743,893	
10	Payroll taxes	13,262,754	9,644,799	3,617,955	
11	Fees for services (non-employees)				
a	Management				
b	Legal	1,042,429	1,397	1,041,032	
c	Accounting	654,062	877	653,185	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	523,592		523,592	
g	Other	209,668,599	138,894,672	70,773,927	
12	Advertising and promotion	28,308	19,084	9,224	
13	Office expenses	85,311,793	77,555,947	7,755,846	
14	Information technology	4,748,416	1,542,982	3,205,434	
15	Royalties				
16	Occupancy	16,648,830	12,238,424	4,410,406	
17	Travel	628,093	353,482	274,611	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	153,419	77,862	75,557	
20	Interest	10,012,429		10,012,429	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	33,524,639	10,268,147	23,256,492	
23	Insurance	4,277,353	17,054	4,260,299	
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	BAD DEBT EXPENSE	25,117,883	25,117,883		
b	DUES & SUBSCRIPTIONS	592,199	161,134	431,065	
c	PROPERTY TAX	591,884	192,331	399,553	
d	SECURITY EQUIP & EXPENSES	122,365	39,762	82,603	
e	RECRUITMENT	53,649	17,433	36,216	
f	All other expenses	110,130	35,786	74,344	
25	Total functional expenses. Add lines 1 through 24f	644,125,747	438,108,476	206,017,271	0
26	Joint costs. Check here <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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			30,509,398	1	27,974,402
	2	Savings and temporary cash investments				2	
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			80,116,673	4	72,931,334
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net			168,688	7	125,417
	8	Inventories for sale or use			7,479,560	8	7,692,933
	9	Prepaid expenses and deferred charges			10,311,155	9	6,495,505
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	785,792,532			
	b	Less accumulated depreciation	10b	394,993,056	382,920,113	10c	390,799,476
	11	Investments—publicly traded securities			200,082,517	11	292,777,327
	12	Investments—other securities. See Part IV, line 11			97,471,315	12	133,971,070
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	249,579
	15	Other assets. See Part IV, line 11			42,849,689	15	124,093,714
16	Total assets. Add lines 1 through 15 (must equal line 34)			851,909,108	16	1,057,110,757	
Liabilities	17	Accounts payable and accrued expenses			101,887,568	17	139,276,128
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			341,589,985	20	430,688,729
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities. Complete Part X of Schedule D			151,479,962	25	90,886,751
	26	Total liabilities. Add lines 17 through 25			594,957,515	26	660,851,608
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			256,951,593	27	396,259,149
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
	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			256,951,593	33	396,259,149
	34	Total liabilities and net assets/fund balances			851,909,108	34	1,057,110,757

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 _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . .		No
b Were the organization's financial statements audited by an independent accountant? 	Yes	
c If "Yes," to 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O . . .	Yes	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
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? 	Yes	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .	Yes	

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
COMMUNITY HOSPITALS OF INDIANA INC

Employer identification number
35-0983617

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4

☐

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

☐

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

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7

☐

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

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9

☐

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

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**

11

☐

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

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

☐

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

☐

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

☐

Provide the following information about the supported organization(s)

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

(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.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
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						

Section C. Computation of Public Support Percentage						
14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))		14				
15 Public Support Percentage for 2008 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2009. 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						
b 33 1/3% support test—2008. 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						
17a 10%-facts-and-circumstances test—2009. 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						
b 10%-facts-and-circumstances test—2008. 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						
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions						

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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 through 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 \$5,000 or 1% of the amount on line 13 for the year						
cAdd lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 June 30, 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**

☐

Section C. Computation of Public Support Percentage

15Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	
16Public support percentage from 2008 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18Investment income percentage from 2008 Schedule A, Part III, line 17	18	

19a**33 1/3% support tests—2009.** 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% support tests—2008.** 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. Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

SCHEDULE D
(Form 990)

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization COMMUNITY HOSPITALS OF INDIANA INC	Employer identification number 35-0983617
--	--

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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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 for any other purpose conferring impermissible private benefit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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) <input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure) <input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of open space <input type="checkbox"/> Preservation of an historically importantly land area <input type="checkbox"/> Preservation of a certified historic structure
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
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, handling of violations, and enforcement of the conservation easements it holds? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6	Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ► _____
7	Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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

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 the arrangement 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)

No

(ii) related organizations

3a(ii)

No

b

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

3b

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) Accumulated depreciation	(d) Book value
1a Land		4,916,784		4,916,784
b Buildings		425,970,895	150,809,335	275,161,560
c Leasehold improvements		15,557,592	5,311,224	10,246,368
d Equipment		332,153,330	231,883,508	100,269,822
e Other		7,193,931	6,988,989	204,942
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				390,799,476

Schedule D (Form 990) 2009

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	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

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	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
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	
c	Add lines 4a and 4b	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
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	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
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	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	

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 IV, 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. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
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Additional Data

Software ID:

Software Version:

EIN: 35-0983617

Name: COMMUNITY HOSPITALS OF INDIANA INC

Form 990, Schedule D, Part IX, - Other Assets

(a) Description	(b) Book value
DUE FROM AFFILIATED ENTITIES	55,725,234
FUNDS HELD BY TRUSTEE	44,295,758
OTHER RECEIVABLES	8,098,169
DEFERRED FINANCING COSTS	7,188,063
THIRD PARTY RECEIVABLE	4,167,117
CHN ASSURANCE PREMIUM	2,514,027
OVERFUNDED PENSION/RTRMT	1,635,587
OTHER ASSETS	469,759

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990.**
▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
COMMUNITY HOSPITALS OF INDIANA INC

Employer identification number
35-0983617

Part I

Charity Care and Certain Other Community Benefits at Cost

		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 checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Generally tailored to individual hospitals</div> <div><input type="checkbox"/> Applied uniformly to most 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%<input type="checkbox"/> 150%<input checked="" type="checkbox"/> 200%<input type="checkbox"/> Other _____</div>	3a Yes	
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%<input type="checkbox"/> 250%<input type="checkbox"/> 300%<input type="checkbox"/> 350%<input type="checkbox"/> 400%<input type="checkbox"/> Other _____</div>	3b	No
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"?	4 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 Yes	
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	No
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 Worksheets 1 and 2)		23,149	20,231,692		20,231,692	3 270 %
b Unreimbursed Medicaid (from Worksheet 3, column a)		47,621	70,769,210	45,236,090	25,533,120	4 120 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs		70,770	91,000,902	45,236,090	45,764,812	7 390 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	28	2,449	7,705,565	1,018,138	6,687,427	1 080 %
f Health professions education (from Worksheet 5)	7	55	10,133,457	4,280,921	5,852,536	0 950 %
g Subsidized health services (from Worksheet 6)	3		818,127	115,316	702,811	0 110 %
h Research (from Worksheet 7)	3		68,644	19,819	48,825	0 010 %
i Cash and in-kind contributions to community groups (from Worksheet 8)	5		15,051		15,051	
j Total Other Benefits	46	2,504	18,740,844	5,434,194	13,306,650	2 150 %
k Total. Add lines 7d and 7j	46	73,274	109,741,746	50,670,284	59,071,462	0

Part IICommunity Building Activities

Complete this table if the organization conducted any community building activities.

	(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
1Physical improvements and housing	1	2				
2Economic development	2		525,815		525,815	0 080 %
3Community support	2		378,540		378,540	0 060 %
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development						
9Other						
10Total	5	2	904,355		904,355	0 140 %

Part IIIBad Debt, Medicare, & Collection Practices

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	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	7,445,224	
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		
4Provide 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, and 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	110,869,829	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	125,811,338	
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-14,941,509	
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method 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 IVManagement Companies and Joint Ventures

(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 %
1INDIANA INTERNAL MED	PROVIDE PHYSICIANS SERVICES	49 000 %		51 000 %
2NORTHPOINT PEDIATRIC	PROVIDE PHYSICIANS SERVICES	49 000 %		51 000 %
3COMMUNITY IMAGING	PROVIDE MEDICAL IMAGING SERVICES	50 000 %		50 000 %
4IN SPECIALTY GROUP	PROVIDE SPECIALTY PHYSICIAN SERVICES	70 000 %		30 000 %
5EAST CAMPUS SURG CTR	PROVIDE OUTPATIENT SURGERY SERVICES	51 000 %		49 000 %
6MID AM CLINCIAL LABS	PROVIDE LABORATORY SERVICES	22 000 %		
7IMAGING EQ LEASING	LEASE IMAGING EQUIPMENT	75 000 %		25 000 %
8NORTH CAMPUS SURG	PROVIDE OUTPATIENT SURGERY SERVICES	49 000 %		
9MICHIGAN SURGERY INV	PROVIDE OUTPATIENT SURGERY SERVICES	40 000 %		
10UNITED HOSPITAL SERV	PROVIDE LINEN SERVICES	13 000 %		
11HAMILTON SURGERY CTR	PROVIDE OUTPATIENT SURGERY SERVICES	11 000 %		49 000 %
12INDPLS ENDOSCOPY CTR	PROVIDE MEDICAL SERVICES	19 000 %		49 000 %
13				
14				

Part V Facility Information

Name and address	Other (Describe)						
	ER-other	ER-24 hours	Research facility	Critical access hospital	Teaching hospital	Children's hospital	General medical & surgical
COMMUNITY HOSPITAL EAST 1500 NORTH RITTER AVENUE INDIANAPOLIS, IN 46219				X			X
COMMUNITY HOSPITAL NORTH 7150 CLEARVISTA DRIVE INDIANAPOLIS, IN 46256				X			X

Part VI

Supplemental Information

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

COMMUNITY HOSPITALS OF INDIANA, INC PROVIDES FREE CARE TO LOW INCOME INDIVIDUALS USING THE FEDERAL POVERTY GUIDELINES, BUT NOT DISCOUNTED CARE COST IS DETERMINED BASED ON THE COST TO CHARGE RATIO DERIVED IN WORKSHEET 2 PLEASE SEE THE ATTACHED FINANCIAL ASSISTANCE POLICY

A COMMUNITY BENEFIT REPORT IS COMPLETED FOR THE COMMUNITY HEALTH NETWORK AS A WHOLE COMMUNITY HOSPITALS OF INDIANA, INC IS INCLUDED WITHIN THE NETWORK COMMUNITY BENEFIT REPORT

SUBSIDIZED HEALTH CARE REPORTED DOES NOT INCLUDE COSTS ATTRIBUTABLE TO PHYSICIAN CLINCS

A COST TO CHARGE RATIO WAS UTILIZED TO DETERMINE COSTS FOR LINES A THROUGH C IN THE TABLE THE COST TO CHARGE RATIO WAS DERIVED FROM WORKSHEET 2 LINES E THROUGH I OF THE TABLE ARE BASED ON ACTUAL INCURRED EXPENSES

THE COST TO CHARGE RATIO UTILIZED FOR PURPOSES OF REPORTING BAD DEBT COSTS WAS DERIVED FROM WORKSHEET 2 AND IS BASED ON THE ORGANIZATION'S AUDITED FINANCIAL STATEMENTS COMMUNITY HOSPITALS OF INDIANA, INC UTILIZES AN AUTOMATED SOFTWARE SOLUTION TO ASSIST IN DETERMINING PATIENTS ELIGIBLE FOR FREE CARE AS A RESULT OF THE IMPLEMENTATION OF THIS AUTOMATED SOLUTION, THERE IS VERY LITTLE BAD DEBT RECORDED FOR PATIENTS WHO WOULD BE ELIGIBLE FOR FREE CARE UNDER THE NETWORK POLICY THE AUDITED FINANCIAL STATEMENTS CONTAIN THE FOLLOWING TEXT WITHIN THE FOOTNOTES TO DESCRIBE BAD DEBT EXPENSE EXCLUDING CHA, THE NETWORK OFFERS A 30% DISCOUNT TO UNINSURED PATIENTS THIS DISCOUNT IS RECORDED IN OTHER ALLOWANCE/ADJUSTMENTS, WHICH ARE NETTED AGAINST NET PATIENT SERVICE REVENUE RETROACTIVE ADJUSTMENTS ARE ACCRUED ON AN ESTIMATED BASIS IN THE PERIOD THE RELATED SERVICES ARE RENDERED AND AJDUSTED IN FUTURE PERIODS AS FINAL SETTLEMENTS ARE DETERMINED THE NETWORK MAINTAINS RECORDS TO IDENTIFY AND MONITOR THE LEVEL OF CHARITY CARE IT PROVIDES THE NETWORK PROVIDES CHARITY CARE TO PATIENTS WHOSE INCOME LEVEL IS BELOW 200% OF THE FEDERAL POVERTY LEVEL CHARITY CARE INCLUDES THE AMOUNT OF CHARGES FORGONE FOR SERVICES AND SUPPLIES FURNISHED UNDER ITS CHARITY CARE POLICY AND WAS 76,215,000 AND 53,462,000 FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008, RESPECTIVELY ADJUSTMENTS TO THE ALLOWANCE FOR DOUBTFUL ACCOUNTS ARE MADE AFTER THE NETWORK HAS ANALYZED HISTORICAL CASH COLLECTIONS AND CONSIDERED THE IMPACT OF ANY KNOWN MATERIAL EVENTS UNCOLLECTIBLE ACCOUNTS ARE WRITTEN-OFF AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS AFTER EXHAUSTING COLLECTION EFFORTS ANY SUBSEQUENT RECOVERIES ARE RECORDED AGAINST THE PROVISION FOR BAD DEBTS

PER THE 990 INSTRUCTIONS, THE MEDICARE COST REPORT WAS UTILIZED TO DETERMINE THE MEDICARE SHORTFALL HOWEVER, THE MEDICARE COST REPORT IS NOT REFLECTIVE OF ALL COSTS ASSOCIATED WITH MEDICARE PROGRAMS SUCH AS PHYSICIAN SERVICES AND SERVICES BILLED VIA FREE STANDING CLINICS FURTHER, THE MEDICARE COST REPORT EXCLUDES REVENUES AND COSTS OF MEDICARE PART C AND D THE MEDICARE SHORTFALL ATTRIBUTED TO THOSE AREAS NOT INCLUDED ON THE MEDICARE COST REPORT IS 30,080,006 AS SUCH, THE TOTAL MEDICARE SHORTFALL FOR ALL MEDICARE PROGRAMS IS 45,021,514 MEDICARE SHORTFALLS SHOULD BE CONSIDERED AS COMMUNITY BENEFIT BECAUSE MEDICARE REPRESENTS 34 6% OF THE OVERALL PAYER MIX FOR COMMUNITY HOSPITALS OF INDIANA, INC

SEE ATTACHED FINANCIAL ASSISTANCE POLICY

PART I, LINE 7, COLUMN (F) - PERCENT OF TOTAL EXPENSE 25,117,883 WAS REMOVED FROM THE TOTAL EXPENSES REPORTED ON FORM 990, PART IX, LINE 25 RELATED TO BAD DEBT EXPENSES PART VI, ITEMS 2 THROUGH 8 ARE DISCUSSED WITHIN THE ATTACHED COMMUNITY BENEFIT REPORT

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

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

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

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

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)

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 communites served

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

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization

COMMUNITY HOSPITALS OF INDIANA INC

Employer identification number

35-0983617

Part I

Questions Regarding Compensation

		Yes	No
1a	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><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div></div>		
	<div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div></div>		
	<div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div></div>		
	<div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are 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		No
2	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?	Yes	
3	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><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div></div>		
	<div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div></div>		
	<div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	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		
a	The organization?		No
b	Any related organization?	Yes	
	If "Yes," to line 5a or 5b, describe in Part III		
6	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		
a	The organization?		No
b	Any related organization?		No
	If "Yes," to line 6a or 6b, describe in Part III		
7	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		No
8	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		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

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

[illegible]

Part III

Supplemental Information

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

Ident if ier	Ret urn Reference	Explanat ion
FRINGE OR EXPENSE EXPLANATION	SCHEDULE J, PAGE 1, PART I, LINE 1A	COMMUNITY HOSPITALS OF INDIANA, INC. HAS A WRITTEN RETENTION AGREEMENT IN PLACE WITH THE VICE PRESIDENT OF WOMEN'S AND CHILDREN'S SERVICES, SUSAN SANDBERG, WHICH INCLUDES PROVISIONS FOR THE RETENTION PAYMENT TO BE GROSSED UP FOR FEDERAL AND STATE INCOME TAXES. HOWEVER, SHE DID NOT RECEIVE A PAYMENT IN 2009. THE PAYMENT WILL NOT GET PAID OUT UNTIL 2011.
WRITTEN REIMBURSEMENT POLICY EXPLANATION	SCHEDULE J, PAGE 1, PART I, LINE 1B	THERE IS NO WRITTEN POLICY, HOWEVER, SEE EXPLANATION FOR PART I, LINE 1A FOR FURTHER DETAIL.
COMPENSATION CONTINGENT UPON REVENUES OF RELATED ORG	SCHEDULE J, PAGE 1, PART I, LINE 5B	DR. ERNEST ASAMOAH, DR. ABBY BEALL, DR. THOMAS FERRARA, DR. STUART FRALEY, DR. AMY HAYES, AND DR. CHELSEY RASMUSSEN ARE ELIGIBLE TO PARTICIPATE IN COMMUNITY PHYSICIANS OF INDIANA, INC.'S ("CPI") INCENTIVE COMPENSATION PLAN. CPI DEVELOPED ITS COMPENSATION PLAN IN CONJUNCTION WITH AN INDEPENDENT COMPENSATION CONSULTANT. IN ADDITION, THE PLAN WAS APPROVED BY THE NETWORK EXECUTIVE COMPENSATION COMMITTEE, COMPOSED OF INDEPENDENT OUTSIDE DIRECTORS. IN ADOPTING ITS INCENTIVE BASED COMPENSATION PLAN, CPI (TOGETHER WITH ITS INDEPENDENT COMPENSATION CONSULTANT, ITS EXTERNAL LEGAL COUNSEL, AND THE NETWORK EXECUTIVE COMPENSATION COMMITTEE) CONSIDERED AND APPLIED THE PROVISIONS OF CODE SECTION 4958 AND THE CORRESPONDING TREASURY REGULATIONS TO ENSURE THAT ITS COMPENSATION DECISIONS REFLECT ARMS LENGTH, FAIR MARKET TERMS.

Software ID:
Software Version:
EIN: 35-0983617
Name: COMMUNITY HOSPITALS OF INDIANA INC

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				
DON B ZIPERMAN MD	(i) (ii)703,499		2,832	31,200	14,809	752,340	
MICHAEL C BLANCHET	(i) (ii)453,619		2,489	71,708	7,204	535,020	
BARBARA SUMMERS	(i) (ii)286,625		1,882	69,348	20,961	378,816	
ANITA J HARDEN RN MSN MBA	(i) (ii)267,118		1,517	89,982	7,142	365,759	
JEFFERY KIRKHAM	(i) (ii)243,291		1,376	74,280	19,993	338,940	
STEVE HULTGREN	(i) (ii)224,152		1,234	76,784	16,461	318,631	
ROBIN LEDYARD MD	(i) (ii)196,671		1,097	15,567	19,993	233,328	
FRANK L COVINGTON MD	(i) (ii)461,485		66,382	56,247	30,449	614,563	
GLENN BINGLE MD	(i) (ii)302,384		69,403	37,940	1,440	411,167	
THOMAS A FERRARA MD	(i) (ii)264,900		86,414	17,982	18,254	387,550	
SUSAN SANDBERG	(i) (ii)304,721		1,713	87,218	21,021	414,673	
ABBY BEALL MD	(i) (ii)276,314		17,050		7,870	301,234	
CLIF KNIGHT MD	(i) (ii)269,330		1,534	23,514	22,524	316,902	
ROBERT SLOAN JR MD	(i) (ii)939,191		4,765	9,680	19,368	973,004	
JILL DONALDSON MD	(i) (ii)699,928		3,622	27,484	13,089	744,123	
CHELSEY RASMUSSEN MD	(i) (ii)482,759		33,681	17,227	24,761	558,428	
STUART FRALEY MD	(i) (ii)465,239		50,038	16,500	26,838	558,615	
AMY HAYES MD	(i) (ii)478,088		10,539	15,872	21,530	526,029	

<div>Schedule K (Form 990)</div> <div>Department of the Treasury Internal Revenue Service</div>	<div>Supplemental Information on Tax Exempt Bonds</div> <div>▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990). ▶ Attach to Form 990. ▶ See separate instructions.</div>						OMB No 1545-0047			
							2009			
	Name of the organization COMMUNITY HOSPITALS OF INDIANA INC						Employer identification number 35-0983617			

Part I

Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
							Yes	No	Yes	No
A	IN HEALTH FACILITY REV BOND '05A	35-1611409	45479QAY3	05-04-2005	152,820,000	NORTH EXPANSION		X		X
B	IN HEALTH FACILITY REV BOND '05B&C	35-1611409	45479QAY5	05-04-2005	37,500,000	NORTH EXPANSION		X		X
C	IN HEALTH FACILITY REV BOND '09A	35-1611409	45471AAL6	06-30-2009	40,000,000	SOUTH EXPANSION		X		X
D	IN HEALTH FACILITY REV BOND '09B	35-1611409	45471AAM4	06-30-2009	60,000,000	SOUTH EXPANSION		X		X

Part II

Proceeds

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Total proceeds of issue			149,675,238		37,500,000		39,854,467		59,781,701	
2	Gross proceeds in reserve funds			21,627,938		1,884,375					
3	Proceeds in refunding or defeasance escrows										
4	Other unspent proceeds										
5	Issuance costs from proceeds			3,915,250		960,750		402,312		939,563	
6	Working capital expenditures from proceeds										
7	Capital expenditures from proceeds			134,232,000		35,768,000		39,637,433		59,118,476	
8	Year of substantial completion			2007		2007		2010		2010	
9	Were the bonds issued as part of a current refunding issue?		X		X		X		X		
10	Were the bonds issued as part of an advance refunding issue?		X		X		X		X		
11	Has the final allocation of proceeds been made?	X		X		X		X			
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X			

Part III

Private Business Use

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		X		
2	Are there any lease arrangements with respect to the financed property which may result in private business use?		X		X		X		X		

Part III

Private Business Use (Continued)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?		X		X		X		X		
3b	Are there any research agreements with respect to the financed property which may result in private business use?		X		X		X		X		
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X		X		X		X		
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government										
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government										
6	Total of lines 4 and 5										
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X			

Part IV

Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	X		X			X		X		
2	Is the bond issue a variable rate issue?		X	X		X		X			
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X		X		X		X		
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?	X		X			X		X		
b	Name of provider	FSA CAPITAL		FSA CAPITAL							
c	Term of GIC	2 3		2 3							
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X		X							
5	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X		
6	Did the bond issue qualify for an exception to rebate?	X		X			X		X		

Schedule L

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ **Complete if the organization answered**
"Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V lines 38a or 40b.
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization COMMUNITY HOSPITALS OF INDIANA INC	Employer identification number 35-0983617
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Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
</				

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total ▶ \$										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
THOMAS LEDYARD MD	FAMILY MEMBER	173,249	WAGES		No
INDIANA ORTHOPAEDIC CENTER	BD MBR = OFFR	140,371	SERVICES		No
INDIANA PROHEALTH NETWORK INC	SHARE BD MEMBER	45,350,968	SERVICE REVENUE		No

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
COMMUNITY HOSPITALS OF INDIANA INC

Employer identification number
35-0983617

Identifier	Return Reference	Explanation
ORGANIZATION'S MISSION	FORM 990 - ORGANIZATION'S MISSION	COMMUNITY HOSPITALS OF INDIANA, INC ("CHI") IS A 501(C)(3) CORPORATION SERVING THE HEALTH RELATED NEEDS OF THE CITIZENS OF THE INDIANAPOLIS METROPOLITAN AREA AND CENTRAL INDIANA CHI OPERATES TWO GENERAL ACUTE CARE HOSPITALS AND PROVIDES INPATIENT, OUTPATIENT, EMERGENCY AND AMBULATORY HEALTH CARE SERVICES TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY FORM 990, PART I, LINE 4 - INDEPENDENT VOTING MEMBERS COMMUNITY HOSPITALS OF INDIANA, INC ("CHI") IS AN AFFILIATE OF COMMUNITY HEALTH NETWORK ("THE NETWORK"), AN INTEGRATED HEALTH DELIVERY SYSTEM CHI, TOGETHER WITH THE OTHER TAX-EXEMPT AFFILIATES OF THE NETWORK, IS CONTROLLED BY A TAX-EXEMPT PARENT ORGANIZATION, COMMUNITY HEALTH NETWORK, INC ("CHNW") CHNW EXERCISES CONTROL OVER CHI THROUGH A SERIES OF GOVERNANCE RIGHTS A) CHNW IS THE SOLE MEMBER OF CHI, B) CHNW HAS THE AUTHORITY TO APPROVE THREE-FOURTHS OF THE DIRECTORS THAT ARE ELECTED TO CHI'S BOARD OF DIRECTORS, C) CHI HAS DELEGATED EXCLUSIVE AUTHORITY TO CHNW, ACTING THROUGH CHNW'S BOARD OF DIRECTORS, IN THE FOLLOWING SUBSTANTIVE AREAS STRATEGIC PLANNING, CAPITAL ACCESS, BUDGETING AND ALLOCATION, AUDIT AND COMPLIANCE, EXECUTIVE COMPENSATION, AND DISPUTE RESOLUTION, D) CHNW MUST APPROVE ANY MODIFICATION, REPEAL, AMENDMENT, OR RESTATEMENT OF CHI'S ARTICLES OF INCORPORATION, AND E) CHNW MUST APPROVE ANY CLOSURE OF A HOSPITAL THAT IS OWNED BY CHI OR THE SALE OR DISPOSITION OF SUBSTANTIALLY ALL OF CHI'S ASSETS WITH REGARD TO EXECUTIVE COMPENSATION, CHNW HAS DELEGATED AUTHORITY TO REVIEW AND APPROVE EXECUTIVE COMPENSATION, INCLUDING CHI'S EXECUTIVES, TO A NETWORK EXECUTIVE COMPENSATION COMMITTEE COMPOSED OF INDEPENDENT OUTSIDE DIRECTORS IN SUM, CHI HAS REMOVED ANY RISK OF INAPPROPRIATE RELATED PARTY TRANSACTIONS BY DELEGATING (THROUGH CHNW) ITS EXECUTIVE COMPENSATION DECISIONS TO A NETWORK EXECUTIVE COMPENSATION COMMITTEE AND ITS CONFLICT OF INTEREST DECISIONS TO A NETWORK AUDIT COMMITTEE, WITH EACH COMMITTEE COMPOSED OF INDEPENDENT OUTSIDE DIRECTORS CHI'S PHYSICIANS CONSTITUTE A SECOND CLASS OF MEMBERS AS A CLASS, THE PHYSICIANS HAVE THE FOLLOWING RIGHTS A) TO ELECT ONE-FOURTH OF THE BOARD OF DIRECTORS OF CHI, B) TO APPROVE ANY MODIFICATION, REPEAL, AMENDMENT, OR RESTATEMENT OF CHI'S ARTICLES OF INCORPORATION, AND C) TO APPROVE ANY CLOSURE OF A HOSPITAL THAT IS OWNED BY CHI OR THE SALE OR DISPOSITION OF SUBSTANTIALLY ALL OF CHI'S ASSETS
FINANCIAL ACCOUNTS IN FOREIGN COUNTRIES	FORM 990, PART V, LINE 4B	CAYMAN ISLANDS
RELATED PARTY INFORMATION AMONG OFFICERS	FORM 990, PAGE 6, PART VI, LINE 2	SEE PART VI, LINE 2 BELOW
MANAGEMENT DELEGATED	FORM 990, PAGE 6, PART VI, LINE 3	CHI HAS DELEGATED EXCLUSIVE AUTHORITY TO CHNW, ACTING THROUGH CHNW'S BOARD OF DIRECTORS, IN THE FOLLOWING SUBSTANTIVE AREAS STRATEGIC PLANNING, CAPITAL ACCESS, BUDGETING AND ALLOCATION, AUDIT AND COMPLIANCE, EXECUTIVE COMPENSATION, AND DISPUTE RESOLUTION
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	SEE FORM 990, PART I, LINE 4 REFERENCE ON SCHEDULE O ABOVE
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	SEE FORM 990, PART I, LINE 4 REFERENCE ON SCHEDULE O ABOVE
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PAGE 6, PART VI, LINE 7B	SEE FORM 990, PART I, LINE 4 REFERENCE ON SCHEDULE O ABOVE
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11	AS DISCUSSED IN PART I, LINE 4, CHI HAS DELEGATED AUTHORITY FOR AUDIT, COMPLIANCE, AND EXECUTIVE COMPENSATION TO CHNW CHNW'S BOARD OF DIRECTORS HAS DELEGATED AUTHORITY FOR THE REVIEW OF CHI'S FORM 990 TO TWO COMMITTEES COMPOSED OF INDEPENDENT OUTSIDE DIRECTORS A) THE NETWORK EXECUTIVE COMPENSATION COMMITTEE REVIEWED THE COMPENSATION ASPECTS OF CHI'S FORM 990, AND B) THE NETWORK FINANCE COMMITTEE REVIEWED THE REMAINDER OF THE CHI'S FORM 990 IN ADDITION, CHI'S OUTSIDE ACCOUNTING FIRM AND LAW FIRM REVIEWED THE FORM 990 PRIOR TO FILING CHI AND CHNW UTILIZED THIS PROCESS TO ENSURE THAT CHI'S FORM 990 RECEIVED SUBSTANTIVE REVIEW BY DIRECTORS AND PROFESSIONALS WITH SPECIFIC KNOWLEDGE OF CHI'S ACTIVITIES AND EXTENSIVE FINANCIAL, ACCOUNTING, AND TAX EXPERTISE

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	AS DISCUSSED IN PART I, LINE 4, CHI HAS DELEGATED AUTHORITY FOR AUDIT AND COMPLIANCE TO CHNW CHNW HAS ADOPTED A CONFLICT OF INTEREST POLICY THAT APPLIES TO EVERY TAX-EXEMPT ORGANIZATION WITHIN THE NETWORK, INCLUDING CHI THE CONFLICT OF INTEREST POLICY REQUIRES DIRECTORS, OFFICERS, AND KEY EMPLOYEES TO SUBMIT AN ANNUAL CONFLICT OF INTEREST DISCLOSURE THE ANNUAL DISCLOSURE REQUIRES DIRECTORS, OFFICERS, AND KEY EMPLOYEES TO DISCLOSE, IN WRITING, ANY KNOWN FINANCIAL INTEREST THAT THE INDIVIDUAL (TOGETHER WITH FAMILY MEMBERS) HAS IN ANY BUSINESS ENTITY THAT TRANSACTS BUSINESS WITH CHI IN ADDITION, DIRECTORS, OFFICERS, AND KEY EMPLOYEES ARE REQUIRED TO IMMEDIATELY DISCLOSE ANY POSSIBLE CONFLICT OF INTEREST THAT ARISES MID-YEAR IN RELATION TO A PROPOSED TRANSACTION THE CONFLICT OF INTEREST POLICY REQUIRES THAT ANY INDIVIDUAL WITH A CONFLICT BE RECUSED FROM THE DECISION MAKING PROCESS, THAT INDEPENDENT DIRECTORS OR COMMITTEE MEMBERS DETERMINE THAT THE PROPOSED TRANSACTION IS IN THE BEST INTEREST OF CHI, AND THE TRANSACTION MUST BE APPROVED BY A VOTE OF INDEPENDENT DIRECTORS OR COMMITTEE MEMBERS WITHOUT THE PARTICIPATION OF ANY INTERESTED INDIVIDUAL THE ANNUAL CONFLICT DISCLOSURE STATEMENTS ARE SUBMITTED TO, AND REVIEWED BY, CHNW'S AUDIT COMMITTEE, COMPOSED OF INDEPENDENT DIRECTORS IN ADDITION, THE EXECUTIVE STAFF AND GENERAL COUNSEL OF THE NETWORK ARE RESPONSIBLE FOR MONITORING ANY POSSIBLE CONFLICT TRANSACTIONS THAT ARISE AND MANAGING THEM TO ENSURE THAT ALL TRANSACTIONS REPRESENT ARMS LENGTH, FAIR MARKET VALUE TERMS FOR THE BENEFIT OF CHI

COMPENSATION PROCESS FOR TOP OFFICIAL FORM 990, PAGE 6, PART VI, LINE 15A AS DISCUSSED IN PART I, LINE 4, CHI HAS DELEGATED AUTHORITY FOR EXECUTIVE COMPENSATION TO CHNW CHNW HAS ADOPTED AN EXECUTIVE COMPENSATION AND INTERMEDIATE SANCTIONS POLICY THAT APPLIES TO EVERY TAX-EXEMPT ORGANIZATION WITHIN THE NETWORK, INCLUDING CHI THE PURPOSE OF THE POLICY IS TO ENSURE THAT CHI'S COMPENSATION ARRANGEMENTS WITH RELATED PARTIES ARE EVALUATED AND ENTERED AT ARMS LENGTH AND THAT ANY COMPENSATION THAT IS PAID TO A RELATED PARTY IS REASONABLE AND REFLECTS FAIR MARKET VALUE THIS POLICY ENCOURAGES THE APPLICATION OF THE REBUTTABLE PRESUMPTION STANDARD OF CODE SECTION 4958 AND THE RELATED TREASURY REGULATIONS BY A) EXCLUDING ANY INTERESTED PARTY FROM THE DECISION MAKING PROCESS, B) REQUIRING DISINTERESTED BOARD OR COMMITTEE MEMBERS TO OBTAIN AND RELY UPON COMPARABILITY DATA WHEN SETTING THE PROPOSED COMPENSATION TERMS, C) REQUIRING APPROVAL OF THE TRANSACTION IN ADVANCE BY DISINTERESTED DIRECTORS OR COMMITTEE MEMBERS, AND D) REQUIRING CONTEMPORANEOUS DOCUMENTATION (I E MINUTES) REFLECTING THE DECISION AND THE PROCESS BY WHICH IT WAS MADE CHNW ALSO DELEGATED AUTHORITY REGARDING CHI'S EXECUTIVE COMPENSATION TO A) THE NETWORK EXECUTIVE COMPENSATION COMMITTEE, COMPOSED OF INDEPENDENT OUTSIDE DIRECTORS, WHICH IS RESPONSIBLE FOR APPLYING THE TERMS AND PROCESS OF THE EXECUTIVE COMPENSATION AND INTERMEDIATE SANCTIONS POLICY AS OUTLINED ABOVE, AND B) THE NETWORK VICE PRESIDENT OF HUMAN RESOURCES WHO IS RESPONSIBLE FOR OBTAINING COMPARATIVE SALARY MARKET DATA FOR THE CHIEF EXECUTIVE OFFICER, OFFICERS, AND KEY EMPLOYEES, PERIODICALLY ENGAGING AN INDEPENDENT COMPENSATION CONSULTANT TO ESTABLISH REASONABLE COMPENSATION, AND PROVIDING STAFF SUPPORT TO THE NETWORK EXECUTIVE COMPENSATION COMMITTEE DURING 2009, THE NETWORK EXECUTIVE COMPENSATION COMMITTEE FOLLOWED THIS PROCESS FOR ALL CHIEF EXECUTIVE OFFICERS FOR ALL NETWORK ENTITIES, THE NETWORK CHIEF FINANCIAL OFFICER, THE NETWORK VICE PRESIDENT OF HUMAN RESOURCES, THE NETWORK VICE PRESIDENT OF MEDICAL AND ACADEMIC AFFAIRS, THE NETWORK VICE PRESIDENT OF CLINICAL STANDARDS, EDUCATION, AND RESEARCH, THE NETWORK VICE PRESIDENT OF LEGAL SERVICES, THE NETWORK CHIEF INFORMATION OFFICER, THE VICE PRESIDENT OF BUSINESS DEVELOPMENT AND MARKETING, THE EXECUTIVE DIRECTOR OF PROHEALTH, AND THE CHIEF FINANCIAL OFFICER OF INDIANA PROHEALTH NETWORK, INC DURING 2009, THE CHIEF EXECUTIVE OFFICERS, CHIEF FINANCIAL OFFICERS, AND HUMAN RESOURCES REPRESENTATIVES FOR ALL NETWORK ENTITIES FOLLOWED A PROCESS WHEREBY SALARIES FOR ALL POSITIONS REPRESENTING MANAGER AND ABOVE WERE COMPARED AGAINST COMPARATIVE SALARY MARKET DATA COMPENSATION PROCESS FOR OFFICERS FORM 990, PAGE 6, PART VI, LINE 15B SEE LINE 15A ABOVE GOVERNING DOCUMENTS DISCLOSURE EXPLANATION FORM 990, PAGE 6, PART VI, LINE 19 A) THE ARTICLES OF INCORPORATION AND CERTIFICATE OF EXISTENCE ARE ON FILE WITH THE INDIANA SECRETARY OF STATE AND ARE AVAILABLE TO THE PUBLIC UPON REQUEST TO THE INDIANA SECRETARY OF STATE OR FREE OF CHARGE ON THE SECRETARY OF STATE'S WEBSITE B) AS A SUBSIDIARY OF CHNW, CHI HAS ADOPTED THE NETWORK CONFLICT OF INTEREST POLICY WHILE THIS POLICY IS NOT AVAILABLE TO THE PUBLIC, THE NETWORK'S DEFINITION OF CONFLICT OF INTEREST AND HOW TO REPORT SUCH AN INCIDENT IS DESCRIBED IN THE NETWORK RESPONSIBILITY AND COMPLIANCE PROGRAM ("NRCP") MANUAL WHICH IS POSTED ON THE NETWORK'S WEBSITE, ECOMMUNITY COM THIS MANUAL IS AVAILABLE FOR THE PUBLIC TO REVIEW C) CHI DOES NOT HAVE INDIVIDUALLY AUDITED FINANCIAL STATEMENTS ITS FINANCIAL RESULTS ARE INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF CHNW AND AFFILIATES AS SUCH, THERE ARE NO INDIVIDUAL FINANCIAL STATEMENTS TO POST CHI DOES FILE THE 990 TAX RETURN ON AN ANNUAL BASIS WHICH IS AVAILABLE UPON REQUEST AND/OR AVAILABLE ON A DELAYED BASIS ON GUIDESTAR COM ADDITIONAL INFORMATION SCHEDULE O FORM 990, PART VI, LINE 1B - VOTING MEMBERS THAT ARE INDEPENDENT SEE FORM 990, PART I, LINE 4 REFERENCE ON SCHEDULE O ABOVE FORM 990, PART VI, LINE 2 - RELATED PARTY INFORMATION AMONG OFFICERS MANY OF CHI'S DIRECTORS, OFFICERS, AND KEY EMPLOYEES SERVE IN AN EXECUTIVE ROLE FOR OTHER TAX-EXEMPT AND TAXABLE AFFILIATES THROUGHOUT THE NETWORK SPECIFICALLY, ALL CHI'S DIRECTORS AND/OR OFFICERS ALSO SERVE AS DIRECTORS AND/OR OFFICERS OF COMMUNITY HOSPITAL SOUTH, INC IN ADDITION, THE FOLLOWING DIRECTORS AND/OR OFFICERS SERVE AS DIRECTORS AND/OR OFFICERS OF THE FOLLOWING ORGANIZATIONS MICHAEL C BLANCHET - COMMUNITY BUSINESS INNOVATIONS, INC - COMMUNITY HOME HEALTH SERVICES, INC - INDIANA PROHEALTH NETWORK, INC KEITH E BRAUER - THE INDIANA HEART HOSPITAL, LLC STEVEN R PLUMP - COMMUNITY HEALTH NETWORK, INC KRISTIN T SHERMAN - COMMUNITY HEALTH NETWORK, INC FORM 990, PART VII - AVERAGE HOURS WORKED FOR RELATED ORGANIZATIONS JEFFERY KIRKHAM - 10 DON B ZIPERMAN - 40 SCHEDULE R - ADDITIONAL INFORMATION IDENTIFICATION OF AFFILIATED TAX-EXEMPT ORGANIZATIONS COMMUNITY HOSPITAL OF ANDERSON AND MADISON COUNTY, INC ("CHA") (EIN 35-1069822) IS AFFILIATED WITH CHI (EIN 35-0983617) AND CHNW (EIN 31-1038302) PURSUANT TO AN AFFILIATION AGREEMENT DATED SEPTEMBER 1, 1996 BOTH CHI AND CHNW ARE EXEMPT ORGANIZATIONS PURSUANT TO SECTION 501(C)(3) PART V, LINE 2(C) - TRANSACTION AMOUNTS THE INFORMATION IN COLUMN C WAS DERIVED FROM THE ENTITY'S DETAILED GENERAL LEDGER AND SUPPORTING DOCUMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(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, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
								Yes	No		Yes	No
EAST CAMPUS SURGERY CENTER LLC												
7330 SHADELAND STATION SUITE 200 INDIANAPOLIS, IN46256 35-2028517	SURGERY	IN	NA		RELATED	5,942,108	7,959,210	No				No
IMAGING EQUIPMENT LEASING CO LLC												
7330 SHADELAND STATION SUITE 200 INDIANAPOLIS, IN46256 20-1293154	LEASING	IN	NA		RELATED	507,906	2,039,475	No				No
INDIANA SPECIALTY GROUP LLC												
7240 SHADELAND STATION SUITE 300 INDIANAPOLIS, IN46256 35-1976258	HLTH CARE	IN	NA		RELATED	3,464	5,604,861	No				No

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(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
CHN ASSURANCE COMPANY LTD PO BOX 1051GT GRAND CAYMAN CJ 98-0418913	INSURANCE	CJ	NA	C CORP		12,125,996	100 000 %
INDIANA PROHEALTH NETWORK INC 8180 CLEARVISTA PARKWAY SUITE 230 INDIANAPOLIS, IN46256 35-1614719	INSURANCE	IN	NA	C CORP	43,915,748	7,487,690	75 000 %
VISIONARY ENTERPRISES INC 7330 SHADELAND STATION SUITE 200 INDIANAPOLIS, IN46256 35-1538433	MGMT SRVS	IN	N/A				

Part V

Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

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 Yes

1c Yes

1d

1e

1f

1g

1h

1i Yes

1j

1k

1l

1m

1n

1o Yes

1p Yes

1q Yes

1r Yes

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	(b) Transaction type(a-r)	(c) Amount involved
(1)	See Additional Data Table		
(2)			
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2009

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: 35-0983617

Name: COMMUNITY HOSPITALS OF INDIANA INC

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
COMMUNITY HEALTH NETWORK INC 1500 NORTH RITTER AVENUE INDIANAPOLIS, IN46219 31-1038302	PARENT ORG	IN	501	11B	NA
COMMUNITY HEALTH NETWORK FOUNDATION 1500 NORTH RITTER AVENUE INDIANAPOLIS, IN46219 51-0181688	SUPPORT	IN	501	11B	NA
COMMUNITY HOME HEALTH SERVICES INC 9894 EAST 121ST STREET INDIANAPOLIS, IN46037 35-0953467	HLTH CARE	IN	501	9	NA
COMMUNITY HOSPITAL SOUTH INC 1402 E COUNTY LINE ROAD SOUTH INDIANAPOLIS, IN46227 35-1088640	HOSPITAL	IN	501	3	NA
COMMUNITY BUSINESS INNOVATIONS INC 1500 NORTH RITTER AVENUE INDIANAPOLIS, IN46219 35-2088279	SHARE SRVS	IN	501	11B	NA
COMMUNITY PHYSICIANS OF IN INC 7240 SHADELAND STATION SUITE 300 INDIANAPOLIS, IN46256 20-5392766	PHY SRV	IN	501	9	NA
THE INDIANA HEART HOSPITAL LLC 8075 NORTH SHADELAND AVENUE INDIANAPOLIS, IN46250 35-2123783	HOSPITAL	IN	501	3	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)	COMMUNITY HOSPITAL SOUTH INC	R	32,818,580
(2)	COMMUNITY PHYSICIANS OF IN INC	B	28,056,005
(3)	COMMUNITY PHYSICIANS OF IN INC	Q	2,636,798
(4)	IMAGING EQUIPMENT LEASING CO LLC	I	900,000
(5)	INDIANA PROHEALTH NETWORK INC	P	45,350,968
(6)	INDIANA PROHEALTH NETWORK INC	Q	7,599,248
(7)	THE INDIANA HEART HOSPITAL LLC	A	4,149,697
(8)	THE INDIANA HEART HOSPITAL LLC	O	1,459,201
(9)	THE INDIANA HEART HOSPITAL LLC	P	3,011,995

Additional Data

Software ID:

Software Version:

EIN: 35-0983617

Name: COMMUNITY HOSPITALS OF INDIANA INC

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
DON B ZIPERMAN MD DIRECTOR	5 00	X						0	706,331	46,009
MICHAEL C BLANCHET DIRECTOR	40 00	X		X				456,108	0	78,912
KEITH E BRAUER DIRECTOR	5 00	X						0	0	0
DAVID HOLLANDER MD DIRECTOR	5 00	X						0	0	0
CHRISTOPHER C MISKEL DIRECTOR	5 00	X						0	0	0
BEVERLEY PITTS DIRECTOR	5 00	X						0	0	0
STEVEN R PLUMP CHAIRMAN	5 00	X		X				0	0	0
KRISTIN T SHERMAN TREAS/SEC	5 00	X		X				0	0	0
RONALD H THIEME DIRECTOR	5 00	X						0	0	0
EDWARD P TODDERUD MD DIRECTOR	5 00	X						0	0	0
BARBARA SUMMERS PRESIDENT -	40 00			X				288,507	0	90,309
ANITA J HARDEN RN MSN MBA FORMER PRES	40 00			X				268,635	0	97,124
JEFFERY KIRKHAM CFO - CHI	40 00			X				0	244,667	94,273
STEVE HULTGREN FORMER INTER	40 00			X				225,386	0	93,245
ROBIN LEDYARD MD PRESIDENT -	40 00			X				197,768	0	35,560
TONY LENNEN PRESIDENT -	40 00			X				0	99,418	7,563
FRANK L COVINGTON MD DIR - PSYCHI	40 00				X			527,867	0	86,696
GLENN BINGLE MD VP - MEDICAL	40 00				X			371,787	0	39,380
THOMAS A FERRARA MD DIR - OB/GYN	40 00				X			351,314	0	36,236
SUSAN SANDBERG VP - WOMEN/	40 00				X			306,434	0	108,239
ABBY BEALL MD DIR - OB/GYN	40 00				X			293,364	0	7,870
CLIF KNIGHT MD VP - CHIEF M	40 00				X			270,864	0	46,038
ROBERT SLOAN JR MD PHYSICIAN	40 00					X		943,956	0	29,048
JILL DONALDSON MD PHYSICIAN	40 00					X		703,550	0	40,573
CHELSEY RASMUSSEN MD PHYSICIAN	40 00					X		516,440	0	41,988

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
STUART FRALEY MD PHYSICIAN	40 00					X		515,277	0	43,338
AMY HAYES MD PHYSICIAN	40 00					X		488,627	0	37,402

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
BAD DEBT EXPENSE	25,117,883	25,117,883		
DUES & SUBSCRIPTIONS	592,199	161,134	431,065	
PROPERTY TAX	591,884	192,331	399,553	
SECURITY EQUIP & EXPENSES	122,365	39,762	82,603	
RECRUITMENT	53,649	17,433	36,216	