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1 Briefly describe the organization's mission

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 \$ 40,694,917 including grants of \$ 61,436) (Revenue \$ 43,838,832)
	Takoma Regional Hospital, Inc operates a 100 bed acute care hospital in Greeneville, TN In the current year, there were 2,314 admissions and 10,896 patient days

[illegible][illegible]

4d Other program services (Describe in Schedule O)
(Expenses \$ including grants of \$) (Revenue \$)

4e	Total program service expenses	\$ 40,694,917
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Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II 	4	Yes
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6	Did the organization maintain any donor advised funds or any 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	No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
14b	• Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III	16	No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20	Yes

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
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	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		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		No
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	1a72	1cYes	
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?				
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	2a527	2bYes	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			3aYes	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3bYes	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a	No
b If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .			5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b	No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?			6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b	
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year			7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . .			7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8	
9 Sponsoring organizations maintaining donor advised funds.				
a Did the organization make any taxable distributions under section 4966?			9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?			9b	
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12			10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			10b	
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders			11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year			12b	

Part VI

Governance, Management, and Disclosure

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body	1a	17	
b	Enter the number of voting members that are independent	1b	14	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		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	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶TN
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ Tom Vandenhoven 401 Takoma Ave Greeneville, TN 37743 (423) 636-2350

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

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

Form **990** (2009)

1b	Total	2,157,355	0	225,371
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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 organization18

		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>		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	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>	Yes	

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
Wellmont Physician Services 1989 East Stone Dr 2nd Floor Kingsport, TN 37660	Hospitalists/Physician services	769,688
Cardiovascular Associates 2050 Meadow View Parkway Kingsport, TN 37660	Physician Services	182,428
Arup Laboratories 500 Chipeta Way Salt Lake City, UT 84127	Lab Services	150,923
nighthawk radiology 601 e front ave 502 Coeur dAlene, ID 83814	Radiology Services	145,296
ASN Inc 700 E Ogden Ave 200 Westmont, IL 60559	Sleep Studies	127,264

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization6

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,677				
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f			1,677			
Program Service Revenue			Business Code					
	2a	Net patient revenue	900,099	43,659,635	43,659,635			
	b	Medical Office Buildin	531,120	74,887	57,061	17,826		
	c	Cafeteria revenue	900,099	51,471	51,471			
	d	Gift shop revenue	900,099	37,092	37,092			
	e							
	f	All other program service revenue		33,573	33,573			
	g	Total. Add lines 2a-2f			43,856,658			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			23,583		23,583	
	4	Income from investment of tax-exempt bond proceeds . . .						
	5	Royalties						
	6a	(i) Real		(ii) Personal				
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)						
	7a	(i) Securities		(ii) O ther				
				1,000,762				
				28,057				
				972,705				
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)						
	d	Net gain or (loss)			972,705		972,705	
	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								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
12	Total revenue. See Instructions			44,854,623	43,838,832	17,826	996,288	

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	61,436	61,436		
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	1,086,180		1,086,180	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	16,298,969	16,298,969		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	531,525	531,525		
9	Other employee benefits	5,295,443	5,289,817	5,626	
10	Payroll taxes	1,292,782	1,292,782		
11	Fees for services (non-employees)				
a	Management				
b	Legal	131,393		131,393	
c	Accounting	1,400		1,400	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	4,773,308	3,697,508	1,075,800	
12	Advertising and promotion	80,228		80,228	
13	Office expenses	5,146,932	4,857,058	289,874	
14	Information technology	1,634,088	391,559	1,242,529	
15	Royalties				
16	Occupancy	1,881,141	1,881,141		
17	Travel	59,062		59,062	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	3,804	3,804		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	1,889,957	1,889,957		
23	Insurance	853,952	746,566	107,386	
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	Bad Debt expense	2,817,769	2,817,769		
b	Repairs & maintenance	935,026	935,026		
c	Purchased services	30,367		30,367	
d	UBI taxes	12,000		12,000	
e					
f	All other expenses	62,140		62,140	
25	Total functional expenses. Add lines 1 through 24f	44,878,902	40,694,917	4,183,985	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			2,958	1	3,056
	2	Savings and temporary cash investments			1,681,166	2	3,805,119
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			5,575,592	4	5,266,763
	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			1,009,444	8	945,422
	9	Prepaid expenses and deferred charges			1,283,335	9	205,447
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	41,785,683			
	b	Less accumulated depreciation	10b	22,828,801	19,872,343	10c	18,956,882
	11	Investments—publicly traded securities				11	
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			1,703,950	15	553,105
	16	Total assets. Add lines 1 through 15 (must equal line 34)			31,128,788	16	29,735,794
Liabilities	17	Accounts payable and accrued expenses			3,895,242	17	3,244,224
	18	Grants payable				18	
	19	Deferred revenue			52,229	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				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities. Complete Part X of Schedule D			7,229,693	25	6,378,845
	26	Total liabilities. Add lines 17 through 25			11,177,164	26	9,623,069
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			19,951,624	27	20,112,725
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			19,951,624	33	20,112,725
	34	Total liabilities and net assets/fund balances			31,128,788	34	29,735,794

Part XI **Financial Statements and Reporting**

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . .		No
b Were the organization's financial statements audited by an independent accountant? 		No
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 . . .		
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? 		No
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .		

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 Takoma Regional Hospital Inc	Employer identification number 51-0603966
--	--

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

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

1

☐

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

2

☐

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

3

☒

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

4

☐

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

5

☐

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

6

☐

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

7

☐

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

8

☐

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

9

☐

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

10

☐

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

11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

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

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

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						<input type="checkbox"/>
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						<input type="checkbox"/>
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						<input type="checkbox"/>
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						<input type="checkbox"/>
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						<input type="checkbox"/>

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 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: 51-0603966

Name: Takoma Regional Hospital Inc

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Richard Reiner Chairman/Director	1 00	X						0	0	0
Michael Snow end 210 Vice Chairman/Director	1 00	X						0	0	0
Gary Miller Director	1 00	X						0	0	0
Daniel Wolcott CEO /Director	50 00	X		X				233,398	0	72,463
Kelly Pettijohn Director	1 00	X						0	0	0
Truman Esmond end 1109 Director	1 00	X						0	0	0
Jimm Bunch Director	1 00	X						0	0	0
Elizabeth Ward BEG 110 Director	1 00	X						0	0	0
Bob Burgin beg 210 Director	1 00	X						0	0	0
Patricia L Smith EdD RN Director	1 00	X						0	0	0
Mark Williams Director	1 00	X						0	0	0
Don Smith Director	1 00	X						0	0	0
Claes Svendsen MD Director	1 00	X						284,695	0	20,514
JR McKinney MD Director	1 00	X						158,790	0	5,085
Randy Rumley Director	1 00	X						0	0	0
Joey Ballard Director	1 00	X						0	0	0
James Kilgore PhD Director	1 00	X						0	0	0
Ed Wright Director	1 00	X						0	0	0
Sharon Folk Director	1 00	X						0	0	0
Tom VandenHoven CFO	50 00			X				121,180	0	19,140
Fred Myers MD CMO	50 00				X			156,250	0	15,063
Teresa L Marcum CNO	40 00				X			130,643	0	26,281
Gordon L Marsa MD Physician	45 00					X		344,775	0	20,633
William R Bridges MD Physician	45 00					X		250,171	0	20,603
Robert W Locklear MD Physician	45 00					X		228,281	0	19,488

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			
William C Diebold MD Psychiatrist	45 00					X		206,022	0	16,137
Daniel Lewis MD Physician	45 00					X		173,793	0	16,245

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2009

Open to Public
Inspection

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

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

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

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

If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35a (regarding proxy tax), then

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

Name of the organization Takoma Regional Hospital Inc	Employer identification number 51-0603966
--	--

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1

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

Political expenditures ▶ \$
- 3

Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1

Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2

Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3

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

☐ Yes ☐ No
- 4a

Was a correction made?

☐ Yes ☐ No
- b

If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

- 1

Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2

Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ \$
- 3

Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ \$
- 4

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

☐ Yes ☐ No
- 5

State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

Part II-A

Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

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

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

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
	a Volunteers?		No	
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
	c Media advertisements?		No	
	d Mailings to members, legislators, or the public?		No	
	e Publications, or published or broadcast statements?		No	
	f Grants to other organizations for lobbying purposes?		No	
	g Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
	i Other activities? If "Yes," describe in Part IV	Yes		9,645
	j Total lines 1c through 1i			9,645
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

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

Part III-B

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	2a	
a	Current year		
b	Carryover from last year		
c	Total		
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
Part II-B, Line 1i	Explanation of Other Lobbying Activities	Represents the amount of total dues paid to the American Hospital Association, Hospital Alliance of Tennessee, and Tennessee Hospital Association that is comprised of lobbying expenditures

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

Name of the organization
Takoma Regional Hospital Inc

Employer identification number
51-0603966

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

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

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

1

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

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

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

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

3

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

4

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

5

Does the organization have a written policy regarding the periodic monitoring, inspection, 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 ▶ \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2009

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		253,719		253,719
b Buildings		16,625,008	6,802,460	9,822,548
c Leasehold improvements				
d Equipment		23,524,479	15,229,075	8,295,404
e Other		1,382,477	797,266	585,211
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				18,956,882

Schedule D (Form 990) 2009

Part XIReconciliation of Change in Net Assets from Form 990 to Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1
2	Total expenses (Form 990, Part IX, column (A), line 25)	2
3	Excess or (deficit) for the year Subtract line 2 from line 1	3
4	Net unrealized gains (losses) on investments	4
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	7
8	Other (Describe in Part XIV)	8
9	Total adjustments (net) Add lines 4 - 8	9
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10

Part XIIReconciliation 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 XIIIReconciliation 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 XIVSupplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
		PART X - AS NOTED IN OUR RESPONSE TO FORM 990 PART VI, SECTION C, LINE 19, THE FINANCIAL STATEMENTS OF THE FILING ORGANIZATION ARE NOT CONSOLIDATED WITHIN THE FINANCIAL STATEMENTS OF EITHER OF ITS MEMBERS. ADDITIONALLY, THE FILING ORGANIZATION DID NOT RECEIVE A SEPARATE AUDITED FINANCIAL STATEMENT FOR THE 6/30/2010 TAX YEAR. ACCORDINGLY, THERE IS NO APPLICABLE FIN 48 FOOTNOTE FOR THIS FILING ORGANIZATION.

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
Takoma Regional Hospital Inc

Employer identification number
51-0603966

Part I

Charity Care and Certain Other Community Benefits at Cost

		Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a Yes	
b	If "Yes," is it a written policy?	1b Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals <div><input checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Generally tailored to individual hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div>		
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care <div><input type="checkbox"/> 100%<input type="checkbox"/> 150%<input checked="" type="checkbox"/> 200%<input type="checkbox"/> Other _____</div> b Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%<input type="checkbox"/> 250%<input type="checkbox"/> 300%<input type="checkbox"/> 350%<input checked="" type="checkbox"/> 400%<input type="checkbox"/> Other _____</div> c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care 4 Does the organization's policy provide free or discounted care to the "medically indigent"?	3a Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b 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	No
6b	If "Yes," does the organization make it available to the public?	6b	
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)			1,571,652		1,571,652	3 740 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			7,881,142	5,828,421	2,052,721	4 880 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			9,452,794	5,828,421	3,624,373	8 620 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			275,000	0	275,000	0 650 %
f Health professions education (from Worksheet 5)			0			
g Subsidized health services (from Worksheet 6)			0			
h Research (from Worksheet 7)			0			
i Cash and in-kind contributions to community groups (from Worksheet 8)			30,000	0	30,000	0 070 %
j Total Other Benefits			305,000		305,000	0 720 %
k Total. Add lines 7d and 7j)			9,757,794	5,828,421	3,929,373	9 340 %

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
1	Physical improvements and housing					
2	Economic development					
3	Community support					
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other		74,000		74,000	0 180 %
10	Total		74,000		74,000	0 180 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No	
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	892,951	
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	121,081	
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.				
Section B. Medicare				
5	Enter total revenue received from Medicare (including DSH and IME)	5	13,347,999	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	12,492,293	
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7	855,706	
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other				
Section C. Collection Practices				
9a	Does the organization have a written debt collection policy?	9a	Yes	
9b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI.	9b	Yes	

Part IVManagement Companies and Joint Ventures

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1 Takoma Medical Office Building LLC	Rental of suites to health care professionals	36 000 %		39 350 %
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

[illegible]

Part VI

Supplemental Information

Complete this part to provide the following information

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

Additional Data

Software ID:
Software Version:
EIN: 51-0603966
Name: Takoma Regional Hospital Inc

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Part I, Line 7 The amounts of costs reported in the table in line 7 of Part I of Schedule H were determined by utilizing a cost-to-charge ratio derived from Worksheet 2, Ratio of Patient Care Cost-to-Charges, contained in the Schedule H instructions

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Part I, Line 7f Bad debt expense of \$2,817,769 was included on Form 990, Part IX, line 25, but subtracted for purposes of calculating the percentage of total expenses in column (f) of line 7

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Part III, Line 4 Costing Methodology The amounts of bad debt expense, at cost, reported on line 2 and 3 of Section A of Part III were determined utilizing a ratio of patient care cost to charges as shown on Worksheet A contained in the instructions for Schedule H, Part III, line 3 Discounts and payments on patient accounts are recorded as adjustments to revenue, not bad debt expense Methodology for Determining the Estimated Amount of Bad Debt Expense that May Represent Patients who Could Have Qualified under the Filing Organization's Charity Care Policy Self-pay patients are required to complete a Patient Financial Assistance Application Short Form (PFAA) If the PFAA is not completed after reasonable attempts to obtain it are exhausted, patient information is processed through a Scorer product The Scorer product utilizes publicly available data, such as credit reports, to assess an individual patient's financial viability Patients who earn a certain score on the Scorer product are considered to qualify as non-state charity patients An amount up to \$1,000 of such a patient's bill is written off as bad debt expense, while the remaining portion of the patient's bill is considered to be non-state charity The amount written off as bad debt expense for those patients who potentially qualify as non-state charity using the Scorer product is the amount shown on line 3 of Section A of Part III Rationale for Including Certain Bad Debts in Community Benefit The filing organization is dedicated to the view that medically necessary health care for emergency and non-elective patients should be accessible to all, regardless of age, gender, geographic location, cultural background, physician mobility, or ability to pay The filing organization treats emergency and non-elective patients regardless of their ability to pay or the availability of third-party coverage By providing health care to all who require emergency or non-elective care in a non-discriminatory manner, the filing organization is providing health care to the broad community it serves As a 501(c)(3) hospital organization, the filing organization maintains a 24/7 emergency room providing care to all whom present When a patient's arrival and/or admission to the facility begins within the Emergency Department, triage and medical screening are always completed prior to registration staff proceeding with the determination of a patient's source of payment If the patient requires admission and continued non-elective care, the filing organization provides the necessary care regardless of the patient's ability to pay The filing organization's operation of a 24/7 Emergency Department that accepts all individuals in need of care promotes the health of the community through the provision of care to all whom present Current Internal Revenue Service guidance that tax-exempt hospitals maintain such emergency rooms was established to ensure that emergency care would be provided to all without discrimination The treatment of all at the filing organization's Emergency Department is a community benefit Under the filing organization's Charity Care Policy, every effort is made to obtain a patient's necessary financial information to determine eligibility for charity care However, not all patients will cooperate with such efforts and a charity care eligibility determination can not be made In this case, a patient's portion of a bill that remains unpaid for a certain stipulated time period is wholly or partially classified as bad debt Bad debts associated with patients who have received care through the filing organization's Emergency Department should be considered to be community benefit as charitable hospitals exist to provide such care in pursuit of their purpose of meeting the need for emergency medical care services available to all in the community The filing organization did not have audited financial statements, therefore, there is not a footnote to describe bad debt expense

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Part III, Line 8 Costing Methodology Medicare allowable costs were calculated using a cost-to-charge ratio Part III, Section B, Lines 5-7 The IRS instructions for Schedule H, Part III, Section B, lines 5-7 specifically indicate to include only those allowable costs and Medicare reimbursements that are reported in the organization's Medicare cost report for the year This reporting does not take into account those costs and revenues associated with hospital employed physicians who are treating Medicare patients at hospital-owned clinic and physician practice sites Accordingly, the net result of treating Medicare patients from a financial perspective may differ as reported for financial reporting purposes and community benefit reporting purposes from the surplus or shortfall shown on line 7 of Section B of Part III of Schedule H

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Part III, Line 9b At the time of patient registration, non-elective self-pay patients are informed of the minimum discount available under the filing organization's self-pay discount policy Such patients are also informed of the filing organization's charity care policy and told that they will be required to submit necessary financial data in order to potentially receive any additional discounts Percentage discounts are applied to a patient's account (from a 100% discount to a 30% discount) based upon the patient's household income as a percentage of the Federal Poverty Guidelines Under the filing organization's policies, payment plans for partial charity accounts will be individually developed with the patient Partial charity accounts result when a financial assistance eligibility determination allows for a percentage reduction but leaves the patient with a self-pay balance If the patient complies with the agreed-upon payment plan, the filing organization does not pursue any collection action with respect to the patient However, if a patient does not make any payments for three consecutive months, the account may be referred for further collection activity The filing organization does not pursue collection of amounts from patients determined to qualify for a 100% reduction in charges under its charity care policy

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Part V The filing organization had no other facilities that were not required to be licensed, registered, or similarly recognized as a health care facility under state law in the current tax year

Form 990 Schedule H, Part VI - Supplemental Information, Line 2

Part VI, Line 2 The filing organization does not currently conduct any formal annual health care needs assessment. However, a variety of practices and processes are in place to ensure that the filing organization is responsive to the health needs of its community. Such practices and processes involve the following: 1. A hospital operating/community board composed of individuals broadly representative of the community, community leaders, and those with specialized medical training and expertise; 2. Post-discharge patient follow-up related to the on-going care and treatment of patients who suffer from chronic diseases; 3. Sponsorship and participation in community health and wellness activities that reach a broad spectrum of the filing organization's community; and 4. Collaboration with other local community groups to address the health care needs of the filing organization's community.

Form 990 Schedule H, Part VI - Supplemental Information, Line 3

Part VI, Line 3 Takoma Regional Hospital has a process in place whereby patients are informed about the Hospital's Charity Care Policy and other forms of financial assistance, such as self-pay discounts. Signage is posted in the Emergency Room indicating that financial assistance is available for those self-pay patients meeting eligibility requirements. After EMTALA medical screening and stabilization requirements are met, registration personnel will secure financial information on as many self-pay patients as possible at the time of service. For those who appear to qualify for Medicaid or under the Hospital's Charity Care Policy, the financial counselors will continue to work with those patients until final account resolution is achieved. All other self-pay patients are covered under this process. At any time during the process that data is provided showing that a patient qualifies for assistance under the Charity Care Policy the discounts extended under that policy will be applied. As part of the billing process, the Hospital includes the application for charity care assistance along with the initial patient bill. The Hospital's charity care application is also available to patients on the Hospital's web-site in both an English and Spanish version. Additionally, the Hospital's financial counselors are available to work with every patient during the first 120 days of the billing process to assist the patient with completing charity care applications and investigating other potential sources of third-party assistance. The determination of a patient's eligibility for charity care is made on a case-by-case basis. Various factors are considered in that determination. Each individual patient who is identified as potentially being eligible to receive charity care is seen by a financial counselor at the Hospital. The financial counselor will work with the patient to make sure that other sources of assistance (public or otherwise) have been sought to the fullest extent possible. When other forms of assistance are not available or have been exhausted, the Hospital will gather certain financial information from the patient to determine the patient's ability to pay based upon level of income.

Form 990 Schedule H, Part VI - Supplemental Information, Line 4

Part VI, Line 4 Takoma Regional Hospital (the Hospital) is a 100-bed acute care facility that has provided quality health care services to the residents of northeastern Tennessee for over 81 years In 1974, Takoma Adventist Hospital became a member of the Southern Adventist Health and Hospital System May of 2007 brought additional change to Takoma when Wellmont Health System bought a 60% share of the hospital and Takoma Adventist Hospital became Takoma Regional Hospital The Hospital is located in the foothills of the Great Smokey Mountains in historic Greeneville, Tennessee (population of appoximately 15,336) and primarily serves patients from the county of Greene in Tennessee (population of approximately 66,000) The Hospital is a crucial community and regional asset Takoma Regional Hospital is one of two hospitals in Greeneville, TN The nearest provider does not offer many of the services offered at the Hospital, such as Hyperbaric Medicine Therapy, Wound Care Clinic, Geriatric Psychiatric Inpatient Services, Outpatient Behavioral Services, and a Center for Inpatient Rehabilitation The Hospital is also the largest employer in the city of Greeneville, TN The city of Greeneville, TN covers 9.5 square miles Household income in Greeneville is approximately \$31,000 below the national averages About 19% of Greeneville's residents have incomes below the federal poverty level Seventy five percent of Greene County's residents finished high school Greene County's current unemployment rate is about 15.9% Over 67% of the Hospital's patients are covered by Medicare or Medicaid Medicare patients comprise about 48% of the Hospital's patients Approximately 19% of the Hospital's patients are covered by the Medicaid program, with the remaining 33% representing self-pay or commercial payors

Form 990 Schedule H, Part VI - Supplemental Information, Line 5

Part VI, Line 5 Takoma Regional Hospital, Inc (the Hospital) is involved with and supportive of various other community agencies in its service area that work collaboratively to help those in need and to improve the health and safety of the residents of the community The Hospital participates with a number of other community organizations As an example, the Hospital is an active participant in the Greene County (TN) Partnership The Greene County Partnership is a local community organization whose mission is to promote, preserve, and enhance the quality of life and economic well being of all Greene County residents by providing collective leadership and serving as a facilitator, catalyst and unifying force to achieve common community goals

Form 990 Schedule H, Part VI - Supplemental Information, Line 6

Part VI, Line 6 The provision of community benefit is central to Takoma Regional Hospital's mission of service and compassion Restoring and promoting the health and quality of life of those in the communities served by the Hospital is a function of "extending the healing ministry of Christ" and embodies the Hospital's commitment to its values and principles The Hospital commits substantial resources to provide a broad range of services to both the underprivileged as well as the broader community In addition to the community benefit information provided in Parts I, II and III of this Schedule H, the Hospital captures the benefits provided to its community through faith-based care Examples of such benefits include the cost associated with chaplaincy care programs and mission peer reviews and mission conferences During the current year, Hospital provided \$80,345 of benefit with respect to the faith-based and spiritual needs of the community in conjunction with its operation of a community hospital The Hospital also provides benefits to its community's infrastructure by investing in capital improvements to ensure that facilities and technology provide the best possible care to the community During the current year, the Hospital expended \$510,950 in new capital improvements As a faith-based mission-driven community hospital, the Hospital is continually involved in monitoring its community, identifying unmet health care needs and developing solutions and programs to address those needs In accordance with its conservative approach to fiscal responsibility, surplus funds of the Hospital are continually being invested in resources that improve the availability and quality of delivery of health care services and programs to its community

Form 990 Schedule H, Part VI - Supplemental Information, Line 7

Part VI, Line 7 As explained in our response to Form 990, Part VI, Section A, line 6, Takoma Regional Hospital (TRH or the Hospital) has two members The members are Adventist Health System/Sunbelt, Inc and Wellmont Health System TRH is able to draw upon the expertise and leadership of both its health system members in its effort to create excellent patient experiences and offer a broad spectrum of health services needed in its community During its 2009 tax year, TRH was managed by Adventist Health System Sunbelt Healthcare Corporation (AHSSHC) AHSSHC is an organization exempt from federal income tax under IRC Section 501(c)(3) AHSSHC and its subsidiary organizations operate 37 hospitals in 10 states throughout the U S , primarily in the Southeastern portion of the U S AHSSHC and its subsidiaries also operate 17 nursing home facilities and other ancillary health care provider facilities, such as ambulatory surgery centers and diagnostic imaging centers AHSSHC provides executive leadership and other professional support services to Takoma Regional Hospital Professional support services include among others corporate compliance, legal, human resources, reimbursement, risk management, and tax as well as treasury functions The provision of these executive and support services on a centralized basis by AHSSHC provides an appropriate balance between providing Takoma Regional Hospital with mission-driven consistent leadership and support while allowing the hospital organization to focus its resources on meeting the specific health care needs of the community it serves The reader of this Form 990 should keep in mind that this reporting entity may differ in certain areas from that of a stand-alone hospital organization due to its management by AHSSHC The filing organization benefits from reduced costs due to its affiliation with AHSSHC, such as large group purchasing discounts, and the availability of internal resources such as internal legal counsel Takoma Regional Hospital pays a management fee to AHSSHC for the internal services provided by AHSSHC As a result, management fee expense reported by Takoma Regional Hospital may appear greater in relation to management fee expense that may be reported by a single stand-alone hospital with no such affiliation The single stand-alone hospital would likely report costs associated with management and other professional services on various expense line items in its statement of revenue and expense as opposed to reporting such costs in one overall management fee expense

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
Takoma Regional Hospital Inc

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

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

OMB No 1545-0047

2009

Open to Public
Inspection

Employer identification number
51-0603966

Part I

General Information on Grants and Assistance

- 1

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

☒ Yes ☐ No
- 2

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

Part II

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
United Way of Greene County115 Academy Street Greeneville, TN 37743	626015767	501(c)(3)	6,000				annual fund raiser

2

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

1

3

Enter total number of other organizations

0

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

[illegible]

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

[illegible]

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 Takoma Regional Hospital Inc	Employer identification number 51-0603966
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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		
	<input type="checkbox"/> First-class or charter travel		
	<input checked="" type="checkbox"/> Travel for companions		
	<input checked="" type="checkbox"/> Tax idemnification and gross-up payments		
	<input checked="" type="checkbox"/> Discretionary spending account		
	<input type="checkbox"/> Housing allowance or residence for personal use		
	<input type="checkbox"/> Payments for business use of personal residence		
	<input checked="" type="checkbox"/> Health or social club dues or initiation fees		
	<input type="checkbox"/> 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	1b	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?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<input type="checkbox"/> Compensation committee		
	<input type="checkbox"/> Independent compensation consultant		
	<input type="checkbox"/> Form 990 of other organizations		
	<input type="checkbox"/> Written employment contract		
	<input type="checkbox"/> Compensation survey or study		
	<input type="checkbox"/> Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	Yes
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	No
8	Were any amounts reported in Form 990, Part VII, paid or 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	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Daniel Wolcott	(i)	183,277	24,736	25,385	15,525	56,938	305,861	0
	(ii)	0	0	0	0	0	0	0
Claes Svendsen MD	(i)	174,378	110,317	0	13,343	7,171	305,209	0
	(ii)	0	0	0	0	0	0	0
JR McKinney MD	(i)	158,392	0	398	4,894	191	163,875	0
	(ii)	0	0	0	0	0	0	0
Fred Myers MD	(i)	156,250	0	0	7,916	7,147	171,313	0
	(ii)	0	0	0	0	0	0	0
Gordon L Marsa MD	(i)	274,997	69,778	0	13,343	7,290	365,408	0
	(ii)	0	0	0	0	0	0	0
William R Bridges MD	(i)	249,995	176	0	13,343	7,260	270,774	0
	(ii)	0	0	0	0	0	0	0
Robert W Locklear MD	(i)	149,106	79,175	0	12,377	7,111	247,769	0
	(ii)	0	0	0	0	0	0	0
William C Diebold MD	(i)	205,970	52	0	9,527	6,610	222,159	0
	(ii)	0	0	0	0	0	0	0
Daniel Lewis MD	(i)	173,793	0	0	9,075	7,170	190,038	0
	(ii)	0	0	0	0	0	0	0
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	As discussed in our response to Section B, Part VI, Question 15a & b, the filing organization is 40% owned by Adventist Health System/Sunbelt, Inc. (AHSSI). AHSSI is part of the system of healthcare organizations known as Adventist Health System (AHS). The filing organization is managed by Adventist Health System Sunbelt Healthcare Corporation (AHSSHC), the parent organization of AHSSI. In conjunction with the management agreement with AHSSHC, members of the filing organization's executive management team that hold the position of Vice-President or above are compensated by and on the payroll of AHSSHC. AHSSHC is exempt from federal income tax under IRC Section 501(c)(3). The filing organization reimburses AHSSHC for the salary and benefit cost of those executives on the payroll of AHSSHC that provide services and are on the management team of the filing organization. For administrative ease, executive employees on the payroll of AHSSHC who provide services for the filing organization receive reimbursements of travel and other business-related expenses from the filing organization. Travel for companions. AHSSHC has a Corporate Executive Policy that provides a benefit to allow for a traveling AHSSHC executive to have his or her spouse accompany the executive on two business trips each year. Typically, reimbursement is only provided to Vice Presidents and above and is limited to one business trip per year and the annual AHS President's Council business meeting. The AHSSHC Corporate Executive Spousal Travel Policy was originally approved and reviewed by the AHSSHC Board Strategy & Compensation Committee, an independent body of the AHSSHC Board of Directors. All spousal travel costs reimbursed to the executive are considered taxable compensation to the executive. Tax indemnification and gross-up payments. AHS has a system-wide policy addressing gross-up payments provided in connection with employer-provided benefits/other taxable items. Under the policy, certain taxable business-related reimbursements (i.e., taxable business-related moving expenses, taxable items provided in connection with employment) provided to any employee may be grossed-up at a 25% rate upon approval of the filing organization's CEO and CFO. Additionally, employees at the Director level and above are eligible for gross-up payments on gifts received for board of director services. Discretionary spending account. A nominal discretionary spending amount was provided in the current year to all eligible executives who attend the annual AHS President's Council business meeting (\$400 per executive). Eligible executives include all AHSSHC Vice Presidents and above and all AHSSHC subsidiary organization CEOs and Regional CFOs. The payment provided to each executive was considered taxable compensation to the executive. Health or social club dues or initiation fees. AHSSHC has a Corporate Executive Policy that addresses business development expenditures. Under this policy, certain AHS eligible executives may be reimbursed for member dues and usage charges for a country club or other social club upon authorization. Club memberships must be recommended by the CEO of the AHS hospital organization and approved by the Chairman of the Board of Directors of the organization. In addition, the proposed membership must be approved annually by the AHSSHC Board Strategy & Compensation Committee, an independent committee of the Board of Directors of AHSSHC. Eligible executives are limited to certain senior level executives (hospital organization CEOs, the CEO of the nursing home division of AHS, senior vice presidents at three large hospital organizations, regional CEOs and CFOs and the president and senior vice presidents of AHSSHC). In the current year, for this filing organization, one executive was eligible to receive reimbursement for club fees. Each AHS executive who is approved for a club membership must submit an annual report to the AHSSHC Board Strategy & Compensation Committee that describes how the membership benefited their organization during the preceding year.
	Part I, Line 6	The filing organization's physician compensation formula is designed to result in total compensation that would be reasonable for each physician. Since implementing the productivity-based incentive compensation model, the financial losses from the operations of organization's physician practices have significantly decreased, and established physician practices have generally become profitable. The filing organization utilizes national survey productivity, cost, and compensation data in formulating all aspects of the compensation plan. Physician compensation arrangements include a ceiling or reasonable maximum on the amount a physician may earn. The filing organization's employed physicians enter into a written agreement that requires the physicians to provide medical care to individuals who are referred by the filing organization. Pursuant to the agreement, an individual may not be rejected as a patient by a physician due to race, sex, age, color, creed, national origin or inability to pay. The filing organization's compensation arrangement does not use a method of compensation that is based upon a percentage of the organization's net income. Rather, under the compensation arrangement, physician base salary is set based on Fair Market Value benchmarks, and any additional compensation is based on a percentage of the practice/location net revenue.
Supplemental Information	Part III	PART I, QUESTION 3. AS NOTED IN OUR RESPONSE TO QUESTION 15 OF PART VI OF FORM 990, THE INDIVIDUAL WHO SERVES AS THE CEO OF THE FILING ORGANIZATION IS COMPENSATED BY ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHSSHC) FOR THAT INDIVIDUAL'S ROLE IN SERVING AS THE CEO. COMPENSATION AND BENEFITS PROVIDED TO THIS INDIVIDUAL ARE DETERMINED PURSUANT TO POLICIES, PROCEDURES, AND PROCESSES OF AHSSHC THAT ARE DESIGNED TO ENSURE COMPLIANCE WITH THE INTERMEDIATE SANCTIONS LAWS AS SET FORTH IN IRC SECTION 4958. AHSSHC USES ALL OF THE FOLLOWING TO ESTABLISH COMPENSATION OF THE CEO: - COMPENSATION COMMITTEE, - INDEPENDENT COMPENSATION CONSULTANT, - COMPENSATION SURVEY OR STUDY, AND - APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE.
Supplemental Information	Part III	FORM 990, PART VII, SECTION A, LINE 5. AS DISCUSSED IN OUR RESPONSE TO SCHEDULE J, PART I, LINE 1A, 40% OF THE MEMBERSHIP INTEREST IN THE FILING ORGANIZATION IS HELD BY ADVENTIST HEALTH SYSTEM/SUNBELT, INC. (AHSSI). AHSSI IS A WHOLLY-OWNED SUBSIDIARY OF ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHSSHC). BOTH AHSSI AND AHSSHC ARE ORGANIZATIONS EXEMPT FROM FEDERAL INCOME TAX UNDER IRC SECTION 501(c)(3). THE FOLLOWING INDIVIDUAL OFFICERS AND KEY EMPLOYEE OF THE FILING ORGANIZATION ARE ON THE PAYROLL OF AND COMPENSATED BY AHSSHC FOR SERVICES PROVIDED TO THE FILING ORGANIZATION: - DANIEL WOLCOTT - TOM VANDENHOVEN - FRED MYERS. THE TYPE AND AMOUNT OF COMPENSATION PAID TO EACH OF THE INDIVIDUALS LISTED ABOVE BY AHSSHC FOR SERVICES RENDERED TO THE FILING ORGANIZATION IS DETAILED IN PART II OF THIS SCHEDULE J.

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Takoma Regional Hospital Inc

Employer identification number
51-0603966

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

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

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

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Lori VandenHoven	Family of Board Member	44,733	Employee Compensation		No

Additional Data

Software ID:
Software Version:
EIN: 51-0603966
Name: Takoma Regional Hospital Inc

efile GRAPHIC print - DO NOT PROCESS		As Filed Data -		DLN: 93493136012011	
SCHEDULE O (Form 990)		Supplemental Information to Form 990			OMB No 1545-0047
Department of the Treasury Internal Revenue Service		Complete to provide information for responses to specific questions on Form 990 or to provide any additional information. ▶ Attach to Form 990.			2009 Open to Public Inspection
Name of the organization Takoma Regional Hospital Inc				Employer identification number 51-0603966	

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		Truman Esmond and Mike Snow - Business Relationship Truman Esmond and Gary Miller - Business Relationship Mark Williams and Sharon Folk - Business Relationship Mark Williams and Randy Rumley - Business Relationship Mark Williams and James Kilgore, MD - Business Relationship Mike Snow and Gary Miller - Business Relationship

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		Takoma Regional Hospital, Inc (the filing organization) has tw o members The members of the filing organization are Adventist Health System/Sunbelt, Inc (AHSSI) and Wellmont Health System (WHS) Both AHSSI and WHS are not-for-profit corporations that are exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3) There are no other classes of membership in the filing organization

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7a		The Board of Directors of the filing organization are appointed by AHSSI and WHS, the tw o members of the filing organization Each of the tw o members has the right to elect, appoint or remove any three of the six members of the Board of Directors of the filing organization In addition, the members of the filing organization appoint the members of the filing organization's Hospital Community Board

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		The filing organization's 2009 Form 990 w as review ed by the Board of Directors prior to its filing w ith the IRS The review conducted by the Board of Directors did not include the review of any supporting w orkpapers that w ere used in preparation of the 2009 Form 990, but did include a review of the entire Form 990 and all supporting schedules

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		The Conflict of Interest Policy of the filing organization applies to members of its Board of Directors, Hospital Community Board, and its principal officers (to be know n as Interested Persons) In connection w ith any actual or possible conflict of interests, any Interested Person must disclose the existence of any financial interest w ith the filing organization and must be given the opportunity to disclose all material facts concerning the financial interest/arrangement to the Board of Directors/Hospital Community Board of the filing organization or to any members of a committee w ith board delegated pow ers that is considering the proposed transaction or arrangement Subsequent to any disclosure of any financial interest/arrangement and all material facts, and after any discussion w ith the relevant Board member or principal officer, the remaining members of the Board of Directors/Hospital Community Board or committee w ith board delegated pow ers shall discuss, analyze, and vote upon the potential financial interest/arrangement to determine if a conflict of interest exists According to the filing organization's Conflict of Interest Policy, an Interested Person may make a presentation to the Board of Directors/Hospital Community Board (or committee w ith board delegated pow ers), but after such presentation, shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in a conflict of interest Each Interested Person, as defined under the filing organization's Conflict of Interest Policy, shall annually sign a statement w hich affirms that such person has received a copy of the Conflict of Interests policy, has read and understands the policy, has agreed to comply w ith the policy, and understands that the filing organization is a charitable organization that must primarily engage in activities w hich accomplish one or more of its exempt purposes The filing organization's Conflict of Interest Policy also requires that periodic review s shall be conducted to ensure that the filing organization operates in a manner consistent w ith its charitable purposes

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		Adventist Health System/Sunbelt, Inc (AHSSI) holds a 40% member interest in the filing organization The top-tier parent of AHSSI is Adventist Health System Sunbelt Healthcare Corporation (AHSSHC) AHSSHC is the parent organization of a healthcare system, know n as Adventist Health System, that operates hospitals, nursing home facilities, and other healthcare provider organizations AHSSHC is exempt from federal income tax under IRC Section 501(c)(3) pursuant to a group ruling issued to the General Conference of Seventh-day Adventists The individuals w ho serve as the CEO, CFO or Vice President of the filing organization are compensated by AHSSHC for services provided to the filing organization Compensation and benefits provided to these individuals is determined pursuant to policies, procedures, and processes of AHSSHC that are designed to ensure compliance w ith the intermediate sanctions law s as set forth in IRC Section 4958 AHSSHC has taken steps to ensure that processes are in place to satisfy the rebuttable presumption of reasonableness standard as set forth in Treasury Regulation 53 4958-6 w ith respect to its active executive-level positions The AHSSHC Board Strategy and Compensation Committee (the Committee) serves as the governing body for all executive compensation matters The Committee is composed of certain members of the Board of Trustees (the Board) of AHSSHC Voting members of the Committee include only individuals w ho serve on the Board as independent representatives of the community, w ho hold no employment positions w ith AHSSHC and w ho do not have relationships w ith any of the individuals whose compensation is under their review that impacts their best independent judgment as fiduciaries of AHSSHC The Committee's role is to review and approve all components of the executive compensation plan of AHSSHC As an independent governing body w ith respect to executive compensation, it should be noted that the Committee w ill often confer in executive sessions on matters of compensation policy and policy changes In such executive sessions, no members of management of AHSSHC are present The Committee is advised by an independent third party compensation advisor This advisor prepares all the benchmark studies for the Committee Compensation levels are benchmarked w ith a national peer group of other not-for-profit healthcare systems and hospitals of similar size and complexity to AHS and each of its affiliated entities The follow ing principles guide the establishment of individual executive compensation - The salary of the President/CEO of AHS w ill not exceed the 40th percentile of comparable salaries paid by similarly situated organizations, and - Other executive salaries shall be established using market medians The compensation philosophy, policies, and practices of AHSSHC are consistent w ith the organization's faith-based mssion and conform to applicable law s, regulations, and business practices As a faith-based organization sponsored by the Seventh-day Adventist Church (the Church), AHSSHC's philosophy and principles w ith respect to its executive compensation practices reflect the conservative approach of the Church's mission of service and w ere developed in counsel w ith the Church's leadership

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		The financial statements of the filing organization are not generally made available to the public as a w hole As noted previously in our responses to question 6 of Section A of Part VI of this Form 990, the filing organization has tw o members As neither member is considered to control the filing organization, the financial statements of the filing organization are not consolidated w ithin the financial statements of either member Each member accounts for its proportionate ow nership share of the equity of the filing organization in its financial statements The filing organization does not generally make its governing documents or conflict of interest policy available to the public

Identifier	Return Reference	Explanation
Part VI, Section A, Line 1a		The government and management of the affairs of Takoma Regional Hospital (TRH) is vested in its Board of Directors The Board of Directors has supervision, control and direction of the management, affairs and property of the corporation, shall determne its policies and periodically review them, and shall actively pursue its policies and objectives and supervise the disbursement of its funds The Board of Directors is composed of six individuals and votes on all matters that come before this governing body The Bylaw s of TRH also provide for a Hospital Community Board that may include up to fifteen voting members The Hospital Community Board is appointed by the members of TRH, namely Adventist Health System/Sunbelt, Inc and Wellmont Health System The Hospital Community Board is responsible to oversee the operation of the Hospital and possesses all pow er related to the medical staff of the Hospital, including the pow er to approve all Bylaw s, rules and regulations w ith respect to the medical staff