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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)

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

OMB No 1545-0047

2009

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

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

C Name of organization
BRONSON METHODIST HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
601 JOHN STREET

City or town, state or country, and ZIP + 4
KALAMAZOO, MI 49007

D Employer identification number
38-1359087

E Telephone number
(269) 341-6000

G Gross receipts $ 527,398,163

F Name and address of principal officer
frank sardone
301 JOHN STREET
Kalamazoo, MI 49007

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

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW BRONSONHEALTH COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1920 | **M** State of legal domicile MI

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
Provide excellent healthcare services

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	16
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	12
5	Total number of employees (Part V, line 2a)	5	3,738
6	Total number of volunteers (estimate if necessary)	6	425
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	11,594,807
b	Net unrelated business taxable income from Form 990-T, line 34	7b	2,488,977

		Prior Year	Current Year
Revenue 8	Contributions and grants (Part VIII, line 1h)	258,000	0
9	Program service revenue (Part VIII, line 2g)	481,796,443	513,035,089
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-1,023,685	-1,573,309
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	12,527,649	12,540,475
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	493,558,407	524,002,255
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)	250,215,906	250,448,103
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	213,685,051	232,295,264
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	463,900,957	482,743,367
19	Revenue less expenses Subtract line 18 from line 12	29,657,450	41,258,888

		Beginning of Current Year	End of Year
Net Assets or Fund Balances 20	Total assets (Part X, line 16)	599,803,924	648,343,807
21	Total liabilities (Part X, line 26)	345,758,504	331,587,510
22	Net assets or fund balances Subtract line 21 from line 20	254,045,420	316,756,297

Part II Signature Block

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

Sign Here

****** | 2010-11-05
Signature of officer | Date

mary meitz vice president/cfo
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-empolyed ☐	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4	Plante & Moran PLLC 750 TRADE CENTRE WAY STE 300 PORTAGE, MI 49002		EIN ▶ Phone no ▶ (269) 567-4500

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

Provide excellent healthcare services

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 $ 365,518,752 including grants of $) (Revenue $ 430,576,623)

Bronson Methodist Hospital (BMH) is the flagship of Bronson Healthcare Group, a not-for-profit healthcare system serving all of southwest Michigan BMH provides care in virtually every specialty with advanced capabilities in burn treatment and critical care as a Level I Trauma Center, in neurological care as a Joint Commission certified Primary Stroke Center, in cardiac care as the region's first accredited Chest Pain Emergency Center, in obstetrics as the leading BirthPlace and only high-risk pregnancy center in southwest Michigan, and in pediatrics as one of only six children's hospitals in the state and the only inpatient pediatric care provider in the area The BMH Emergency Department, which is open 24 hours per day, handles over 80,000 visits per year BMH treats all patients regardless of their ability to pay BMH was the recipient of the 2005 Malcolm Baldrige National Quality Award, the nation's highest presidential honor for quality and organizational performance excellence In 2009, the hospital received the AHA McKesson Quest for Quality Prize awarded annually to only one U S hospital, and joined the top five percent of hospitals in the nation to be designated a Magnet Hospital for Nursing Excellence BMH provides a disproportionate amount of care to the segment of the population using Medicaid BMH is the largest Medicaid provider of any large hospital in Michigan outside of the Detroit area (on a percentage basis) In 2009, approximately 20 8% of BMH's patients were Medicaid recipients We have three Medicaid enrollers on staff to help those without insurance enroll in Medicaid, or refer them to community resources Expenditures related to the operation of the hospital In 2009 in furtherance of its mission, BMH provided $24,775,608 in charity care expense

4b (Code) (Expenses $ 82,541,372 including grants of $) (Revenue $ 77,167,138)

In 2009, BMH's Medicaid cost was $82,541,372 and Medicaid net revenue was $77,167,138

4c (Code) (Expenses $ 19,429,041 including grants of $) (Revenue $)

In 2009, In Furtherance of its mission, BMH incurred $19,429,041 in Bad Debt to provide care to its patients

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 467,489,165

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		No
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, line10? *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	Yes	
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
b	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? *If "Yes," complete Schedule I, Parts I and II*	**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? *If "Yes," complete Schedule I, Parts I and III*	**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? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**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**	Yes	
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? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**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? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
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? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**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? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
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? *If "Yes," complete Schedule R, Part VI*	**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, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	1a	222		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	3,738		
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)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes" to 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	16		
b	Enter the number of voting members that are independent	1b	12		
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	No
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	Yes	
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	Yes	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

MARY MEITZ
301 John Street
KALAMAZOO, MI 49007
(269) 341-6000

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

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year Use Schedule J-2 if additional space is needed

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

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

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

(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			
See add'l data										

1b Total . . . . . ▶	2,920,092	6,236,996	340,392

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 ▶ 129

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**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? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**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
KALAMAZOO ANESTHESIOLOGY PO BOX 4095 KALAMAZOO, MI 49003	medical services	2,520,770
SW MI EMERGENCY SERVICES 1850 Whites Rd 3 KALAMAZOO, MI 49008	Medical services	1,003,697
HEALTHCARE MIDWEST 4341 S WESTNEDGE AVENUE SUITE 220 KALAMAZOO, MI 49008	Medical services	604,710
RENAL CARE GROUP Ste 100 4651 W 79th St CHICAGO, IL 60693	Medical services	568,445
PATHOLOGY SERVICES OF KALAMAZOO 252 E LOVELL ST KALAMAZOO, MI 49007	Medical services	420,800
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 ▶ 19		

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				
	e	Government grants (contributions) 1e				
	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 . . . . . ▶				
Program Service Revenue		Business Code				
	2a	NET PATIENT REVENUE	621,500	501,448,909	501,448,909	
	b	pharmacy revenue	446,110	7,286,986		7,286,986
	c	laboratory revenue	541,380	4,299,194		4,299,194
	d					
	e					
	f	All other program service revenue				
	g	**Total.** Add lines 2a–2f . . . . . ▶		513,035,089		
	3	Investment income (including dividends, interest and other similar amounts) . . . . . ▶				
	4	Income from investment of tax-exempt bond proceeds . . ▶				
	5	Royalties . . . . . ▶				
		(i) Real / (ii) Personal				
	6a	Gross Rents 3,127,685				
	b	Less rental expenses 1,822,599				
	c	Rental income or (loss) 1,305,086				
	d	Net rental income or (loss) . . . . . ▶	1,305,086			1,305,086
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory				
	b	Less cost or other basis and sales expenses 1,407,875 / 165,434				
	c	Gain or (loss) -1,407,875 / -165,434				
	d	Net gain or (loss) . . . . . ▶	-1,573,309			-1,573,309
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from fundraising events . . ▶				
	9a	Gross income from gaming activities See Part IV, line 19 . . . a				
	b	Less direct expenses . . . b				
	c	Net income or (loss) from gaming activities . . ▶				
	10a	Gross sales of inventory, less returns and allowances . a				
	b	Less cost of goods sold . . b				
	c	Net income or (loss) from sales of inventory . . ▶				
		Miscellaneous Revenue / Business Code				
	11a	Joint Venture Revenue 900,099	4,161,357	4,161,357		
	b	CAFETERIA 722,210	3,644,545		8,627	3,635,918
	c	OUTSIDE SERVICE REVENU 900,099	2,133,495	2,133,495		
	d	All other revenue	1,295,992			1,295,992
	e	**Total.** Add lines 11a–11d . . . . . ▶	11,235,389			
	12	**Total revenue.** See Instructions . . . ▶	524,002,255	507,743,761	11,594,807	4,663,687

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	83,560	83,560		
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	194,052,147	194,052,147		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	6,745,924	6,745,924		
9	Other employee benefits	37,955,393	37,955,393		
10	Payroll taxes	11,611,079	11,611,079		
11	Fees for services (non-employees)				
a	Management				
b	Legal	940,219	940,219		
c	Accounting				
d	Lobbying				
e	Professional fundraising *See Part IV, line 17*				
f	Investment management fees				
g	Other	39,783,404	39,783,404		
12	Advertising and promotion	89,784	89,784		
13	Office expenses	67,027,401	67,027,401		
14	Information technology	7,192	7,192		
15	Royalties				
16	Occupancy	9,133,123	9,133,123		
17	Travel	541,927	541,927		
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	12,928,179	12,928,179		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	27,811,195	27,811,195		
23	Insurance	4,494,460	4,494,460		
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	drugs & pharmaceuticals	26,951,812	26,951,812		
b	bad debts expense	19,429,041	19,429,041		
c	BHG Service Allocation	13,542,348		13,542,348	
d	Equipment Maint/Repair	4,745,898	4,745,898		
e	dues & subscriptions	3,268,765	3,268,765		
f	All other expenses	1,600,516	-111,338	1,711,854	
25	**Total functional expenses.** Add lines 1 through 24f	482,743,367	467,489,165	15,254,202	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing	18,964	1	19,015
	2	Savings and temporary cash investments	168,881,659	2	232,187,301
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	71,138,415	4	81,227,202
	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		7	
	8	Inventories for sale or use	6,771,914	8	7,909,644
	9	Prepaid expenses and deferred charges	483,620	9	409,975
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D* — 10a: 541,675,993			
	b	Less accumulated depreciation — 10b: 261,311,745	284,478,937	10c	280,364,248
	11	Investments—publicly traded securities		11	
	12	Investments—other securities See Part IV, line 11	33,154,493	12	39,783,009
	13	Investments—program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	34,875,922	15	6,443,413
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	599,803,924	16	648,343,807
Liabilities	17	Accounts payable and accrued expenses	27,968,291	17	36,746,619
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities	261,294,113	20	253,190,392
	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	56,496,100	25	41,650,499
	26	**Total liabilities.** Add lines 17 through 25	345,758,504	26	331,587,510
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	254,045,420	27	316,756,297
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ 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	254,045,420	33	316,756,297
	34	Total liabilities and net assets/fund balances	599,803,924	34	648,343,807

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ 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?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	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	2c	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 ☐ Separate basis ☐ Consolidated basis ☑ 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?	3a		No
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	3b		

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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
BRONSON METHODIST HOSPITAL

Employer identification number
38-1359087

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?

	Yes	No
(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? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(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? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support?
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 III Support 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
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts 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						
c Add lines 7a and 7b						
8 **Public 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
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the 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

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

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2009** (line 10c column (f) divided by line 13 column (f))	17
18	Investment 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

Additional Data

Software ID:
Software Version:
EIN: 38-1359087
Name: BRONSON METHODIST HOSPITAL

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			
Randall Eberts Vice Chair	1 00	X						0	1,176	0
Barbara James Chairperson	1 00	X						0	1,176	0
Geoffrey Wardwell Secretary	1 00	X						6,000	0	0
Floyd Parks Treasurer	1 00	X						0	1,176	0
Eileen Wilson-Oyelaran Director	1 00	X						0	0	0
Marijo Snyder MD Past Chief of Staff	1 00	X						36,560	0	0
James Gunderson Director	1 00	X						0	1,176	0
James E Greene Director	1 00	X						0	0	0
Robert P Hamet Director	1 00	X						0	0	0
John M Dunn Director	1 00	X						0	0	0
Marian Klein Director	1 00	X						0	0	0
Donald Parfet Director	1 00	X						0	0	0
Daniel R Smith Director	1 00	X						0	0	0
Charles Zeller MD Director	1 00	X						0	1,176	0
Scott Gibson Chief of Staff	1 00	X						41,000	1,176	0
William Richardson Director	1 00	X						0	0	0
Diether Haenicke Director	1 00	X						0	0	0
Frank Sardone President & CEO	28 00	X		X				0	1,023,446	22,182
Kenneth Taft Executive Vice President	28 00			X				0	558,358	25,008
James Falahee Sr VP Legal & Legislativ	8 00			X				0	368,366	24,078
Scott Larson MD Sr VP Medical Affairs, C	31 00			X				0	441,365	13,131
John Hayden VP, Chief Human Resource	33 00			X				0	312,823	19,430
Kathleen Harrelson Sr VP, Clinical Operatio	28 00				X			0	272,230	22,698
Neil Johnson VP, Patient Care Serv's,	32 00				X			0	202,291	16,070
Brook Ward VP Clinical & Ambulatory	15 00				X			0	158,296	20,085

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			
John Jones Sr VP, Regional & Physic	10 00				X			0	237,831	22,275
Mary Meitz VP, Chief Financial Offi	30 00				X			0	268,548	22,831
Mike Way VP, Materials Mgmt & Fac	24 00				X			0	215,493	21,406
bratislav velimirovic m physician	40 00					X		1,651,574	0	14,195
alain fabi physician	40 00					X		0	1,460,531	27,257
gregory wiggins physician	40 00					X		0	710,362	26,943
daryl warder physician	40 00					X		597,215	0	26,396
susan hendricks physician	40 00					X		587,743	0	16,407

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

Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
drugs & pharmaceuticals	26,951,812	26,951,812		
bad debts expense	19,429,041	19,429,041		
BHG Service Allocation	13,542,348		13,542,348	
Equipment Maint/Repair	4,745,898	4,745,898		
dues & subscriptions	3,268,765	3,268,765		

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

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

Name of the organization
BRONSON METHODIST HOSPITAL

Employer identification number
38-1359087

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? ☐ Yes ☐ 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 ☐ Yes ☐ 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)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ 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)? ☐ Yes ☐ No

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

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

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

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

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

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

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

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV 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

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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		5,605,050		5,605,050
b Buildings		326,472,165	95,986,589	230,485,576
c Leasehold improvements				
d Equipment		207,991,705	165,325,156	42,666,549
e Other		1,607,073		1,607,073
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				280,364,248

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other		
Restricted Assets Held in Trust	29,229,726	F
investment in caymich	63,511	F
west michigan cancer center	7,285,066	F
kalamazoo center for medical studies	3,204,706	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶	39,783,009	

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
deferred compensation	3,337,444
swap liability	14,512,013
third party contractual settlements	23,801,042
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	41,650,499

2. Fin 48 Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

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	524,002,255
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	482,743,367
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	41,258,888
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	21,451,989
9	Total adjustments (net) Add lines 4 - 8	9	21,451,989
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	62,710,877

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	521,828,000
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	0
3	Subtract line **2e** from line **1**			3	521,828,000
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b	2,174,255		
c	Add lines **4a** and **4b**			4c	2,174,255
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	524,002,255

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	480,569,000
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	0
3	Subtract line **2e** from line **1**			3	480,569,000
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	2,174,367		
c	Add lines **4a** and **4b**			4c	2,174,367
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	482,743,367

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
Part X	Description of Uncertain Tax Positions Under FIN 48	THE GROUP ADOPTED ACCOUNTING STANDARDS RELATED TO UNCERTAIN TAX POSITIONS AND, ACCORDINGLY, REVIEWED ALL TAX POSITIONS THE EVALUATED POTENTIAL EXPOSURE RELATED TO UNCERTAIN TAX POSISTIONS WAS FOUND TO BE IMMATERIAL
Part XI, Line 8 - Other Adjustments		LOSS ON EXTINGUISHMENT OF DEBT -166959 Change in fair value of swap agreements 21618948
Part XII, Line 4b - Other Adjustments		Rounding Adjustment 931 Loss on Fixed Assets -165434 Joint Venture Income 4161357 Rental Expenses -1822599
Part XIII, Line 4b - Other Adjustments		joint venture income 4161357 Loss on Fixed Assets -165434 Rental Expenses -1822599 Rounding Adjustment 1043

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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
BRONSON METHODIST HOSPITAL

Employer identification number
38-1359087

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 ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
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 *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other _____	3b	Yes	
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 eligibile 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)			9,819,720		9,819,720	2 030 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			82,541,372	77,167,138	5,374,234	1 110 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			92,361,092	77,167,138	15,193,954	3 140 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			606,627		606,627	0 130 %
f Health professions education (from Worksheet 5)			21,380,256	4,261,683	17,118,573	3 550 %
g Subsidized health services (from Worksheet 6)			8,744,631	3,167,452	5,577,179	1 160 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			637,750		637,750	0 130 %
j **Total** Other Benefits			31,369,264	7,429,135	23,940,129	4 970 %
k **Total.** Add lines 7d and 7j			123,730,356	84,596,273	39,134,083	0

Part II Community 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
1	Physical improvements and housing			0			
2	Economic development						
3	Community support			2,077		2,077	0 %
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building			1,082		1,082	0 %
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**			3,159		3,159	

Part III Bad 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	7,700,490		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	2,423,665		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, 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	155,471,000		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	156,292,286		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-821,286		
8	Describe 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				

☐ Cost accounting system ☑ Cost to charge ratio ☐ 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			No

Part IV Management 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 %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

Part V Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
Bronson Methodist Hospital 601 John Street Kalamazoo, MI 49001	X	X	X	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

Part I, Line 7 COSTING METHODOLOGY IS A COST TO CHARGE RATIO AS DEFINED BY THE IRS INSTRUCTIONS

Part III, Line 4 An allowance for uncollectible accounts is established on an aggregate basis by using historical write-off rate factors applied to unpaid accounts based on aging Loss rate factors are based on historical loss experience and adjusted for economic conditions and other trends affecting the Hospital's ability to collect outstanding amounts Uncollectible amounts are written off against the allowance for doubtful accounts in the period they are determined to be uncollectible An allowance for contractual adjustments and interim payment advances is based on expected payment rates from payors based on current reimbursement methodologies This amount also includes amounts received for interim payments against unpaid claims by certain payors Costing methodology is a cost to charge ratio as defined by the IRS 990 instructions Bad debt writeoffs at cost support the community by providing a portion of services without payment

Part III, Line 8 Costing methodology is a cost to charge ratio as defined by the IRS 990 instructions Shortfall should be considered a community benefit due to its representation of cost of a portion of services provided to the community without payment

Part I, LINE 3B The Organization uses the following FPG to determine eligibility for providing discounted care to low income individuals 225% of FPL is entitled to an 80% reduction250% of FPL is entitled to a 60% reduction275% of FPL is entitled to a 40% reduction300% of FPL is entitled to a 20% reduction

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

Part VI, Line 2 Bronson Methodist Hospital utilizes a Strategic Management Model to develop both a long term (3 year) and annual strategic plan Inputs into the plan are documented in our Strategic Input Document One of the important inputs into this plan is the health of our community Several sources are utilized to perform this assessment The sources for the latest (2008) Strategic Input Document are listed below Sources for Determining Community Health Needs- Michigan Behavioral Risk Factors Survey 2002-2006 Combined Bureau of Epidemiology and Michigan Department of Community Health- 2004 Michigan Surgeon General's Health Status Report (Health Michigan 2010)- F as in Fat How Obesity is Failing in America 2009 - Trust for America's Health and Robert Wood Johnson Foundation- Michigan Department of Community Health Infant Mortality Rates, 2006The Strategic Input Document is reviewed by the entire executive team and utilized to develop our community assessment as well as our strategic advantages and disadvantages The community assessment is shared with the board every three years using our Community Leadership Model as shown below Three year priorities are then set for our community health Bronson Methodist Hospital also collaborates with two key community agencies for the gathering of health statistics the Greater Kalamazoo United Way and Kalamazoo County Health andHuman Services In addition, Bronson has been a leader in the following community health collaboratives Healthy Futures, Immunize-by-Two, Healthy Babies/Healthy Start, Ready to Read, African-American Health Initiative, Youth Violence Coalition, Health Connect and Emergency Prescription Program

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

Part VI, Line 3 Self pay inpatients are referred to an agency for screening for Medicaid, Medicare, and other eligibility A software program helps determine eligibility for charity care also

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

Part VI, Line 4 Bronson Methodist Hospital serves a nine county region in southwest Michigan About 60% of patients served come from within Kalamazoo County and the other 40% come from the regional counties of Allegan, Barry, Berrien, Branch, Cass, Van Buren, Calhoun, and St Joseph Patient Demographics 25 5% <21 years of age 19 6% 21-39 years of age26 41% 40-64 years of age 28 48% 65 years of age and older Patient Diversity Demographics 82 2% Caucasian2 0% Latino/Hispanic 11 1% African-American 0 4% Asian 4 7% Other Patient Insurance Demographics 40 2% Private insurance 26 2% Medicare 9 5% Medicare and supplemental insurance 20 8% Medicaid or other public assistance 3 3% No coverage

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

Part VI, Line 5 Bronson Methodist Hospital's community building activities generally fall within one of the three Areas Community Support, Coalition Building, or Community Health Improvement In Community Support, Bronson supported early childhood literacy by providing the families of every newborn a book to promote reading, by training area clergy in pastoral care for ill and end-of-life patients, by staffing the County Safe Kids Coalition and by offering health-related educational seminars throughout the community Bronson's Coalition Building activities include supporting a youth resident reading program at the Kalamazoo County Juvenile Home Community Health Improvement has primarily involved patient advocacy through case management In addition, Bronson financially supports the County Medical Control Authority and sits on the West Michigan Cancer Center Institutional Review Board evaluating cancer research protocols involving patients

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)

Part VI, Line 6 Bronson Methodist Hospital (BMH) is a community-owned and governed not for profit hospital with 380 licensed beds and an open medical staff The BMH Board is comprised of 16 members of the community, with 12 of them being independent Founded in 1900, BMH has as one of its five core values, "Commitment to our Community" and has historically demostrated this value by continuing to deliver the full continuum of needed medical services and working within community collaboratives to address community needs BMH provides a disaproportionate amount of care to the segment of the population using Medicaid We are the largest Medicaid provder of any large hospital in MIchigan outside of the Detroit Area (on a percentage basis) In 2009, approximately 20% of BMH's patients were Medicaid recipients We have two Medicaid enrollers in 2009 on staff to help those without insurance enroll in Medicaid, or refer them to community resources Much of BMH's service to the community is directed at Women's and Children's needs Bronson is the only children's hospital in Southwest Michigan and, therefore, the sole provider of inpatient pediatrics including pediatric intensive care and neonatal intensive care In fact, over half the patients in the Children's Hospital are Medicaid As a regional perinatal center, BMH is also the regional destination for high-risk pregnancy care BMH's level 1 Trauma Center and Burn Center, along with advanced capabilities in Neurovascular and Cardiovascular care, serve all patient populations regardless of ability to pay Service to CommunityIn recent years, BMH collaboratives have included Healthy Futures (broad community initative to address health and economic issues), Healthy Baby/Healthy Start (reduce infant mortality), Immunize-By-Two, Health Connect (Provide community-wide primary care access) and the African-American Health Initiative (Health promotion and screening program offered through Kalamazoo's African-American faith community) In 2009, BMH documented in excess of 100,000 staff hours in providing community benefit activities with net value of over $55,393,000 in community benefit activites Addressing DisparitiesBMH is located in the heart of downtown Kalamazoo, Michigan and is the city's largest employer BMH opened a new replacement hospital in December of 2000 across the street from its previous facility This location was chosen because of another of Bronson's core values, "care and respect for all people " BMH is located where people most in need can utilize our services and access us through public transportation The alignment of our mission, vision and values creates an environment where all persons are welcome and patients are treated regardless of their ability to pay For example, Bronson's Trauma and Emergency Department sees over 80,000 patient visits per year and BMH's provision of care in fiscal year 2009 In addition, BMH's outreach services with the Federally Qualified Family Health Center provide for an improved continuum of care for patients who are on medicaid or are under-insured Community Health StatusBMH collaborates with two key community partners for the gathering of health statistics the Greater Kalamazoo United Way and Kalamazoo County Health and Human Services These two organizations, along with BMH, the Family Health Center regularly discuss health needs and emerging health trends This collaborative, an off-shoot of Healthy Futures, monitors Kalamazoo County's performance against Healthy People 2010 goals It was these community health indicators that initiated Healthy Baby/Healthy Start, Immunize-by-Two and the African-American Health Initiative Collaboration with Community StakeholdersAs previously mentioned, BMH seeks community collaborators and stakeholders as partners in meeting community health needs Towards this end, BMH administrators serve on several community boards including The Family Health Center, United Way, Salvation Army, Ministry with Communtiy, neighborhood associations, Greater Kalamazoo United Way, Family and Children's services, Hospice Care of Southwest Michigan, Douglas Community Association and the Safe Kids collaborative, which BMH staffs BMH has a three-prong approach for community leadership focusing on community health, community service and economic development Community Health Initiatives - Improving access to healthcare- Improving overall community health- Citizen-based education and research on health outcomes- Reduce Disparities in health outcomes - the recent focus was on childhood safety and prevention and access/screening/education- Collaborate with social services agencies An example of improving access BMH has worked with community agencies to reduce barriers and improve access for underserved populations The hospital co-funds a graduate medical residency program with nine subspecialties and an ambulatory clinic with 70,000 patient visits annually In addition, BMH has a leadership role at Kalamazoo Family Health Center that has 35,000 patient visits per year Community Service - Particiate in public and not-for-profit committees and boards- Participate in important community issues- Lead disaster/Emergency efforts- Provide financial support and sponsorships for arts and human services organizations An example of an employee-driven effort reflective of our values, BMH employees donate thousands of pounds of food to the annual Harvest Gathering food drive, which replenishes local food pantries In 2009, we collected 32,000 pounds of food, making us the largest contributor in this statewide initiative Economic Development - Support grassroot neighborhood development- Stimulate economic vitality- Invest in educational institutions to ensure access to healthcare curriculum (WMU Bronson School of Nursing)- Commit to local vendors and businesses An economic development example would be our Bronson home ownership program (BHOP) Since 1998, Bronson has invested $250,000 to help employees purchase homes downtown, close to the Bronson campus Our program is a loan, employees start paying us back in year six, at no interest What is collected and then re-loaned Thus far, our $250,000 has resulted in $359,728 being loaned to 41 employees This is economic development at the neighborhood level BMH identifies ways to treat the diseases faced by those we serve, and also seek ways to foster an environment in which we can create health and prevention measures This includes looking at our communities' economic issues, such as people without health insurance, and environmental issues, such as clean air and water BMH has been acknowledged by hospitals for a healthy environment-H2E-with awards for 5 years in a row, in recognition of significant progress in reducing waste, preventing pollution and eliminating mercury BMH also holds the Energy Star label for energy efficiency from the Environmental Protection Agency, and has been named one of America's Top 10 hospitals by the "Green Guide" Publication Because of this, we also play a significant role in many community organizations that have a broader focus than healthcare Reporting to the Community BMH conducts an annual community benefit inventory to aggregate the non-mission mandated services we provide to the community This inventory is shared with Bronson stakeholders and reported to the community Information is also available through Bronsonhealth com Examples include quality report, nursing outcomes, patient satisfaction data, and links to public reporting websites

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

Part VI, Line 7 Bronson Methodist Hospital is part of an affiliated system that includes two other hospitals, Bronson Vicksburg Hospital and Bronson LakeView Hospital All of these hospitals are owned by Bronson Healthcare Group, which is a community-owned and governed not-for-profit holding company The Bronson Healthcare Group(BHG) Board is comprised of 16 members of the community Each of the three hospitals in the BHG system is governed by a community board, is comprised of an open medical staff, and admits patients regardless of ability to pay Bronson Methodist Hospital is by far the largest of the three hospitals in the BHG system As such, it has a larger role in promoting the health of the many communities it serves than Bronson Vicksburg Hospital and Bronson LakeView Hospital The health promotion activities of Bronson Methodist Hospital are described in #6 above

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

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
BRONSON METHODIST HOSPITAL

Employer identification number
38-1359087

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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 ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
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?	**2**	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 ☑ Compensation committee ☐ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		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?	**5a**		No
b	Any related organization?	**5b**		No
	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?	**6a**		No
b	Any related organization?	**6b**		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	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured 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	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other 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 reportable compensation				
Frank Sardone	(i)	0	0	0	0	0	0	0
	(ii)	602,561	243,695	177,190	7,632	14,550	1,045,628	0
Kenneth Taft	(i)	0	0	0	0	0	0	0
	(ii)	377,481	106,689	74,188	7,632	17,376	583,366	0
James Falahee	(i)	0	0	0	0	0	0	0
	(ii)	234,260	64,388	69,718	7,567	16,511	392,444	0
Scott Larson MD	(i)	0	0	0	0	0	0	0
	(ii)	308,749	80,600	52,016	282	12,849	454,496	0
John Hayden	(i)	0	0	0	0	0	0	0
	(ii)	221,920	56,557	34,346	7,096	12,334	332,253	0
Kathleen Harrelson	(i)	0	0	0	0	0	0	0
	(ii)	196,473	43,776	31,981	6,438	16,260	294,928	0
Neil Johnson	(i)	0	0	0	0	0	0	0
	(ii)	172,621	22,894	6,776	206	15,864	218,361	0
Brook Ward	(i)	0	0	0	0	0	0	0
	(ii)	141,857	14,694	1,745	4,502	15,583	178,381	0
John Jones	(i)	0	0	0	0	0	0	0
	(ii)	187,016	32,708	18,107	6,054	16,221	260,106	0
Mary Meitz	(i)	0	0	0	0	0	0	0
	(ii)	225,783	41,168	1,597	6,661	16,170	291,379	0
Mike Way	(i)	0	0	0	0	0	0	0
	(ii)	175,350	23,909	16,234	5,602	15,804	236,899	0
bratislav velimirovic md	(i)	930,922	718,171	2,481	7,632	6,563	1,665,769	0
	(ii)	0	0	0	0	0	0	0
alain fabi	(i)	0	0	0	0	0	0	0
	(ii)	895,232	562,552	2,747	7,632	19,625	1,487,788	0
gregory wiggins	(i)	0	0	0	0	0	0	0
	(ii)	708,315	0	2,047	7,632	19,311	737,305	0
daryl warder	(i)	594,580	0	2,635	7,632	18,764	623,611	0
	(ii)	0	0	0	0	0	0	0
susan hendricks	(i)	481,188	77,600	28,955	7,632	8,775	604,150	0
	(ii)	0	0	0	0	0	0	0

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	Health Club dues are available for Board of Directors (Eberts, James, Parks, Gunderson, Zeller, Gibson) All treated as taxable fringe benefits -1099's sent
	Part I, Line 4a	Participated in, or received payment from, a supplemental non-qualified retirement plan from related Entity Bronson Healthcare Group Frank Sardone - $151,847 SERP Contribution Frank Sardone - $394,949 SERP Distribution Ken Taft - $67,360 SERP Contribution Ken Taft - $178,465 SERP Distribution John Hayden - $28,714 SERP Contribution James Falahee - $46,622 SERP Contribution James Falahee - $122,403 SERP Distribution Scott Larson - $37,240 SERP Contribution Scott Larson - $25,365 82 SERP Distribution
Supplemental Information	Part III	SCHEDULE J, PART II, COLUMN(B)(III) AND F ARE AMOUNTS THAT WERE PAID TO THE EXECUTIVE UNDER THE BRONSON HEALTHCARE GROUP, INC SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN("SERP") THESE AMOUNTS WERE CREDITED TO AN ACCOUNT FOR THE EXECUTIVE IN PRIOR YEARS AND WERE PREVIOUSLY REPORTED IN COLUMN C IN THE PRIOR YEAR, BUT THE EXECUTIVE WAS REQUIRED TO REMAIN EMPLOYED UNTIL THE YEAR FOR WHICH THIS FORM IS BEING FILED IN ORDER TO BECOME VESTED IN HIS OR HER ACCOUNT AMOUNTS HAVE BEEN CREDITED TO THESE EXECUTIVES' ACCOUNTS EACH YEAR SINCE THE SERP WAS ADOPTED IN 1994, AND THE ACCOUNTS HAVE ALSO BEEN ADJUSTED FOR GAINS AND LOSSES SINCE THAT TIME THEREFORE, THESE AMOUNTS SHOULD BE VIEWED AS HAVING BEEN EARNED OVER THE EXECUTIVE'S ENTIRE PERIOD OF EMPLOYMENT AS AN EXECUTIVE OF BRONSON THE AMOUNT CREDITED TO EACH EXECUTIVE'S ACCOUNT IN THE SERP EACH YEAR AND EACH EXECUTIVE'S TOTAL COMPENSATION PACKAGE WAS APPROVED BY AN INDEPENDENT CONSULTANT TO ENSURE THAT THESE AMOUNTS ARE COMPARABLE TO OR LESS THAN THE AMOUNTS AWARDED TO EXECUTIVES OF COMPARABLE HEALTH CARE ORGANIZATIONS FOR THE CURRENT REPORTING YEAR NO AMOUNTS THAT ARE REPORTED IN COLUMN B(III) WERE REPORTED IN A PREVIOUS YEAR RETURN, THEREFORE NO AMOUNTS ARE REPORTED IN COLUMN (F)

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 38-1359087
Name: BRONSON METHODIST HOSPITAL

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				
Frank Sardone	(I)	0	0	0	0	0	0	0
	(II)	602,561	243,695	177,190	7,632	14,550	1,045,628	0
Kenneth Taft	(I)	0	0	0	0	0	0	0
	(II)	377,481	106,689	74,188	7,632	17,376	583,366	0
James Falahee	(I)	0	0	0	0	0	0	0
	(II)	234,260	64,388	69,718	7,567	16,511	392,444	0
Scott Larson MD	(I)	0	0	0	0	0	0	0
	(II)	308,749	80,600	52,016	282	12,849	454,496	0
John Hayden	(I)	0	0	0	0	0	0	0
	(II)	221,920	56,557	34,346	7,096	12,334	332,253	0
Kathleen Harrelson	(I)	0	0	0	0	0	0	0
	(II)	196,473	43,776	31,981	6,438	16,260	294,928	0
Neil Johnson	(I)	0	0	0	0	0	0	0
	(II)	172,621	22,894	6,776	206	15,864	218,361	0
Brook Ward	(I)	0	0	0	0	0	0	0
	(II)	141,857	14,694	1,745	4,502	15,583	178,381	0
John Jones	(I)	0	0	0	0	0	0	0
	(II)	187,016	32,708	18,107	6,054	16,221	260,106	0
Mary Meitz	(I)	0	0	0	0	0	0	0
	(II)	225,783	41,168	1,597	6,661	16,170	291,379	0
Mike Way	(I)	0	0	0	0	0	0	0
	(II)	175,350	23,909	16,234	5,602	15,804	236,899	0
bratislav velimirovic md	(I)	930,922	718,171	2,481	7,632	6,563	1,665,769	0
	(II)	0	0	0	0	0	0	0
alain fabi	(I)	0	0	0	0	0	0	0
	(II)	895,232	562,552	2,747	7,632	19,625	1,487,788	0
gregory wiggins	(I)	0	0	0	0	0	0	0
	(II)	708,315	0	2,047	7,632	19,311	737,305	0
daryl warder	(I)	594,580	0	2,635	7,632	18,764	623,611	0
	(II)	0	0	0	0	0	0	0
susan hendricks	(I)	481,188	77,600	28,955	7,632	8,775	604,150	0
	(II)	0	0	0	0	0	0	0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ 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.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
BRONSON METHODIST HOSPITAL

Employer identification number
38-1359087

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased Yes	(g) Defeased No	(h) On Behalf of Issuer Yes	(h) On Behalf of Issuer No
A	City of Kalamazoo Hospital Finance Authority 2003 A & B Bonds	38-6004627	483233ke1	11-13-2003	95,450,000	Refunding Outstanding Bonds from 4/25/1996 Issue		X		X
B	City of Kalamazoo Hospital Finance Authority Variable Rate 2006 Bonds	38-6004627	483233KK7	06-14-2006	75,000,000	Financing for Redevelopment of the N Pavilion Building and Equipment		X		X
C	city of kalamazoo hospital finance authority	38-6004627	483233lt7	03-25-2009	70,660,000	Refinance 8/24/2005 Hospital Bonds which refinanced 8/8/2002 Bond Issue		X		X

Part II Proceeds

		A	B	C	D	E
1	Total proceeds of issue	95,450,000	75,316,949	70,660,000		
2	Gross proceeds in reserve funds					
3	Proceeds in refunding or defeasance escrows	92,266,969		69,690,000		
4	Other unspent proceeds					
5	Issuance costs from proceeds	3,183,031	3,131,105	970,000		
6	Working capital expenditures from proceeds					
7	Capital expenditures from proceeds	72,185,844	72,185,844			
8	Year of substantial completion	2003	2007	2009		

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
9	Were the bonds issued as part of a current refunding issue?		X		X	X					
10	Were the bonds issued as part of an advance refunding issue?	X			X		X				
11	Has the final allocation of proceeds been made?	X		X		X					
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X					

Part III Private Business Use

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E 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								
2	Are there any lease arrangements with respect to the financed property which may result in private business use?	X									

Part III Private Business Use *(Continued)*

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?		X								
3b	Are there any research agreements with respect to the financed property which may result in private business use?		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									
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 ▶		0 990 %								
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		0 990 %								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X									

Part IV Arbitrage

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No	E Yes	E 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						
2	Is the bond issue a variable rate issue?	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							
b	Name of provider	MORGAN STANLEY CAPITAL SERVICES		CITIGROUP							
c	Term of hedge	27 000000000000		23 000000000000							
4a	Were gross proceeds invested in a GIC?		X		X						
b	Name of provider										
c	Term of GIC										
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						
6	Did the bond issue qualify for an exception to rebate?	X			X						

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SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
BRONSON METHODIST HOSPITAL

Employer identification number
38-1359087

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		James Gunderson, John M Dunn, and Daniel R Smith, have a business relationship Kenneth Taft and Frank Sardone have a business relationship
Form 990, Part VI, Section A, line 6		Bronson Healthcare Group is the Sole member of Bronson Methodist Hospital
Form 990, Part VI, Section A, line 7a		Bronson Healthcare Group (BHG) is the Sole member of Bronson Methodist Hospital (BMH)
Form 990, Part VI, Section A, line 7b		Bronson Healthcare Group (BHG) is the Sole member of Bronson Methodist Hospital (BMH)
Form 990, Part VI, Section B, line 11		The CFO, Controller and Senior V P of Legal and Legislative Affairs reviewed the 990's Management Representatives (CFO and Controller) met with the Chair of the Board and the Chair of the Audit Committee on October 7, 2010 to review the prepared Form 990 and Schedules The Audit Committee of the Board thoroughly reviewed the prepared Form 990 at its regularly scheduled meeting on October 25, 2010 The review was led by the V P of Finance/CFO, The Controller and Plante & Moran After a thorough discussion of the prepared Form 990, the Audit Committee recommended that it be approved and submitted to the full Board for final approval The members of the Organization's Governing body were provided with and reviewed the prepared Form 990
Form 990, Part VI, Section B, line 12c		The organization regularly and consistently monitors and enforces compliance with the Conflict of Interest Policy The Conflict of Interest Policy and its accompanying Questionnaire are reviewed, and revised, if necessary, on an annual basis by the organization's General Counsel/Corporate Compliance Officer and the Board's Executive Committee All Board members and all employees holding the title of Vice President and above are covered by the Conflict of Interest Policy and annually complete the Conflict of Interest Questionnaire All completed Conflict of Interest questionnaires are reviewed by the organization's General Counsel/Corporate Compliance Officer and the Executive Committee Determinations as to whether a conflict exists are made by the General Counsel/Corporate Compliance Officer and the Executive Committee Actual conflicts are reviewed by the General Counsel/Corporate Compliance Officer and the Executive Committee Persons with a conflict are prohibited from participating in the governing body's deliberations and decisions on the transaction in question
Form 990, Part VI, Section B, line 15		For the CEO, Officers and other key employees, the Executive Committee of the Board of Directors, which functions as the compensation committee, retains the services of an external executive compensation consultant (Sullivan, Cotter and Associates) who conducts a thorough compensation and benefit survey process that is used to determine the appropriate adjustment in cash compensation and benefits provided This process was under taken in 2009 The consultant uses three to five national healthcare-based services for comparability data, each one of like revenue sized healthcare systems to the Bronson Healthcare Group The consultant prepares a detailed report with recommendations for pay and/or benefit adjustments, and presents the information to the Executive Committee of the Board of Directors (when the CEO's survey data and recommendations are presented, the CEO and staff are excused from the deliberations) After all questions of the Board members are answered, formal motions are proposed, seconded and voted on (for any pay adjustments and for receipt of the consultant's report) At the subsequent meeting of the full Board of Directors, the Chair presents recommendations of the Executive Committee, and the full Board acts on a formal motion that is seconded and voted on
Form 990, Part VI, Section C, line 19		The organization makes its governing documents and Conflict of Interest Policy available to the public by posting them on the organization's website and providing copies on request The organization's financial statements, other than the Form 990, are not available to the public

Identifier	Return Reference	Explanation
Form 990, Part VII		Part VII - These individuals were compensated by Bronson Healthcare Group and worked the following hours per week for BHG Randall Eberts 1 0 Hour Barbara James 1 0 Hour Floyd Parks 1 0 Hour James Gunderson 1 0 Hour Charles Zeller MD 1 0 Hour Scott Gibson 1 0 Hour William Richardson 1 0 Hour Frank Sardone 7 0 Hours Kenneth Taft 6 0 Hours James Falahee 24 0 Hours Scott Larson MD 2 0 Hours John Hayden 2 0 Hours Kathleen Harrelson 4 0 Hours Neil Johnson 6 0 Hours Brook Ward 14 0 Hours John Jones 20 0 Hours Mary Meitz 6 0 Hours Mike Way 4 0 Hours These individuals were compensated by Bronson Practice Management and worked the following hours per week for BPM Alain Fabi 1 0 Hour Gregory Wiggins 1 0 Hour

Form 990, SCHEDULE K, Part I, LINE A Form 990 Schedule K additional information Part I, Item A - Series 2003 Issue A (as referenced in Schedule K as Series 2003) was originally issued on 11/13/2003 Issue A was subsequently converted to a fixed interest rate mode and, for federal income tax purposes, was treated as reissued on 4/30/2008 The information in Parts I and II are for the original bonds Part II, Line 5, Item A includes $729,947 71 for the bond issuance costs and $2,453,083 29 for credit enhancement totaling $3,183,031 Part II, Item A The following is the 2008 information for 2003 bonds that were reissued on 4/30/08 Line 1 - total proceeds $93,622,103, Line 3 - same as line 1, issuance cost $718,703 9 is yes and 10 is no The information in Part I and Part II for Item C is for the reissued bonds The original bonds were prior to 2002 Part II, Line 5 Item B includes $751,148 77 for the bond issuance costs and $2,379,956 23 for credit enhancement totaling $3,131,105 Part II, Line 5 Item C includes $898,565 64 for the bond issuance costs and $71,434 36 for credit enhancement totaling $970,000

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
BRONSON METHODIST HOSPITAL

Employer identification number
38-1359087

Part I **Identification of Disregarded Entities** (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity

See Additional Data Table

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) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No
HOSPITAL NETWORK INC LEASING 6212 AMERICAN AVENUE Portage, MI49002 38-3638430	support services	MI	Bronson Healthcare Group	RELATED	-955	311,228		No			No
HOSPITAL NETWORK SUPPORT SERVICES 6212 AMERICAN AVENUE Portage, MI49002 38-3627704	support services	MI	Bronson Healthcare Group	RELATED	-25,913	20,246		No			No
Hospital Network Ventures LLC 6212 AMERICAN AVENUE Portage, MI49002 26-3302979	support services	MI	Bronson Healthcare Group	RELATED	308,547	1,899,520		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
Bronson Management Services Corporation 601 John Street Kalamazoo, MI49007 38-2415032	other medical services	MI	Bronson Healthcare Group	C			
Bronson Lifestyle Improvement and Research 601 John Street Kalamazoo, MI49007 38-3552556	rehabilitation services	MI	Bronson Healthcare Group	C			
Bronson Staffing Service 601 John Street Kalamazoo, MI49007 38-3277697	home health care	MI	Bronson Healthcare Group	C			
BRONSON PRACTICE MANAGEMENT 601 John Street Kalamazoo, MI49007 38-2511179	other medical services	MI	Bronson Healthcare Group	C			
HOSPITAL NETWORK INC 6212 AMERICAN AVENUE PORTAGE, MI49002 38-2625715	other medical services	MI	Bronson Healthcare Group	C	-323,051	316,163	11 500 %

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

			Yes	No
1	During the tax year, did the orgranization 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	**1a**		**No**
b	Gift, grant, or capital contribution to other organization(s)	**1b**		**No**
c	Gift, grant, or capital contribution from other organization(s)	**1c**	**Yes**	
d	Loans or loan guarantees to or for other organization(s)	**1d**		**No**
e	Loans or loan guarantees by other organization(s)	**1e**		**No**
f	Sale of assets to other organization(s)	**1f**		**No**
g	Purchase of assets from other organization(s)	**1g**		**No**
h	Exchange of assets	**1h**	**Yes**	
i	Lease of facilities, equipment, or other assets to other organization(s)	**1i**		**No**
j	Lease of facilities, equipment, or other assets from other organization(s)	**1j**		**No**
k	Performance of services or membership or fundraising solicitations for other organization(s)	**1k**	**Yes**	
l	Performance of services or membership or fundraising solicitations by other organization(s)	**1l**	**Yes**	
m	Sharing of facilities, equipment, mailing lists, or other assets	**1m**		**No**
n	Sharing of paid employees	**1n**		**No**
o	Reimbursement paid to other organization for expenses	**1o**	**Yes**	
p	Reimbursement paid by other organization for expenses	**1p**	**Yes**	
q	Other transfer of cash or property to other organization(s)	**1q**	**Yes**	
r	Other transfer of cash or property from other organization(s)	**1r**		**No**

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

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

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations? Yes	(d) No	(e) Share of end-of-year assets	(f) Disproprtionate allocations? Yes	(f) No	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner? Yes	(h) No

Additional Data Return to Form

Software ID:
Software Version:
EIN: 38-1359087
Name: BRONSON METHODIST HOSPITAL

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
Bronson Healthcare Group 601 John Street KALAMAZOO, MI49007 38-2418383	Provide support services for Healthcare Subsidiaries	MI	501(c)(3)	11c	N/A
Bronson Health Foundation 601 John Street KALAMAZOO, MI49007 38-2415081	Supports Healthcare organization	MI	501(c)(3)	7	bronson healthcare group
Bronson Lakeview Hospital 601 John Street KALAMAZOO, MI49007 38-1359218	Hospital	MI	501(c)(3)	3	bronson healthcare group
Physicians Health Plan of SW Michigan 601 John Street KALAMAZOO, MI49007 38-3376063	Health Maintenance Organization	MI	501(c)(4)		bronson healthcare group
Bronson Nursing and Rehabilitation Center 601 John Street KALAMAZOO, MI49007 38-2842451	Skilled Nursing Facility	MI	501(c)(3)	9	bronson healthcare group
VBEMS 601 John Street KALAMAZOO, MI49007 38-2745910	Ambulance Service	MI	501(c)(3)	9	bronson healthcare group
Bronson Properties Corporation 601 John Street Box 26 KALAMAZOO, MI49007 38-6052573	Provide support services for Healthcare Subsidiaries	MI	501(c)(3)	11b	bronson healthcare group
bronson vicksburg hospital 601 John Street kALAMAZOO, MI49007 38-2610349	hospital	MI	501(c)(3)	3	bronson healthcare group

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)
(1)	bronson healthcare group	P	20,628,642
(2)	bronson healthcare group	L	89,235,640
(3)	bronson vicksburg hospital	K	50,052
(4)	bronson vicksburg hospital	L	97,469
(5)	bronson lakeview hospital	K	2,329,947
(6)	bronson lakeview hospital	L	1,513,309
(7)	bronson health foundation	Q	305,616
(8)	bronson practice management	K	400,735
(9)	bronson practice management	L	7,096,885
(10)	bronson staffing services	L	3,122,550
(11)	bronson management services Corp	L	63,490
(12)	bronson properties corporation	L	4,543,134
(13)	bronson properties corporation	K	3,076,076
(14)	bronson vicksburg hospital	H	2,530,000