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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
METHODIST HEALTHCARE-MEMPHIS HOSPITALS

Doing Business As

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

1265 UNION AVENUE

City or town, state or country, and ZIP + 4
MEMPHIS, TN 38104

D Employer identification number

62-0479367

E Telephone number

(901) 516-0696

G Gross receipts \$ 1,231,822,440

F Name and address of principal officer
CHRIS MCLEAN
1211 UNION AVENUE
MEMPHIS, TN 38014

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.methodisthealth.org

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ☐

L Year of formation 1935

M State of legal domicile TN

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
Methodist Healthcare - Memphis Hospitals in partnership with its medical staff is the premier, comprehensive healthcare provider serving patients and families in its surrounding communities. High quality, patient and family centered care is provided in a personalized environment

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

4 Number of independent voting members of the governing body (Part VI, line 1b)19

5 Total number of employees (Part V, line 2a)9,522

6 Total number of volunteers (estimate if necessary)752

7a Total gross unrelated business revenue from Part VIII, column (C), line 12 . . .3,895,974

7b Net unrelated business taxable income from Form 990-T, line 34 . . -60,215

Revenue			Prior Year	Current Year
			8 Contributions and grants (Part VIII, line 1h)	915,14159,278,494
			9 Program service revenue (Part VIII, line 2g)	1,126,824,1271,143,931,155
			10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	23,232,70013,583,308
			11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	17,539,75014,765,666
			12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,168,511,7181,231,558,623
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)	467,466,652468,930,997
			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)	625,137,878629,340,697
			18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,092,604,5301,098,271,694
			19 Revenue less expenses Subtract line 18 from line 12	75,907,188133,286,929
Net Assets or Fund Balances			Beginning of Current Year	End of Year
			20 Total assets (Part X, line 16)	637,210,564765,041,938
			21 Total liabilities (Part X, line 26)	74,072,75484,043,956
			22 Net assets or fund balances Subtract line 21 from line 20	563,137,810680,997,982

Part II Signature Block

Sign Here

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

Signature of officer

2010-11-11

Date

chris mclean CFO

Type or print name and title

Paid Preparer's Use Only

Preparer's signature ☐ Jeffrey S McCune CPA

Date

Check if self-employed ☐

Preparer's identifying number (see instructions)

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

Thompson Dunavant PLC
5100 Poplar Avenue Thirtieth Floor
Memphis, TN 38137

EIN ☐

Phone no ☐ (901) 685-5575

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Cat No 11282Y Form 990 (2009)

Part III Statement of Program Service Accomplishments

1

Briefly describe the organization’s mission

Methodist Healthcare - Memphis Hospitals,in partnership with its medical staffs,will be the leader in providing high quality,cost effective health care to benefit the communities we serve Services will be provided in a manner which supports the health ministries and social principles of The United Methodist Church

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 \$ 982,586,789 including grants of \$) (Revenue \$ 1,148,955,638)

Methodist Healthcare -- Memphis Hospitals consists of five hospitals within an integrated healthcare delivery system based in Memphis, Tenn The first Methodist hospital in the system was founded in 1918 by The United Methodist Church to help meet the growing needs for quality healthcare in the Mid-South, For the last several years, Methodist has been named in Modern Healthcare magazine, as one of the Top 100 Integrated Healthcare Networks in the country Affiliated with the Memphis, Mississippi and Arkansas Conferences of The United Methodist Church, Methodist Healthcare - Memphis Hospitals combine a dedication to the art of healing with a Christ-centered commitment to minister to the whole person The Memphis hospitals are licensed as one hospital and Methodist Healthcare-Memphis Hospitals is the third largest hospital in the country Methodist has four major areas of focus cardiology, neurosciences, transplant, and pediatrics Methodist operates the following hospitals Methodist University Hospital, the flagship of the Methodist Healthcare system, is located in the heart of the Memphis Medical Center and has 669 beds Methodist is formally affiliated with the University of Tennessee Health Science Center and serves as its primary teaching site A tertiary care and referral center, Methodist University Hospital has one of the largest neurosciences programs in the country The transplant program specializes in solid organ transplants of the kidney, liver and pancreas The hospital is home to one of two da Vinci-S Surgical Systems within the health system Da Vinci is the most advanced minimally-invasive robotic surgical system available Methodist North Hospital is a community hospital serving residents of the Raleigh-Bartlett area of North Memphis and surrounding areas The 234-bed facility offers state-of-the-art, comprehensive cardiac services The hospital has expanded laser surgery capabilities and same-day surgery services on campus, as well as an affiliated rehabilitation facility on campus The Methodist Total Joint Center located on the Methodist North Hospital campus is the only dedicated joint center in the region and provides a unique orthopaedic unit focused on delivering comprehensive care to patients undergoing total knee or hip replacements The hospital is home to one of two da Vinci-S Surgical Systems within the health systemMethodist South Hospital serves the citizens of South Memphis and surrounding areas This acute care hospital includes a nationally recognized maternity center, a cancer center, a critical care unit, a same-day surgery unit and a complete array of outpatient services The 200-bed Methodist South Hospital also offers state-of-the-art cardiac services, including cardiac catheterization and open-heart surgery The hospital has been recognized by Premier healthcare alliance with the Premier Award for Quality for excellence in the care of patients in the area of Maternal and Neonatal Care (Pregnancy) Methodist Le Bonheur Germantown Hospital is a 209-bed community hospital serving Germantown, Collierville, East Memphis and North Mississippi The hospital offers acute inpatient care and treatment, extensive surgical services, women's health services, cardiac services, children's services and emergency services with urgent and emergency care for adults and children This facility has an inpatient pediatric unit operated under the exacting standards of our children's hospital, Le Bonheur Children's Medical Center The hospital is undergoing a \$124 million expansion that includes building a new Women's and Children's Pavilion The Pavilion opened in February 2010 and all renovations will be complete in 2011 Le Bonheur Children's Hospital is the Mid-South's first and only comprehensive pediatric medical facility Founded in 1952, Le Bonheur treats 130,000 children from 47 states and many countries The hospital is home to one of the nation's 10 busiest pediatric emergency departments and hosts one of the largest pediatric surgical brain tumor programs It is the teaching site for the University of Tennessee Department of Pediatrics and home to the Children's Foundation Research Center of Memphis 2009 was a year of building and fundraising for the hospital Patients will move into the new \$327-million Le Bonheur Children's Hospital in December 2010 and will significantly increase the space for patient care, research and teaching

4b

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

4c

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

4d

Other program services (Describe in Schedule O)

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

4e

Total program service expenses

\$ 982,586,789

Form 990 (2009)

Part IV

Checklist of Required Schedules

		Yes	No	
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4		No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10		No
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.			
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.			
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No	
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	12A	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
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? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		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? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a353		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a9,522		
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		
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		No
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h		No
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	23	
b	Enter the number of voting members that are independent	1b	19	
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		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	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		No
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		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶
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 ▶ sue waugh 1265 union avenue memphis, TN 38104 (901) 516-0656

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

• 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

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

Form **990** (2009)

1b	Total	4,272,059	7,409,154	2,158,026
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2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **266**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
UNIVERSITY OF TENNESSEE 920 MADISON AVE STE C50 MEMPHIS, TN 38163	PHYSICIAN SERVICE	21,075,099
JOHNSON CONTROL 5757 N GREENBAY AVE GLENDALE, WI 53209	FACILITY SERVICE	14,764,312
UT MEDICAL GROUP INC 1407 UNION AVE STE 720 MEMPHIS, TN 38104	PHYSICIAN SERVICE	11,012,304
MID-SOUTH TRANSPLANT FOUNDATION 8001 CENTERVIEW PKWY STE 302 MEMPHIS, TN 38058	MEDICAL SERVICE	7,186,717
PEDIATRIC ANESTHESIOLOGIST PA 50 N DUNLAP ST MEMPHIS, TN 38103	PHYSICIAN SERVICE	2,780,641

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 **35**

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	277,851				
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	58,265,711				
	e	Government grants (contributions)	1e	734,932				
	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			59,278,494			
Program Service Revenue			Business Code					
	2a	net PATIENT REVENUES	623,000	1,143,931,155	1,143,931,155			
	b							
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			1,143,931,155			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		13,741,978			13,741,978	
	4	Income from investment of tax-exempt bond proceeds . . .						
	5	Royalties						
	6a	(i) Real		(ii) Personal				
		Gross Rents	5,183,153					
		b Less rental expenses						
		c Rental income or (loss)	5,183,153					
	d	Net rental income or (loss)			5,183,153	5,183,153		
	7a	(i) Securities		(ii) Other				
		Gross amount from sales of assets other than inventory		105,147				
		b Less cost or other basis and sales expenses		263,817				
		c Gain or (loss)		-158,670				
	d	Net gain or (loss)			-158,670	-158,670		
	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	OUTPATIENT PHARMACY		900,099	3,028,996		2,120,461	908,535	
b	EQUITY IN SUBSIDIARIES		711,120	3,017,750			3,017,750	
c	OUTPATIENT LAB		900,099	2,877,763		1,775,513	1,102,250	
d	All other revenue			658,004			658,004	
e	Total. Add lines 11a-11d			9,582,513				
12	Total revenue. See Instructions			1,231,558,623	1,148,955,638	3,895,974	19,428,517	

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	2,844,389		2,844,389	
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	376,061,879	374,634,209	1,427,670	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	17,208,808	17,208,808		
9	Other employee benefits	45,165,421	45,165,421		
10	Payroll taxes	27,650,500	26,710,647	939,853	
11	Fees for services (non-employees)				
a	Management	3,720,479		3,720,479	
b	Legal	186,322		186,322	
c	Accounting	311,976		311,976	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	72,542,047	72,542,047		
12	Advertising and promotion	1,289,217	1,289,217		
13	Office expenses	236,373,954	236,373,954		
14	Information technology				
15	Royalties				
16	Occupancy	16,254,391	16,254,391		
17	Travel	818,940	818,940		
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	183,393	183,393		
20	Interest	16,956,788	16,956,788		
21	Payments to affiliates	106,254,216		106,254,216	
22	Depreciation, depletion, and amortization	50,509,927	50,509,927		
23	Insurance	10,815,572	10,815,572		
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	Bad Debts (Net of Recov	93,936,955	93,936,955		
b	Repairs and Maintenance	18,081,780	18,081,780		
c	Dues and Subscriptions	1,104,740	1,104,740		
d					
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	1,098,271,694	982,586,789	115,684,905	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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			-1,301,291	1	-7,696,148
	2	Savings and temporary cash investments				2	
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			150,566,213	4	117,269,316
	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			15,018,557	8	16,788,803
	9	Prepaid expenses and deferred charges			2,728,311	9	2,999,459
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	1,170,625,905	453,940,604	10c	619,853,487
	b	Less accumulated depreciation	10b	550,772,418			
	11	Investments—publicly traded securities				11	
	12	Investments—other securities See Part IV, line 11			7,873,566	12	7,992,383
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			8,384,604	15	7,834,638
	16	Total assets. Add lines 1 through 15 (must equal line 34)			637,210,564	16	765,041,938
Liabilities	17	Accounts payable and accrued expenses			69,092,375	17	79,118,371
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	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			548,302	23	651,171
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities Complete Part X of Schedule D			4,432,077	25	4,274,414
	26	Total liabilities. Add lines 17 through 25			74,072,754	26	84,043,956
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				27	
	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			0	30	0
	31	Paid-in or capital surplus, or land, building or equipment fund			0	31	0
	32	Retained earnings, endowment, accumulated income, or other funds			563,137,810	32	680,997,982
	33	Total net assets or fund balances			563,137,810	33	680,997,982
	34	Total liabilities and net assets/fund balances			637,210,564	34	765,041,938

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? . . .		No
b Were the organization's financial statements audited by an independent accountant?	Yes	
c If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both ☐ 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?	Yes	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . .	Yes	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization METHODIST HEALTHCARE-MEMPHIS HOSPITALS	Employer identification number 62-0479367
--	--

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

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

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 11

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box

g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						

12

Gross receipts from related activities, etc (See instructions)

12

13

First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14	Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))	14	
15	Public Support Percentage for 2008 Schedule A, Part II, line 14	15	

16a

33 1/3% support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization

b

33 1/3% support test—2008. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization

17a

10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here**. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

b

10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here**. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

18

Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total. Add lines 1 through 5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
cAdd lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13Total support (Add lines 9, 10c, 11 and 12.)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18Investment income percentage from 2008 Schedule A, Part III, line 17	18	
19a33 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		
b33 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		
20Private 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: 62-0479367

Name: METHODIST HEALTHCARE-MEMPHIS HOSPITALS

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			
REV VICTORIA S BALDWIN BOARD	2 00	X						0	0	0
BARRY HOUSE BOARD	2 00	X						0	0	0
MARIE MILAN BOARD	2 00	X						0	0	0
JOHN SHERARD BOARD	2 00	X						0	0	0
DAVID BECKLEY PHD BOARD	2 00	X						0	0	0
RONALD A BELZ BOARD	2 00	X						0	0	0
REV HARRY DURBIN SR BOARD	2 00	X						0	0	0
CHADD DURRETT JR BOARD	2 00	X						0	0	0
BILL EVANS BOARD	2 00	X						0	0	0
ALAN GRAF JR BOARD	2 00	X						0	0	0
KENT INGRAM BOARD	2 00	X						0	0	0
HARRY A JOHNSON III BOARD	2 00	X						0	0	0
REV CHESTER JONES BOARD	2 00	X						0	0	0
MARY JO KIRPATRICK BOARD	2 00	X						0	0	0
MARK MEDFORD BOARD	2 00	X						0	0	0
JACKSON MOORE BOARD	2 00	X						0	0	0
SHIRLEY RAINES BOARD	2 00	X						0	0	0
ED ROBERSON CHAIR	2 00	X						0	0	0
BEVERLY ROBERTSON BOARD	2 00	X						0	0	0
DAVID STEVENS BOARD	2 00	X						0	0	0
RONALD STIMPSON BOARD	2 00	X						0	0	0
CARTER TOWNE MD BOARD	2 00	X						0	0	0
JOSE' VELAZ' QUEZ BOARD	2 00	X						0	0	0
STEVE WISHNIA BOARD	2 00	X						0	0	0
LUKE YANCY BOARD	2 00	X						0	0	0

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			
GARY S SHORB PRESIDENT & CEO	50 00	X		X				0	1,293,801	465,481
DONNA ABNEY EXECUTIVE VICE PRESIDENT	50 00			X				0	637,245	102,285
MERI M ARMOUR PRES/CEO LEBONHEUR	50 00			X				450,232	0	79,519
DAVID BAYTOS SVP/MS & INT'L HEALTHCAR	50 00			X				0	388,728	77,273
LYNN FIELD VP LEGAL SVC & COMPLIANC	50 00			X				0	226,939	40,555
ANDREW FOWLER SVP INFORMATION SYSTEMS	50 00			X				0	396,214	78,186
GARY GUNDERSON SVP HEALTH & WELFARE MIN	50 00			X				0	218,913	45,884
CATO JOHNSON SVP CORPORATE AFFAIRS	50 00			X				0	348,199	82,264
WILLIAM KENLEY ADM /CEO	50 00			X				406,574	0	76,359
CHRIS MCLEAN EXECUTIVE VP & CFO	50 00			X				0	661,910	92,180
ALASTAIR MACGREGOR MD SVP CHIEF MEDICAL INFORM	50 00			X				0	308,334	60,216
JERRY MALIOT MD SVP CHIEF QUALITY OFFICE	50 00			X				0	449,946	63,863
GEORGE MAYZELL MD SVP CHIEF PATIENT CARE O	50 00			X				0	362,329	74,938
STEPHEN MILLER MD SVP RESEARCH & EDUCATION	50 00			X				841,168	0	153,299
CAROL ROSS-SPANG SVP HUMAN RESOURCES	50 00			X				0	399,800	66,159
KEVIN M SPIEGEL PRES/CEO UNIVERSITY	50 00			X				443,885	0	87,493
LARRY SPRATLIN TREASURER	50 00			X				320,393	0	60,565
GAIL THURMOND MD SVP CLINICAL EFFECTIVENE	50 00			X				0	713,416	121,632
MICHAEL O UGWUEKE PRES/CEO NORTH & SOUTH	50 00			X				382,137	0	72,777
STEVE WEST SVP COMMUNITY BENEFIT	50 00			X				0	436,292	62,026
JIMMIE MANCELL MD PHYSICIAN	40 00					X		300,964	0	37,707
CHRISTOPHER W SANDSMD PHYSICIAN	40 00					X		300,864	0	39,668
AL FINK MD PHYSICIAN	40 00					X		282,176	0	40,203
ROBIN J WOMEODU MD CHIEF MEDICAL OFFICER	40 00					X		279,570	0	28,378
WILLIAM MAY MD PHYSICIAN	40 00					X		264,096	0	23,024

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
DONNA HERRIN FORMER VP NURSING EXEC	0 00						X	0	299,459	22,393
MARY LOU GUINLE FORMER SR VP CARE MGMT	0 00						X	0	267,629	3,699

SCHEDULE D
(Form 990)

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization METHODIST HEALTHCARE-MEMPHIS HOSPITALS	Employer identification number 62-0479367
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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											
		<table><tr><td></td><td>Held at the End of the Year</td></tr><tr><td>a</td><td>Total number of conservation easements</td></tr><tr><td>b</td><td>Total acreage restricted by conservation easements</td></tr><tr><td>c</td><td>Number of conservation easements on a certified historic structure included in (a)</td></tr><tr><td>d</td><td>Number of conservation easements included in (c) acquired after 8/17/06</td></tr></table>		Held at the End of the Year	a	Total number of conservation easements	b	Total acreage restricted by conservation easements	c	Number of conservation easements on a certified historic structure included in (a)	d	Number of conservation easements included in (c) acquired after 8/17/06
	Held at the End of the Year											
a	Total number of conservation easements											
b	Total acreage restricted by conservation easements											
c	Number of conservation easements on a certified historic structure included in (a)											
d	Number of conservation easements included in (c) acquired after 8/17/06											
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____											
4	Number of states where property subject to conservation easement is located ▶ _____											
5	Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ 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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ %

b

Permanent endowment ▶ %

c

Term endowment ▶ %

3a

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

(i)

unrelated organizations

3a(i)

☐ Yes

☐ No

(ii)

related organizations

3a(ii)

☐ Yes

☐ No

b

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

3b

☐ Yes

☐ No

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		54,557,848		54,557,848
b Buildings		655,458,957	217,744,714	437,714,243
c Leasehold improvements		48,038,775	36,348,432	11,690,343
d Equipment		412,570,325	296,679,272	115,891,053
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				619,853,487

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)	11,231,558,623
2	Total expenses (Form 990, Part IX, column (A), line 25)	21,098,271,694
3	Excess or (deficit) for the year Subtract line 2 from line 1	3133,286,929
4	Net unrealized gains (losses) on investments	
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	8-15,426,757
9	Total adjustments (net) Add lines 4 - 8	9-15,426,757
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10117,860,172

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments2a	
b	Donated services and use of facilities2b	
c	Recoveries of prior year grants2c	
d	Other (Describe in Part XIV)2d	
e	Add lines 2a through 2d2e	
3	Subtract line 2e from line 13	
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 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities2a	
b	Prior year adjustments2b	
c	Other losses2c	
d	Other (Describe in Part XIV)2d	
e	Add lines 2a through 2d2e	
3	Subtract line 2e from line 13	
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 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)5	

Part XIV Supplemental Information		
Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.		
Identifier	Return Reference	Explanation
Part XI, Line 8 - Other Adjustments		NET UNREALIZED GAIN ON INVESTMENT -13366404 CONTRIBUTIONS TO METHODIST HEALTHCARE - 2060353

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
METHODIST HEALTHCARE-MEMPHIS HOSPITALS

Employer identification number
62-0479367

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 ☐ Generally tailored to individual hospitals ☐ Applied uniformly to most 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 <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100%☒ 150%☐ 200%☐ Other _____	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 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 eligible for free or discounted care?	5c		No
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H				

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			68,632,280	124,368	68,507,912	6 820 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			247,105,437	222,014,617	25,090,820	2 500 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			4,548,735	9,214,482	-4,665,747	0 %
d Total Charity Care and Means-Tested Government Programs			320,286,452	231,353,467	88,932,985	9 320 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			675,437		675,437	0 070 %
f Health professions education (from Worksheet 5)			25,434,012	11,746,900	13,687,112	1 360 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j Total Other Benefits			26,109,449	11,746,900	14,362,549	1 430 %
k Total. Add lines 7d and 7j			346,395,901	243,100,367	103,295,534	0

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development						
3Community support			779,173		779,173	0 070 %
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development			3,257,040		3,257,040	0 300 %
9Other						
10Total			4,036,213		4,036,213	0 370 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1		No
2Enter the amount of the organization's bad debt expense (at cost)	227,384,479		
3Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	313,692,240		
4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.			

Section B. Medicare

5Enter total revenue received from Medicare (including DSH and IME)	5269,855,778		
6Enter Medicare allowable costs of care relating to payments on line 5	6255,274,816		
7Subtract line 6 from line 5. This is the surplus or (shortfall).	714,580,962		
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: ☐ Cost accounting system ☒ Cost to charge ratio ☐ Other			

Section C. Collection Practices

9aDoes the organization have a written debt collection policy?	9a	Yes	
9bIf "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 IVManagement Companies and Joint Ventures

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1METHODIST HEALTHCARE - MEM HOSPITAL	Corporate	100.000 %		
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

Part V **Facility Information**

Name and address	Other (Describe)
	ER-other
	ER-24 hours
	Research facility
	Critical access hospital
	Teaching hospital
	Children's hospital
	General medical & surgical
Licensed hospital	

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization METHODIST HEALTHCARE-MEMPHIS HOSPITALS	Employer identification number 62-0479367
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Part I

Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
☐ First-class or charter travel		
☐ Travel for companions		
☐ Tax idemnification and gross-up payments		
☐ Discretionary spending account		
☐ Housing allowance or residence for personal use		
☐ Payments for business use of personal residence		
☒ Health or social club dues or initiation fees		
☐ 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 or provision of all the expenses described above? If "No," complete Part III to explain	Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	Yes	
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
☒ Compensation committee		
☒ Independent compensation consultant		
☐ Form 990 of other organizations		
☐ Written employment contract		
☒ Compensation survey or study		
☒ 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?	Yes	
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	Yes	
c Participate in, or receive payment from, an equity-based compensation arrangement?		No
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5 For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a The organization?		No
b Any related organization?		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?		No
b Any related organization?		No
If "Yes," to line 6a or 6b, describe in Part III		
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	Yes	
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III		No
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

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

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

[illegible]

Part III

Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	MERI M ARMOUR - \$2,075
	Part I, Line 4a	DONNA HERRIN - \$100,000, MARYLOU GUINLE - \$192,307 PART I, LINE 4B GARY SHORB - \$91,668, DONNA ABNEY - 31,026, ANDREW FOWLER - \$27,362, CHRIS MCLEAN - \$30,695, JERRY MALIOT - \$22,290, STEPHEN MILLER - \$253,169, CAROL ROSS-SPANG - \$21,301, GAIL THURMOND - \$217,177, LARRY SPRATLIN - \$33,465, WILLIAM KENLEY - \$10,436, DONNA HERRIN - \$10,137, MARY LOU GUINLE - \$71,436 The purpose of the Methodist Healthcare Consolidated Executive Deferred Compensation Plan is to provide retirement benefits for certain executive level employees in addition to the benefits provided through the other retirement plans that are sponsored by the company. It is intended that this Plan comply with Internal Revenue Code Section 457(f) and qualify for the short term deferral exception to Code Section 409A. Under the Plan, corporate executives at the Vice President or above level are eligible to receive Executive Deferred Compensation Credits depending on their position classification [6%, 8%, 10%, 12% of base salary]. Each Plan Year, the executive must elect a Deferred Vesting Date to be applied to the Deferred Compensation Credit that will be earned in that Plan Year. The Deferred Vesting Date is subject to a vesting schedule that requires a minimum deferral of 5 years to become vested. Upon reaching age 55, the minimum deferral is reduced to 3 yrs. Upon reaching age 60, the minimum deferral is reduced to 2 yrs. At age 64, a cash equivalent is provided to the executive and no additional deferrals are made under this Plan. The Plan is unfunded with all benefits paid from the company's general assets. However, the executive is allowed to direct the investments of his Deferred Compensation Credit in a menu of investment alternatives made available by the company. Upon vesting, a distribution is provided less applicable tax. In the case of a voluntary termination of employment by the executive or involuntary termination of employment for cause by the company, the non-vested funds are forfeited. Accelerated vesting (100%) is allowed upon death, disability or an involuntary termination by the company without cause.
Supplemental Information	Part III	PART 1 LINE 7 The management incentive plan intends to reward management for the achievement of performance against a pre-established set of balanced and challenging goals. The plan also includes a provision that defers vesting of a portion of the award subject to continued employment (with a substantial risk of forfeiture) to encourage retention of executives. This plan is reviewed by an external third-party consultant.

Software ID:

Software Version:

EIN: 62-0479367

Name: METHODIST HEALTHCARE-MEMPHIS HOSPITALS

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				
GARY S SHORB	(i) 0 (ii) 770,799	(i) 0 (ii) 421,444	(i) 0 (ii) 101,558	(i) 0 (ii) 452,222	(i) 0 (ii) 13,259	(i) 0 (ii) 1,759,282	(i) 0 (ii) 0
DONNA ABNEY	(i) 0 (ii) 430,602	(i) 0 (ii) 175,117	(i) 0 (ii) 31,526	(i) 0 (ii) 89,569	(i) 0 (ii) 12,716	(i) 0 (ii) 739,530	(i) 0 (ii) 0
MERI M ARMOUR	(i) 380,308 (ii) 0	(i) 67,199 (ii) 0	(i) 2,725 (ii) 0	(i) 66,276 (ii) 0	(i) 13,243 (ii) 0	(i) 529,751 (ii) 0	(i) 0 (ii) 0
DAVID BAYTOS	(i) 0 (ii) 305,901	(i) 0 (ii) 82,827	(i) 0 (ii) 0	(i) 0 (ii) 64,617	(i) 0 (ii) 12,656	(i) 0 (ii) 466,001	(i) 0 (ii) 0
LYNN FIELD	(i) 0 (ii) 182,271	(i) 0 (ii) 44,368	(i) 0 (ii) 300	(i) 0 (ii) 35,488	(i) 0 (ii) 5,067	(i) 0 (ii) 267,494	(i) 0 (ii) 0
ANDREW FOWLER	(i) 0 (ii) 265,431	(i) 0 (ii) 103,421	(i) 0 (ii) 27,362	(i) 0 (ii) 68,456	(i) 0 (ii) 9,730	(i) 0 (ii) 474,400	(i) 0 (ii) 0
GARY GUNDERSON	(i) 0 (ii) 172,852	(i) 0 (ii) 46,061	(i) 0 (ii) 0	(i) 0 (ii) 34,038	(i) 0 (ii) 11,846	(i) 0 (ii) 264,797	(i) 0 (ii) 0
CATO JOHNSON	(i) 0 (ii) 249,887	(i) 0 (ii) 97,163	(i) 0 (ii) 1,149	(i) 0 (ii) 69,899	(i) 0 (ii) 12,365	(i) 0 (ii) 430,463	(i) 0 (ii) 0
WILLIAM KENLEY	(i) 302,630 (ii) 0	(i) 92,008 (ii) 0	(i) 11,936 (ii) 0	(i) 63,439 (ii) 0	(i) 12,920 (ii) 0	(i) 482,933 (ii) 0	(i) 0 (ii) 0
CHRIS MCLEAN	(i) 0 (ii) 444,444	(i) 0 (ii) 186,771	(i) 0 (ii) 30,695	(i) 0 (ii) 78,486	(i) 0 (ii) 13,694	(i) 0 (ii) 754,090	(i) 0 (ii) 0
ALASTAIR MACGREGOR MD	(i) 0 (ii) 234,260	(i) 0 (ii) 74,074	(i) 0 (ii) 0	(i) 0 (ii) 47,514	(i) 0 (ii) 12,702	(i) 0 (ii) 368,550	(i) 0 (ii) 0
JERRY MALIOT MD	(i) 0 (ii) 338,282	(i) 0 (ii) 87,739	(i) 0 (ii) 23,925	(i) 0 (ii) 50,839	(i) 0 (ii) 13,024	(i) 0 (ii) 513,809	(i) 0 (ii) 0
GEORGE MAYZELL MD	(i) 0 (ii) 331,363	(i) 0 (ii) 28,016	(i) 0 (ii) 2,950	(i) 0 (ii) 62,064	(i) 0 (ii) 12,874	(i) 0 (ii) 437,267	(i) 0 (ii) 0
STEPHEN MILLER MD	(i) 420,821 (ii) 0	(i) 165,708 (ii) 0	(i) 254,639 (ii) 0	(i) 142,472 (ii) 0	(i) 10,827 (ii) 0	(i) 994,467 (ii) 0	(i) 0 (ii) 0
CAROL ROSS-SPANG	(i) 0 (ii) 272,674	(i) 0 (ii) 104,425	(i) 0 (ii) 22,701	(i) 0 (ii) 53,655	(i) 0 (ii) 12,504	(i) 0 (ii) 465,959	(i) 0 (ii) 0
KEVIN M SPIEGEL	(i) 358,313 (ii) 0	(i) 85,572 (ii) 0	(i) 0 (ii) 0	(i) 74,376 (ii) 0	(i) 13,117 (ii) 0	(i) 531,378 (ii) 0	(i) 0 (ii) 0
LARRY SPRATLIN	(i) 255,464 (ii) 0	(i) 31,464 (ii) 0	(i) 33,465 (ii) 0	(i) 48,332 (ii) 0	(i) 12,233 (ii) 0	(i) 380,958 (ii) 0	(i) 0 (ii) 0
GAIL THURMOND MD	(i) 0 (ii) 359,679	(i) 0 (ii) 136,285	(i) 0 (ii) 217,452	(i) 0 (ii) 113,039	(i) 0 (ii) 8,593	(i) 0 (ii) 835,048	(i) 0 (ii) 0
MICHAEL O UGWUEKE	(i) 294,518 (ii) 0	(i) 87,619 (ii) 0	(i) 0 (ii) 0	(i) 59,887 (ii) 0	(i) 12,890 (ii) 0	(i) 454,914 (ii) 0	(i) 0 (ii) 0
STEVE WEST	(i) 0 (ii) 316,301	(i) 0 (ii) 116,491	(i) 0 (ii) 3,500	(i) 0 (ii) 49,318	(i) 0 (ii) 12,708	(i) 0 (ii) 498,318	(i) 0 (ii) 0
JIMMIE MANCELL MD	(i) 300,964 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 25,806 (ii) 0	(i) 11,901 (ii) 0	(i) 338,671 (ii) 0	(i) 0 (ii) 0
CHRISTOPHER W SANDSMD	(i) 300,864 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 28,447 (ii) 0	(i) 11,221 (ii) 0	(i) 340,532 (ii) 0	(i) 0 (ii) 0
AL FINK MD	(i) 282,176 (ii) 0	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 28,381 (ii) 0	(i) 11,822 (ii) 0	(i) 322,379 (ii) 0	(i) 0 (ii) 0
ROBIN J WOMEODU MD	(i) 258,495 (ii) 0	(i) 21,075 (ii) 0	(i) 0 (ii) 0	(i) 16,625 (ii) 0	(i) 11,753 (ii) 0	(i) 307,948 (ii) 0	(i) 0 (ii) 0
WILLIAM MAY MD	(i) 250,050 (ii) 0	(i) 14,046 (ii) 0	(i) 0 (ii) 0	(i) 11,998 (ii) 0	(i) 11,026 (ii) 0	(i) 287,120 (ii) 0	(i) 0 (ii) 0
DONNA HERRIN	(i) 0 (ii) 98,156	(i) 0 (ii) 90,897	(i) 0 (ii) 110,406	(i) 0 (ii) 18,607	(i) 0 (ii) 3,786	(i) 0 (ii) 321,852	(i) 0 (ii) 0
MARY LOU GUINLE	(i) 0 (ii) 3,886	(i) 0 (ii) 0	(i) 0 (ii) 263,743	(i) 0 (ii) 0	(i) 0 (ii) 3,699	(i) 0 (ii) 271,328	(i) 0 (ii) 0

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
METHODIST HEALTHCARE-MEMPHIS HOSPITALS

Employer identification number
62-0479367

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		METHODIST HEALTHCARE-MEMPHIS HOSPITALS (MHMH) IS A SUBSIDIARY OF METHODIST LEBONHEUR HEALTHCARE (MLH) 58-1454711 THE PERSONS WHO COMPRISE THE BOARD OF DIRECTORS OF MLH ARE MEMBERS OF MHMH
Form 990, Part VI, Section A, line 7a		THE BOARD OF MHMH IS THE SAME BOARD AS MLH
Form 990, Part VI, Section B, line 11		The 990 is prepared with input from Human Resources, Legal, Compliance and Finance departments and external financial consultants Financial information is reconciled to audited financial statements as appropriate The information to be disclosed regarding compensation is review ed with the Compensation Committee of the Board The returns are review ed by the Chief Financial Officer A copy of the return is provided to each Board Member via email prior to filing the return
Form 990, Part VI, Section B, line 12c		Methodist Healthcare employs a compliance officer that monitors and enforces compliance with the conflict of interest policy
Form 990, Part VI, Section B, line 15		An external independent consultant advises the Board of Directors Compensation Committee on executive salary and incentive compensation Benefits are periodically benchmarked by a separate external consultant and any changes are approved by the Board of Directors Compensation Committee The Compensation committee is made up of independent members and is a subgroup of the Board of Directors The compensation consultant annually develops total cash compensation comparisons of peer non-profit systems established by the Compensation Committee The compensation consultant interprets the information and provides an opinion of reasonableness on the total cash compensation package The compensation committee approves any changes to the compensation and executive benefit structure of the CEO and other top executives otherwise know n as disqualified candidates All other compensation decisions are determined by management as delegated by the Board of Directors The committee documents the determinations
Form 990, Part VI, Section C, line 19		Methodist Healthcare - Memphis Hospitals does not make its governing documents, conflict of interest policy and financial statements available to the public except the documents that are filed as part of the Form 1023 and this return
	PART XI, LINE 2C	The process has not changed from prior year

Related Organizations and Unrelated Partnerships

2009

Open to Public Inspection

▶ **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.**

Employer identification number

62-0479367

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

(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) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No
METHODIST SURGERY CENTER-GERMANTOWN LP											
1363 S GERMANTOWN RD GERMANTOWN, TN38138 62-1659904	SURGERY CENTER	TN		RELATED	1,575,286	2,266,205	No			Yes	
NORTH SURGERY CENTER LP											
3960 NEW COVINGTON PIKE MEMPHIS, TN38128 62-1685756	SURGERY CENTER	TN		RELATED	401,582	1,157,814	No			Yes	
NORTH SURGERY CENTER LP											
3960 NEW COVINGTON PIKE MEMPHIS, TN38128 62-1685756	SURGERY CENTER	TN	N/A								
DESOTO DIAGNOSTIC LLC											
9085 SANDIDGE CTR COVE OLIVE BRANCH, MS38654 61-1802576	SURGERY CENTER	MS		RELATED			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
AMBULATORY OPERATIONS INC 1211 UNION AVENUE SUITE 600 Memphis, TN38104 62-1157166	MEDICAL SERVICES	TN	N/A	C			
SOLUS MANAGEMENT SERVICES INC 4735 SPOTTSWOOD SUITE 201 memphis, TN38117 62-1361349	HEALTH SERVICES MGMT	TN	N/A	C			
MEMPHIS PROFESSIONAL BUILDING INC 1211 UNION AVENUE SUITE 600 memphis, TN38114 62-1847544	INVESTMENTS	TN	N/A	C			

Part V

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

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

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

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

Yes

Yes

No

No

No

No

Yes

No

No

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)			
(2)			
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2009

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?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Software ID:

Software Version:

EIN: 62-0479367

Name: METHODIST HEALTHCARE-MEMPHIS HOSPITALS

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
LeBonheur Children's Medical Center Foundation 850 POPLAR AVE BLDG 2 Memphis, TN38105 62-1872938	FOUNDATION	TN	501(C)(3)	11, TYPE II	N/A
Lebonheur Community Outreach 2400 Poplar Avenue Suite 318 Memphis, TN38112 62-1251288	FOUNDATION	TN	501(C)(3)	11, TYPE II	N/A
Methodist Extended Care Hospital Inc 225 South Claybrook Memphis, TN38104 62-1518342	HOSPITAL	TN	501(C)(3)	3	N/A
Methodist Healthcare-Jonesboro Hospital 1211 Union Avenue Suite 657 Memphis, TN38104 71-0499625	INACTIVE HOSPITAL	TN	501(C)(3)	3	N/A
Methodist Healthcare Community Care Associates 6400 Shelby View Suite 101 Memphis, TN38134 62-1403517	outpatient healthCARE	TN	501(C)(3)	9	N/A
Methodist Healthcare Primary Care Associates 6400 Shelby View Suite 101 Memphis, TN38134 58-2078931	OUTPATIENT HEALTHCARE	TN	501(C)(3)	9	N/A
Methodist Healthcare Foundation 1211 Union Avenue Suite 450 Memphis, TN38104 23-7320638	FOUNDATION	TN	501(C)(3)	11, TYPE II	N/A
Methodist Healthcare-Dyersburg Hospital 1211 Union Avenue Sutie 657 Memphis, TN38104 62-1155084	INACTIVE HOSPITAL	TN	501(C)(3)	3	N/A
Alliance Health Services Inc 6400 Shelby View Drive Suite 101 Memphis, TN38134 62-0841121	OUTPATIENT HEALTHCARE	TN	501(C)(3)	9	N/A
Methodist Healthcare Central MS Medical Associates 1211 Union Avenue Suite 657 Memphis, TN38104 64-0884720	INACTIVE HOSPITAL	TN	501(C)(3)	3	N/A
Methodist Healthcare-Jackson Hospital 1211 Union Avenue Suite 657 Memphis, TN38104 64-0794199	INACTIVE HOSPITAL	TN	501(C)(3)	3	N/A
Methodist Healthcare-Middle Mississippi Hospital 1211 Union Avenue Suite 657 Memphis, TN38104 64-0698911	INACTIVE HOSPITAL	TN	501(C)(3)	3	N/A
methodist Lebonheur healthcare 1211 Union Avenue Suite 700 Memphis, TN38104 58-1454711	SUPPORTING ORGANIZATION	TN	501(C)(3)	11, TYPE II	N/A
METHODIST HEALTHCARE-FAYETTE HOSPITAL 214 LAKEVIEW DRIVE SOMERVILLE, TN38068 62-0862334	HOSPITAL	TN	501(C)(3)	3	N/A

Form

4562

Depreciation and Amortization
(Including Information on Listed Property)

OMB No 1545-0172

2009

Attachment
Sequence No 67

Department of the Treasury
Internal Revenue Service

See separate instructions. Attach to your tax return.

Name(s) shown on return METHODIST HEALTHCARE-MEMPHIS HOSPITALS	Business or activity to which this form relates Form 990 Page 10	Identifying number 62-0479367
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Part I

Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount See the instructions for a higher limit for certain businesses	1	250,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	800,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
6				
7	Listed property Enter the amount from line 29	7		
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8		
9	Tentative deduction Enter the smaller of line 5 or line 8	9		
10	Carryover of disallowed deduction from line 13 of your 2008 Form 4562	10		
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11		
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12		
13	Carryover of disallowed deduction to 2010 Add lines 9 and 10, less line 12 .	13		

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II

Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III

MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2009	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B—Assets Placed in Service During 2008 Tax Year Using the General Depreciation System						
(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2009 Tax Year Using the Alternative Depreciation System						
20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV

Summary (see instructions)

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	49,912,723
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V

Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)
Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?						Yes No			24b If "Yes," is the evidence written?			Yes No		
(a) Type of property (list vehicles first)		(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)		(f) Recovery period	(g) Method/ Convention		(h) Depreciation/ deduction		(i) Elected section 179 cost		
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)								25						
26 Property used more than 50% in a qualified business use														
			%											
			%											
			%											
27 Property used 50% or less in a qualified business use														
			%				S/L -							
			%				S/L -							
			%				S/L -							
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1								28						
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1										29				

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30 Total business/investment miles driven during the year (do not include commuting miles)			(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
31 Total commuting miles driven during the year														
32 Total other personal(noncommuting) miles driven														
33 Total miles driven during the year Add lines 30 through 32														
34 Was the vehicle available for personal use during off-duty hours?			Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?														
36 Is another vehicle available for personal use?														

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?											Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners												
39 Do you treat all use of vehicles by employees as personal use?												
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?												
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)												
Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles												

Part VI Amortization

(a) Description of costs		(b) Date amortization begins	(c) Amortizable amount		(d) Code section	(e) A mortization period or percentage		(f) A mortization for this year	
42 A mortization of costs that begins during your 2009 tax year (see instructions)									
43 A mortization of costs that began before your 2009 tax year						43		597,204	
44 Total. Add amounts in column (f) See the instructions for where to report						44		597,204	