



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



Form 990

## Return of Organization Exempt From Income Tax

2009

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

## A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010

<b>B</b> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization COMMUNITY UNITED METHODIST HOSPITAL INC  <b>D</b> Employer identification number 61-0461753	<b>E</b> Telephone number (270) 827-7517	<b>F</b> Name and address of principal officer BRUCE BEGLEY PO BOX 48 HENDERSON, KY 424190048	<b>G</b> Gross receipts \$ 145,078,625				
					<b>C</b> Name of organization COMMUNITY UNITED METHODIST HOSPITAL INC  <b>D</b> Employer identification number 61-0461753			
						<b>E</b> Telephone number (270) 827-7517		
							<b>F</b> Name and address of principal officer BRUCE BEGLEY PO BOX 48 HENDERSON, KY 424190048	
								<b>G</b> Gross receipts \$ 145,078,625

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

J Website: ► METHODISTHOSPITAL.NET

K Form of organization  Corporation  Trust  Association  Other ► L Year of formation 1948 M State of legal domicile KY

## Part I Summary

1	Briefly describe the organization's mission or most significant activities IN LINE WITH ITS CHRISTIAN HERITAGE, TO PROVIDE A BROAD BASED HEALTHCARE DELIVERY SYSTEM FOCUSING ON THE COMPASSIONATE, HIGH QUALITY AND COST EFFECTIVE SERVICES THAT ADDRESS MENTAL, SPIRITUAL AND PHYSICAL NEEDS		
2	Check this box ► if the organization discontinued its operations or disposed of more than 25% of its net assets		
3	Number of voting members of the governing body (Part VI, line 1a) . . . . .	3	36
4	Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	4	34
5	Total number of employees (Part V, line 2a) . . . . .	5	1,518
6	Total number of volunteers (estimate if necessary) . . . . .	6	68
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12 . . . . .	7a	11,110
7b	Net unrelated business taxable income from Form 990-T, line 34 . . . . .		

8	Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year	Current Year
9	Program service revenue (Part VIII, line 2g) . . . . .	251,948	842,716
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	148,344,797	141,539,984
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) . . . . .	1,215,526	141,992
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	2,054,994	2,481,043
		151,867,265	145,005,735

13	Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .	191,864	203,309
14	Benefits paid to or for members (Part IX, column (A), line 4) . . . . .		0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) . . . . .	71,320,768	70,593,072
16a	Professional fundraising fees (Part IX, column (A), line 11e) . . . . .		0
b	Total fundraising expenses (Part IX, column (D), line 25) ► 0		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) . . . . .	74,088,727	72,284,226
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) . . . . .	145,601,359	143,080,607
19	Revenue less expenses Subtract line 18 from line 12 . . . . .	6,265,906	1,925,128

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16) . . . . .	166,424,953	157,823,204
21	Total liabilities (Part X, line 26) . . . . .	106,494,439	92,457,912
22	Net assets or fund balances Subtract line 21 from line 20 . . . . .	59,930,514	65,365,292

Part II Signature Block			
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge			
Sign Here	***** Signature of officer BRUCE BEGLEY CEO Type or print name and title	2011-05-12 Date	

Paid Preparer's Use Only	Preparer's signature ► S MARTIN MCELROY JR CPA Firm's name (or yours if self-employed), address, and ZIP + 4 ► MCELROY MITCHELL & ASSOCIATES LLP PO BOX 528 MORGANFIELD, KY 424370528	Date 2011-05-13	Check if self-employed ► <input type="checkbox"/>	Preparer's identifying number (see instructions) EIN ► Phone no ► (270) 389-1239
May the IRS discuss this return with the preparer shown above? (see instructions) . . . . .				✓ Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

### **Part III Statement of Program Service Accomplishments**

1 Briefly describe the organization's mission

IN LINE WITH ITS CHRISTIAN HERITAGE, TO PROVIDE A BROAD BASED HEALTHCARE DELIVERY SYSTEM FOCUSING ON THE COMPASSIONATE, HIGH QUALITY AND COST EFFECTIVE SERVICES THAT ADDRESS MENTAL, SPIRITUAL AND PHYSICAL NEEDS

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 \$ 114,011,083 including grants of \$ 203,309 ) (Revenue \$ 144,006,174

METHODIST HOSPITAL IS AN ACUTE CARE HOSPITAL IN HENDERSON, KY WITH 216 LICENSED BEDS. IN 2010, MH SERVED 5,296 INPATIENTS FOR A TOTAL OF 25,071 INPATIENT DAYS OF SERVICE. MH ALSO PROVIDED 229,961 OUTPATIENT VISITS WHICH INCLUDED 26,413 EMERGENCY ROOM VISITS. UNION COUNTY METHODIST HOSPITAL IS A CRITICAL CARE HOSPITAL IN UNION COUNTY, KY. IN 2010, UCMH SERVED 643 INPATIENTS FOR A TOTAL OF 4,336 INPATIENT DAYS. UCMH ALSO PROVIDED 21,540 OUTPATIENT VISITS WHICH INCLUDED 9,166 EMERGENCY ROOM VISITS.

**4b** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$

**4c** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$

**4d** Other program services (Describe in Schedule O)

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

4e Total program service expenses \$ 114,011,083

**Part IV Checklist of Required Schedules**

**1** Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A

**2** Is the organization required to complete Schedule B, Schedule of Contributors?

**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

**4** **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II

**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

**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

**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

**8** Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III

**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

**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

**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. 

- 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

**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

**13** Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

**14a** Did the organization maintain an office, employees, or agents outside of the United States?

**b** Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I

**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

**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

**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

**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

**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

**20** Did the organization operate one or more hospitals? If "Yes," complete Schedule H

	Yes	No
<b>1</b>	Yes	
<b>2</b>	Yes	
<b>3</b>		No
<b>4</b>		No
<b>5</b>		
<b>6</b>		No
<b>7</b>		No
<b>8</b>		No
<b>9</b>		No
<b>10</b>		No
<b>11</b>	Yes	
<b>12</b>	Yes	
<b>12a</b>	No	
<b>13</b>		No
<b>14a</b>		No
<b>14b</b>		No
<b>15</b>		No
<b>16</b>		No
<b>17</b>		No
<b>18</b>		No
<b>19</b>		No
<b>20</b>	Yes	

**Part IV Checklist of Required Schedules (continued)**

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	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? If "Yes," complete Schedule I, Parts I and III	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No	
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	No	
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No	
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	No	
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	No	
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	Yes	
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)	28a	Yes	
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	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? If "Yes," complete Schedule L, Part IV	29	No	
30	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30	No	
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	No	
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	No	
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33	No	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35	No	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	No	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	No	
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	38	Yes	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
<b>1a</b>	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	<b>1a</b>	240
<b>1b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	<b>1b</b>	0
<b>1c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<b>1c</b>	Yes
<b>2a</b>	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	<b>2a</b>	1,518
<b>2b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	<b>2b</b>	Yes
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	<b>3a</b>	Yes
<b>3b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	<b>3b</b>	Yes
<b>4a</b>	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)?	<b>4a</b>	No
<b>4b</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	<b>4b</b>	
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>	No
<b>5b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>	No
<b>5c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	<b>5c</b>	
<b>6a</b>	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?	<b>6a</b>	No
<b>6b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>	<b>7a</b>	No
<b>7b</b>		<b>7b</b>	
<b>7c</b>		<b>7c</b>	No
<b>7d</b>	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?	<b>7d</b>	
<b>7e</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7e</b>	No
<b>7f</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7f</b>	No
<b>7g</b>	If "Yes," indicate the number of Forms 8282 filed during the year	<b>7g</b>	No
<b>7h</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7h</b>	No
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<b>8</b>	
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>	<b>9a</b>	
<b>9b</b>	Did the organization make any taxable distributions under section 4966?	<b>9b</b>	
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter	<b>10a</b>	
<b>10b</b>	Initiation fees and capital contributions included on Part VIII, line 12	<b>10b</b>	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter	<b>11a</b>	
<b>11b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	<b>11b</b>	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>12b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>	

**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
<b>1a</b> Enter the number of voting members of the governing body . . .	<b>1a</b>	36	
<b>b</b> Enter the number of voting members that are independent . . .	<b>1b</b>	34	
<b>2</b> 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? . . . . .	<b>2</b>	Yes	
<b>3</b> 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? . . . . .	<b>3</b>		No
<b>4</b> Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . . . .	<b>4</b>		No
<b>5</b> Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .	<b>5</b>		No
<b>6</b> Does the organization have members or stockholders? . . . . .	<b>6</b>	Yes	
<b>7a</b> Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	<b>7a</b>		No
<b>b</b> Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	<b>7b</b>		No
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
<b>a</b> The governing body? . . . . .	<b>8a</b>	Yes	
<b>b</b> Each committee with authority to act on behalf of the governing body? . . . . .	<b>8b</b>	Yes	
<b>9</b> 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 . . . . .	<b>9</b>		No

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

		Yes	No
<b>10a</b> Does the organization have local chapters, branches, or affiliates? . . . . .	<b>10a</b>		No
<b>b</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? . . . . .	<b>10b</b>		
<b>11</b> Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? . . . . .	<b>11</b>		No
<b>11A</b> Describe in Schedule O the process, if any, used by the organization to review the Form 990 . . . . .			
<b>12a</b> Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	<b>12a</b>	Yes	
<b>b</b> Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	<b>12b</b>	Yes	
<b>c</b> Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	<b>12c</b>	Yes	
<b>13</b> Does the organization have a written whistleblower policy? . . . . .	<b>13</b>	Yes	
<b>14</b> Does the organization have a written document retention and destruction policy? . . . . .	<b>14</b>	Yes	
<b>15</b> 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?			
<b>a</b> The organization's CEO, Executive Director, or top management official . . . . .	<b>15a</b>	Yes	
<b>b</b> Other officers or key employees of the organization . . . . .	<b>15b</b>	Yes	
If "Yes" to line a or b, describe the process in Schedule O (See instructions )			
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	<b>16a</b>	Yes	
<b>b</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? . . . . .	<b>16b</b>		No

### Section C. Disclosure

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

**18** Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply  
 Own website  Another's website  Upon request

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

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization  METHODIST HOSPITAL  
 PO BOX 48  
 1305 NORTH ELM ST  
 HENDERSON, KY 424190048  
 (270) 827-7502

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

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

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

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

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

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

<b>1b Total</b>	4,735,966		264,162
-----------------	-----------	--	---------

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **38**

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

## Section B. Independent Contractors

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

<b>(A)</b> Name and business address	<b>(B)</b> Description of services	<b>(C)</b> Compensation
INDIANA MEDICAL PHYSICIANS PLLC 10346 WILMINGTON DRIVE EVANSVILLE, IN 47725	PROF/DIR FEES	1,438,793
WYATT TARRANT & COMBS LLP 500 WEST JEFFERSON STREET PNC PLAZA SUITE 2800 LOUISVILLE, KY 40202	LEGAL SERVICES	909,993
STAFF CARE INC 222 W LAS COLINAS BLVD SUITE 1230 IRVING, TX 75039	TEMP LABOR	647,773
GREGORY WHITE MD 1300 S BURKHARDT RD EVANSVILLE, IN 47715	ANESTHESIOLOGY	610,000
BLUE & CO LLC PO BOX 627 SEYMORE, IN 47274	ACCOUNTING SERV	547,064
<b>2</b> Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization <b>31</b>		

**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
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>				
	<b>b</b> Membership dues . . . . .	<b>1b</b>				
	<b>c</b> Fundraising events . . . . .	<b>1c</b>				
	<b>d</b> Related organizations . . . . .	<b>1d</b>	830,856			
	<b>e</b> Government grants (contributions)	<b>1e</b>				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	11,860			
	<b>g</b> Noncash contributions included in lines 1a-1f \$ _____					
	<b>h</b> <b>Total.</b> Add lines 1a-1f . . . . .		842,716			
<b>Program Service Revenue</b>	PATIENT SERVICES		Business Code			
				141,539,984		141,539,984
	<b>f</b> All other program service revenue					
	<b>g</b> <b>Total.</b> Add lines 2a-2f . . . . .		141,539,984			
<b>3</b> Investment income (including dividends, interest and other similar amounts) . . . . .		148,890			148,890	
<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .						
<b>5</b> Royalties . . . . .						
<b>6a</b> Gross Rents	(i) Real	(ii) Personal				
<b>b</b> Less rental expenses	22,178					
<b>c</b> Rental income or (loss)	22,178					
<b>d</b> Net rental income or (loss) . . . . .			22,178		22,178	
<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
<b>b</b> Less cost or other basis and sales expenses		65,992				
<b>c</b> Gain or (loss)		72,890				
<b>d</b> Net gain or (loss) . . . . .		-6,898		-6,898	-6,898	
<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .						
<b>b</b> Less direct expenses . . . . .	<b>b</b>					
<b>c</b> Net income or (loss) from fundraising events . . . . .						
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .						
<b>b</b> Less direct expenses . . . . .	<b>b</b>					
<b>c</b> Net income or (loss) from gaming activities . . . . .						
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .						
<b>b</b> Less cost of goods sold . . . . .	<b>b</b>					
<b>c</b> Net income or (loss) from sales of inventory . . . . .						
<b>Miscellaneous Revenue</b>	Business Code					
<b>11a</b> <b>HEALTH CARE MANAGEMENT</b>		671,478			671,478	
<b>b</b> <b>MISCELLANEOUS REVENUE</b>		659,529			659,529	
<b>c</b> <b>CAFETERIA REVENUE</b>		618,730			618,730	
<b>d</b> All other revenue . . . . .		509,128	152,633	11,110	345,385	
<b>e</b> <b>Total.</b> Add lines 11a-11d . . . . .		2,458,865				
<b>12</b> <b>Total revenue.</b> See Instructions . . . . .		145,005,735	145,735	11,110	144,006,174	

**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	16,000	16,000		
2 Grants and other assistance to individuals in the U S See Part IV, line 22	187,309	187,309		
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 . . . . .	1,936,481	321,970	1,614,511	
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	48,508,283	40,131,612	8,376,671	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	5,197,789	4,158,231	1,039,558	
9 Other employee benefits . . . . .	11,209,351	8,988,027	2,221,324	
10 Payroll taxes . . . . .	3,741,168	2,992,934	748,234	
11 Fees for services (non-employees)				
a Management . . . . .				
b Legal . . . . .	2,308,719	872,769	1,435,950	
c Accounting . . . . .				
d Lobbying . . . . .				
e Professional fundraising See Part IV, line 17 . . . . .				
f Investment management fees . . . . .				
g Other . . . . .	5,944,796	5,648,488	296,308	
12 Advertising and promotion . . . . .	761,412	53,683	707,729	
13 Office expenses . . . . .				
14 Information technology . . . . .				
15 Royalties . . . . .				
16 Occupancy . . . . .	1,900,631	347,140	1,553,491	
17 Travel . . . . .	134,608	101,306	33,302	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
19 Conferences, conventions, and meetings . . . . .				
20 Interest . . . . .	3,331,791		3,331,791	
21 Payments to affiliates . . . . .				
22 Depreciation, depletion, and amortization . . . . .	7,497,996	7,468,107	29,889	
23 Insurance . . . . .	2,592,310	342,679	2,249,631	
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	21,390,964	21,390,964		
b SUPPLIES	14,008,922	13,144,860	864,062	
c EQUIPMENT RENTAL & MAINT	3,484,045	2,936,244	547,801	
d KY PROVIDER TAX	2,285,346	2,285,346		
e PURCHASED SERVICES	1,633,639	1,545,332	88,307	
f All other expenses	5,009,047	1,078,082	3,930,965	
25 Total functional expenses. Add lines 1 through 24f	143,080,607	114,011,083	29,069,524	0
26 Joint costs. Check here <input checked="" 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**

		<b>(A)</b> Beginning of year	<b>(B)</b> End of year
Assets	1 Cash—non-interest-bearing . . . . .	7,516,278	<b>1</b> 12,211,542
	2 Savings and temporary cash investments . . . . .	18,366,695	<b>2</b> 15,987,693
	3 Pledges and grants receivable, net . . . . .	3	
	4 Accounts receivable, net . . . . .	32,220,018	<b>4</b> 26,465,330
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .	86,149	<b>5</b> 57,432
	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 . . . . .	1,110,880	<b>7</b> 1,695,773
	8 Inventories for sale or use . . . . .	1,641,882	<b>8</b> 1,770,976
	9 Prepaid expenses and deferred charges . . . . .	1,505,906	<b>9</b> 1,257,374
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	164,812,224	
	<b>10a</b>	92,169,976	
	<b>10b</b> Less accumulated depreciation . . . . .	74,391,277	<b>10c</b> 90,420,947
	11 Investments—publicly traded securities . . . . .	11	
	12 Investments—other securities See Part IV, line 11 . . . . .	3,671,004	<b>12</b> 3,665,919
	13 Investments—program-related See Part IV, line 11 . . . . .	13	
	14 Intangible assets . . . . .	14	
	15 Other assets See Part IV, line 11 . . . . .	8,136,165	<b>15</b> 4,290,218
	<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	166,424,953	<b>16</b> 157,823,204
Liabilities	17 Accounts payable and accrued expenses . . . . .	15,169,437	<b>17</b> 12,633,948
	18 Grants payable . . . . .	18	
	19 Deferred revenue . . . . .	19	
	20 Tax-exempt bond liabilities . . . . .	45,040,584	<b>20</b> 50,116,188
	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 . . . . .	15,214,610	<b>23</b> 77,178
	24 Unsecured notes and loans payable to unrelated third parties . . . . .	24	
	25 Other liabilities Complete Part X of Schedule D . . . . .	31,069,808	<b>25</b> 29,630,598
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	106,494,439	<b>26</b> 92,457,912
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>		
	27 Unrestricted net assets . . . . .	59,930,514	<b>27</b> 65,365,292
	28 Temporarily restricted net assets . . . . .	28	
	29 Permanently restricted net assets . . . . .	29	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>		
	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 . . . . .	59,930,514	<b>33</b> 65,365,292
	<b>34 Total liabilities and net assets/fund balances . . . . .</b>	166,424,953	<b>34</b> 157,823,204

**Part XI Financial Statements and Reporting**

**1** Accounting method used to prepare the Form 990       Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O

**2a** Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .

**b** Were the organization's financial statements audited by an independent accountant? . . . . .

**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  
 Separate basis       Consolidated basis       Both consolidated and separated basis

**3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .

**b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . . . .

	Yes	No
<b>2a</b>		No
<b>2b</b>	Yes	
<b>2c</b>	Yes	
<b>3a</b>		No
<b>3b</b>		

2009

Open to Public  
Inspection**SCHEDULE A**  
(Form 990 or 990EZ)**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.

Department of the Treasury  
Internal Revenue ServiceName of the organization  
COMMUNITY UNITED METHODIST  
HOSPITAL INC

Employer identification number

61-0461753

**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

e  **a**  Type I      **b**  Type II      **c**  Type III - Functionally integrated      **d**  Type III - Other

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 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	
<b>Total</b>									

**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 <b>Total.</b> 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 <b>Public Support.</b> 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 <b>Total support</b> (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 <b>First Five Years</b> 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 <b>stop here</b>						►

**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 <b>33 1/3% support test—2009.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization		►
b <b>33 1/3% support test—2008.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization		►
17a <b>10%-facts-and-circumstances test—2009.</b> 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 <b>stop here</b> . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization		►
b <b>10%-facts-and-circumstances test—2008.</b> 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 <b>stop here</b> . Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization		►
18 <b>Private Foundation</b> If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		►

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

**Section A. Public Support**

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

**Section B. Total Support**

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>13 Total support</b> (Add lines 9, 10c, 11 and 12 )						
<b>14 First Five Years</b> 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 <b>stop here</b>						

**Section C. Computation of Public Support Percentage**

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

**Section D. Computation of Investment Income Percentage**

17 Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18
<b>19a 33 1/3% support tests—2009.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization	
<b>b 33 1/3% support tests—2008.</b> 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 <b>stop here</b> . The organization qualifies as a publicly supported organization	
<b>20 Private Foundation</b> 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

---

2009

Open to Public  
Inspection**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.

Department of the Treasury  
Internal Revenue Service**Name of the organization**  
COMMUNITY UNITED METHODIST  
HOSPITAL INC**Employer identification number**

61-0461753

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?  Yes  No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  Yes  No

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

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

Preservation of land for public use (e.g., recreation or pleasure)  Preservation of an historically importantly land area

Protection of natural habitat  Preservation of a certified historic structure

Preservation of open space

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

	Held at the End of the Year
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 ► \$ \_\_\_\_\_

**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

	<b>Amount</b>
<b>1c</b>	
<b>1d</b>	
<b>1e</b>	
<b>1f</b>	

**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.

	<b>(a) Current Year</b>	<b>(b) Prior Year</b>	<b>(c) Two Years Back</b>	<b>(d) Three Years Back</b>	<b>(e) Four Years Back</b>
<b>1a</b> Beginning of year balance . . . . .					
<b>b</b> Contributions . . . . .					
<b>c</b> Investment earnings or losses . . . . .					
<b>d</b> Grants or scholarships . . . . .					
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> 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 . . . . .  Yes  No

**(ii)** related organizations . . . . .  Yes  No

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

<b>Yes</b>	<b>No</b>
3a(i)	No
3a(ii)	No
3b	No

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

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

	<b>Description of investment</b>	<b>(a) Cost or other basis (investment)</b>	<b>(b) Cost or other basis (other)</b>	<b>(c) Accumulated depreciation</b>	<b>(d) Book value</b>
<b>1a</b> Land . . . . .		884,356			884,356
<b>b</b> Buildings . . . . .		97,603,208	30,650,849		66,952,359
<b>c</b> Leasehold improvements . . . . .		1,765,573		976,559	789,014
<b>d</b> Equipment . . . . .		63,718,745	42,763,869		20,954,876
<b>e</b> Other . . . . .		840,342			840,342
<b>Total.</b> Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . .					90,420,947

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

<b>(a) Description of security or category (including name of security)</b>	<b>(b) Book value</b>	<b>(c) Method of valuation Cost or end-of-year market value</b>
Financial derivatives		
Closely-held equity interests		
Other		
	</	

**Total.** (Column (b) should equal Form 990, Part X, col (B) line 12)

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

**Total.** (Column (b) should equal Form 990, Part X, col (B) line 13.)

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

---

**Total.** (Column (b) should equal Form 990, Part X, col.(B) line 15.)

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

**Total. (Column (b) should equal Form 990, Part X, col (B) line 25 )** **29,630,598**

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	145,005,735
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	143,080,607
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	1,925,128
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	3,528,573
9	Total adjustments (net) Add lines 4 - 8	9	3,528,573
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	5,453,701

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

1	Total revenue, gains, and other support per audited financial statements	1	148,814,284
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	4,395,208
e	Add lines 2a through 2d	2e	4,395,208
3	Subtract line 2e from line 1	3	144,419,076
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	586,659
c	Add lines 4a and 4b	4c	586,659
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 )	5	145,005,735

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

1	Total expenses and losses per audited financial statements	1	143,360,583
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	279,976
e	Add lines 2a through 2d	2e	279,976
3	Subtract line 2e from line 1	3	143,080,607
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 )	5	143,080,607

**Part XIV Supplemental Information**

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

Identifier	Return Reference	Explanation
RECONCILIATION OF CHANGES - OTHER	SCHEDULE D, PAGE 4, PART XI, LINE 8	CHANGE IN UNFUNDED PENSION LIABILITY (FASB 158 ADJUST) 4,395,208 CHANGE IN FOUNDATION NET ASSETS (FASB 136 ADJUST) -587,228 UNRELATED FEDERAL BUSINESS LOSS FROM PREMIER PURCH K-1 -11,110 NET INVESTMENT GAIN/LOSS FROM GENESIS HEALTH ALLIANCE K-1 -1,056 NET INVESTMENT GAIN/LOSS FROM KY HOMECARE OF HENDERSON K-1 -7 NET INVESTMENT GAIN/LOSS FROM PREMIER PURCH PARTNERS K-1 12,742 EXPENSES FROM ENTITIES FILING SEPERATE RETURNS INCLUDED 0 IN CONSOLIDATED AUDITED FINANCIAL STATEMENTS -279,976
REVENUE AMOUNTS INCLUDED IN FINANCIALS - OTHER	SCHEDULE D, PAGE 4, PART XII, LINE 2D	CHANGE IN UNFUNDED PENSION LIABILITY (FASB 158 ADJUST) 4,395,208
REVENUE AMOUNTS INCLUDED ON RETURN - OTHER	SCHEDULE D, PAGE 4, PART XII, LINE 4B	CHANGE IN FOUNDATION NET ASSETS (FASB 136 ADJUST) 587,228 UNRELATED FEDERAL BUSINESS LOSS FROM PREMIER PURCH K-1 11,110 NET INVESTMENT GAIN/LOSS FROM GENESIS HEALTH ALLIANCE K-1 1,056 NET INVESTMENT GAIN/LOSS FROM KY HOMECARE OF HENDERSON K-1 7 NET INVESTMENT GAIN/LOSS FROM PREMIER PURCH PARTNERS K-1 -12,742
EXPENSE AMOUNTS INCLUDED IN FINANCIALS - OTHER	SCHEDULE D, PAGE 4, PART XIII, LINE 2D	EXPENSES FROM ENTITIES FILING SEPERATE RETURNS INCLUDED 0 IN CONSOLIDATED AUDITED FINANCIAL STATEMENTS 279,976

2009

Open to Public  
InspectionSCHEDULE 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.

Name of the organization  
COMMUNITY UNITED METHODIST  
HOSPITAL INC

Employer identification number

61-0461753

## Part I Charity Care and Certain Other Community Benefits at Cost

**1a** Does the organization have a charity care policy? If "No," skip to question 6a . . . . .

**b** If "Yes," is it a written policy? . . . . .

**2** If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals

Applied uniformly to all hospitals  Applied uniformly to most hospitals  
 Generally tailored to individual hospitals

**3** Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients

**a** Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care

100%  150%  200%  Other \_\_\_\_\_

**b** Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . .

200%  250%  300%  350%  400%  Other \_\_\_\_\_

**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"? . . . . .

**5a** Does the organization budget amounts for free or discounted care provided under its charity care policy? . . . . .

**b** If "Yes," did the organization's charity care expenses exceed the budgeted amount? . . . . .

**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? . . . . .

**6a** Does the organization prepare an annual community benefit report? . . . . .

**6b** If "Yes," does the organization make it available to the public? . . . . .

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H

	Yes	No
<b>1a</b>	Yes	
<b>1b</b>	Yes	
<b>3a</b>	Yes	
<b>3b</b>	Yes	
<b>4</b>	Yes	
<b>5a</b>	Yes	
<b>5b</b>	Yes	
<b>5c</b>		No
<b>6a</b>	Yes	
<b>6b</b>	Yes	

## 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
<b>a</b> Charity care at cost (from Worksheets 1 and 2) . . . . .	2		3,043,026	1,997,480	1,045,546	0 860 %
<b>b</b> Unreimbursed Medicaid (from Worksheet 3, column a) . . . . .	2		19,654,077	12,868,888	6,785,189	5 580 %
<b>c</b> Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b) . . . . .						
<b>d Total</b> Charity Care and Means-Tested Government Programs . . . . .	4		22,697,103	14,866,368	7,830,735	6 440 %
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) . . . . .	123	6,092	550,954	109,226	441,728	0 360 %
<b>f</b> Health professions education (from Worksheet 5) . . . . .	7	3,052	776,864	189,284	587,580	0 480 %
<b>g</b> Subsidized health services (from Worksheet 6) . . . . .						
<b>h</b> Research (from Worksheet 7) . . . . .						
<b>i</b> Cash and in-kind contributions to community groups (from Worksheet 8) . . . . .	113	109,756	48,793		48,793	0 040 %
<b>j Total</b> Other Benefits . . . . .	243	118,900	1,376,611	298,510	1,078,101	0 880 %
<b>k Total</b> Add lines 7d and 7j . . . . .	247	118,900	24,073,714	15,164,878	8,908,836	7 320 %

**Part II Community Building Activities** Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
<b>1</b> Physical improvements and housing						
<b>2</b> Economic development	2		15,245		15,245	0 010 %
<b>3</b> Community support						
<b>4</b> Environmental improvements						
<b>5</b> Leadership development and training for community members						
<b>6</b> Coalition building	2		7,806		7,806	0 010 %
<b>7</b> Community health improvement advocacy	2		2,086		2,086	
<b>8</b> Workforce development	1		1,841		1,841	
<b>9</b> Other						
<b>10 Total</b>	7		26,978		26,978	0 020 %

**Part III Bad Debt, Medicare, & Collection Practices**
**Section A. Bad Debt Expense**

1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15? . . . . .

2 Enter the amount of the organization's bad debt expense (at cost) . . . . .

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 . . . . .

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

	Yes	No
<b>1</b>	Yes	
<b>2</b>	7,186,749	
<b>3</b>	2,491,707	
<b>4</b>		
<b>5</b>	23,971,929	
<b>6</b>	32,162,958	
<b>7</b>	-8,191,029	
<b>9a</b>	Yes	
<b>9b</b>		No

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME) . . . . .

6 Enter Medicare allowable costs of care relating to payments on line 5 . . . . .

7 Subtract line 6 from line 5 This is the surplus or (shortfall) . . . . .

8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used

Cost accounting system  Cost to charge ratio  Other

**Section C. Collection Practices**

9a Does the organization have a written debt collection policy? . . . . .

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 . . . . .

**Part IV Management Companies and Joint Ventures**

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

**Part V Facility Information**

Name and address

Other  
(Describe)

ER-other

ER-24 hours

Research facility

Critical access hospital

Teaching hospital

Children's hospital

General medical &amp; surgical

Licensed hospital

See Additional Data Table

**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

HOSPITAL IS A COVENANT MEMBER WITH GREEN RIVER AREA DISTRICT DEVELOPMENT THAT ASSESSES THE HEALTH CARE NEEDS OF THE COMMUNITIES SERVED THE MISSION IS TO IMPROVE THE HEALTH AND QUALITY OF LIFE WITHIN OUR REGION THROUGH EDUCATION, MOTIVATION AND EVALUATION

**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

HOSPITAL IS CONTRACTED WITH AN OUTSIDE ORGANIZATION TO INTERVIEW IDENTIFIED PATIENTS WHO MAY HAVE A FINANCIAL NEED THE PROCESS IS PART OF PATIENT REGISTRATION AN INTERVIEW OR CONTACT CAN/IS CONDUCTED ANYTIME UP TO THE ALLOWABLE TIME FRAME SET BY THE STATE MEDICAID

**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

HOSPITAL PERFORMS CHOLESTEROL AND BLOOD PRESSURE SCREENINGS MONTHLY AT VARIOUS NURSING HOMES IN THE COUNTIES SERVED TO HELP PREVENT UNDETECTED MEDICAL ISSUES AND PREVENT FURTHER COMPLICATIONS WITH THE ELDERLY ALSO, AS PART OF COMMUNITY BUILDING ACTIVITIES, VARIOUS HOSPITAL ADMINISTRATION STAFF VOLUNTEER TIME AS BOARD MEMBERS OR MEMBERS OF COMMUNITY ORGANIZATIONS AND COALITIONS TO KEEP ABREAST OF HEALTH CARE NEEDS, CONCERNS AND ISSUES WITHIN THE AREA

**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

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

KY

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 61-0461753  
**Name:** COMMUNITY UNITED METHODIST HOSPITAL INC

**Form 990 Schedule H, Part V - Facility Information**

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-other	Other (Describe)
METHODIST HOSPITAL 1305 N ELM STREET HENDERSON, KY 42420					X			
METHODIST HOSPITAL UNION COUNTY 4604 US HWY 60 WEST MORGANFIELD, KY 42437				X	X			
MH IMPERIAL LAB & X-RAY 110 THIRD STREET HENDERSON, KY 42420								
MH ATKINSON LAB DRAW 1413 N ELM STREET STE 103 HENDERSON, KY 42420								
MH PRIMARY CARE CENTER 700 MARTIN LUTHER KING BLVD HENDERSON, KY 42420								
CONTINUITY CARE CLINIC 1305 N ELM STREET HENDERSON, KY 42420								
MH HOME MEDICAL EQUIPMENT 426 N ELM STREET HENDERSON, KY 42420								
METHODIST WOMEN'S HEALTH SERVICES 736 N ELM STREET HENDERSON, KY 42420								
METHODIST FAMILY PRACTICE 1284 US HWY 60 WEST MORGANFIELD, KY 42437								
METHODIST ORTHOPEDIC SERVICES 471 KLUETEY PARK PLAZA HENDERSON, KY 42420								
METHODIST FAMILY MEDICINE-SEBREE 47 W WEBSTER STREET SEBREE, KY 42455								
WEBSTER COUNTY FAMILY MEDICINE 1355 HWY 41-A SOUTH DIXON, KY 42409								
METHODIST FAMILY MEDICINE-HENDERSON 110 THIRD STREET SUITE 250 HENDERSON, KY 42420								
METHODIST FAMILY MEDICINE- EAST 411 LETCHER STREET HENDERSON, KY 42420								
METHODIST FAMILY MEDICINE- 8TH ST SUITES 1 & 4 319 EIGHTH STREET HENDERSON, KY 42420								
METHODIST FAMILY MEDICINE- ELM ST 1413 N ELM STREET SUITE 204 HENDERSON, KY 42420								
METHODIST FAMILY MEDICINE- STURGIS 9064 US HWY 60 STURGIS, KY 42459								
METHODIST PEDIATRIC SERVICES 1997 BARRETT COURT HENDERSON, KY 42420								
OCCUPATIONAL MEDICINE 110 THIRD STREET SUITE 120 HENDERSON, KY 42420								
HEALTHCARE MANAGEMENT COORDINATORS 231 SECOND STREET 2ND FLOOR HENDERSON, KY 42420								
METHODIST HOSPITAL AUXILIARY 1305 NORTH ELM STREET HENDERSON, KY 42420								
KENTUCKY HOMECARE OF HENDERSON LLC 110 2ND STREET HENDERSON, KY 42420								

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

THE COST-TO-CHARGE RATIO WAS USED IN THE TABLE TO CALCULATE COST ASSOCIATED WITH BAD DEBT AND CHARITY CARE. THE RATIO WAS CALCULATED FROM WORKSHEET 2, RATIO OF PATIENT CARE COST-TO-CHARGES

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

BAD DEBT EXPENSE OF 21,390,964 WAS EXCLUDED FOR THE TOTAL EXPENSES AS REPORTED ON FORM 990, PART IX, LINE 25  
IN THE PERCENTAGE CALCULATION FOR COLUMN (F)

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

THE HOSPITAL HAS AGREEMENTS WITH THIRD-PARTY PAYORS THAT PROVIDE FOR PAYMENTS TO THE HOSPITAL AT AMOUNTS DIFFERENT FROM ITS ESTABLISHED RATES PAYMENT ARRANGEMENTS INCLUDE PROSPECTIVELY DETERMINED RATES PER DISCHARGE, REIMBURSED COSTS, DISCOUNTED CHARGES, AND PER DIEM PAYMENTS NET PATIENT SERVICE REVENUE IS REPORTED AT THE ESTIMATED NET REALIZABLE AMOUNTS FROM PATIENTS, THIRD-PARTY PAYORS, AND OTHERS FOR SERVICES RENDERED, INCLUDING ESTIMATED RETROACTIVE ADJUSTMENTS UNDER REIMBURSEMENT AGREEMENTS WITH THIRD-PARTY PAYORS RETROACTIVE ADJUSTMENTS ARE ACCRUED ON AN ESTIMATED BASIS IN THE PERIOD THE RELATED SERVICES ARE RENDERED AND ADJUSTED IN FUTURE PERIODS AS FINAL SETTLEMENTS ARE DETERMINED THE HOSPITAL ESTIMATES AN ALLOWANCE FOR UNCOLLECTIBLE PATIENT ACCOUNTS RECEIVABLE BASED ON EVALUATION OF THE AGING OF THE ACCOUNTS, HISTORICAL LOSSES, CURRENT ECONOMIC CONDITIONS, AND OTHER FACTORS UNIQUE TO THE SERVICE AREA AND THE HEALTHCARE INDUSTRY THE COSTING METHODOLOGY USED TO DETERMINE THE AMOUNTS REPORTED ON LINE 2 IS USING THE COST-TO-CHARGE RATIO THE RATIO WAS CALCULATED FROM WORKSHEET A, ESTIMATED BAD DEBT EXPENSE(AT COST)

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

MEDICARE ALLOWABLE COST WAS TAKEN DIRECTLY OFF MEDICARE COST REPORT FILED FOR 6/30/10 THE CALCULATION INCLUDED MEDICARE INPATIENT AND OUTPATIENT CHARGES LESS MEDICARE REIMBURSEMENT LESS GME RECEIVED THE SHORTFALL SHOULD BE TREATED AS COMMUNITY BENEFIT BECAUSE THE REIMBURSEMENT RECEIVED DID NOT COVER THE COST OF PROVIDING THESE SERVICES

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

HOSPITAL IS LOCATED IN THE GREEN RIVER AREA DEVELOPMENT DISTRICT (GRADD) IN THE NORTH WESTERN PORTION OF KENTUCKY ALONG THE OHIO RIVER AND DIVIDED BY THE GREEN RIVER ACCORDING TO KENTUCKY HOSPITAL STATISTICS, PUBLISHED IN 2010, THE TOTAL POPULATION OF GRADD IS APPROXIMATELY 211,708 AND IS PROJECTED TO HAVE MINOR GROWTH OF 1-2% OVER THE NEXT FIVE YEARS. METHODIST HOSPITALS PRIMARY SERVICE AREA COVERS PATIENTS FROM THE COUNTIES OF HENDERSON, UNION AND WEBSTER AND INCLUDES A SECONDARY MARKET OF PATIENTS FROM EACH OF THE SURROUNDING COUNTIES AND SOUTHERN INDIANA AND SOUTHERN ILLINOIS. THE TOTAL POPULATION IN THE PRIMARY AND SECONDARY SERVICE AREA IS APPROXIMATELY 75,000. THIS ORGANIZATION OWNS METHODIST HOSPITAL IN HENDERSON COUNTY AND METHODIST HOSPITAL UNION COUNTY, A CRITICAL ACCESS HOSPITAL IN UNION COUNTY, THE ONLY TWO HOSPITALS IN THE PRIMARY SERVICE AREA. THE PRIMARY SERVICE AREA INCLUDES DESIGNATED MEDICALLY UNDERSERVED COUNTIES AND METHODIST HOSPITAL PROVIDES PRIMARY CARE SERVICES IN THOSE AREAS, AS WELL.

METHODIST HOSPITAL, IN KEEPING WITH ITS CHRISTIAN HERITAGE, EXISTS TO PROVIDE A BROAD BASED HEALTHCARE DELIVERY SYSTEM IN PARTNERSHIP WITH OUR MEDICAL STAFF THE FOCUS WILL BE ON THE COMPASSIONATE, HIGH QUALITY, AND COST EFFECTIVE SERVICES THAT ADDRESS MENTAL, SPIRITUAL, AND PHYSICAL NEEDS, AND WORKS TO IMPROVE THE HEALTH STATUS OF THE PEOPLE IN THE COMMUNITIES THE MAJORITY OF COMMUNITY UNITED METHODIST HOSPITAL'S BOARD OF DIRECTORS IS COMPRISED OF INDIVIDUALS WHO LIVE AND WORK IN THE HOSPITAL SERVICES AREA THE HOSPITAL EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN THE COMMUNITY DURING THE FISCAL YEAR ENDED JUNE 30, 2010, COMMUNITY METHODIST HOSPITAL, INC, AS PART OF ITS MISSION CONTINUES TO PROVIDE UNCOMPENSATED CARE TO THE RESIDENTS OF THE AREA EXAMPLES OF SERVICES PROVIDED FOR THE BENEFIT OF THE COMMUNITY ARE AS FOLLOWS - ADULT AND PEDIATRIC CPR COURSES OFFERED FREE OR AT A NOMINAL COST - SMOKING CESSATION PROGRAM OFFERED AT NOMINAL COST TO PARTICIPANTS - CHILDBIRTH EDUCATION CLASSES (INCLUDING PREPARED CHILDBIRTH, BREAST FEEDING, ETC) OFFERED TO THE PUBLIC AT A NOMINAL COST - ON-GOING DIABETES SELF-CARE CLASSES OFFERED AT A NOMINAL OR NO CHARGE (INCLUDING SELF-CARE, BGM, INSULIN, AND GESTATIONAL) - OUTREACH PROGRAMS AT LOCAL ELEMENTARY AND JUNIOR HIGH SCHOOLS TO EDUCATE YOUNG PEOPLE ON A VARIETY OF TOPICS, INCLUDING CHEMICAL DEPENDENCY AND CHILDBIRTH - PROVIDE EDUCATION TO WOMEN'S ADDICTION RECOVERY MANOR CENTER 3-4 TIMES PER YEAR FOR EDUCATIONAL SESSIONS UPON REQUEST - BROCHURES ON A WIDE VARIETY OF MEDICAL TOPICS ARE AVAILABLE TO THE PUBLIC AT NO CHARGE - MULTI-DISCIPLINARY CONTINUING EDUCATION PROGRAMS FOR OTHER MEDICAL PROFESSIONALS AND ADMINISTRATIVE PERSONNEL - COMMUNITY EDUCATION PROGRAMS PROVIDED FREE TO THE PUBLIC ON VARIOUS HEALTHCARE TOPICS- STROKE, HEART ATTACK, DIABETES, ETC - PROMOTION OF HEALTHCARE PROFESSIONALS THROUGH ASSOCIATION WITH HENDERSON COMMUNITY COLLEGE AND MADISONVILLE KENTUCKY TECH RADIOLOGY TECHNOLOGY NURSING AND LABORATORY PROGRAMS AND WITH INTERNSHIPS AND CLINICAL AFFILIATIONS WITH OTHER UNIVERSITIES FOR PHARMACY, PHYSICAL THERAPY, RADIOLOGY, HEALTH CARE ADMINISTRATION AND DIETETICS - SAFE SITTER COURSE PROVIDED AT MINIMAL COST TO COVER SUPPLIES - FREE CHOLESTEROL SCREENINGS PROVIDED THE FIRST THURSDAY OF EVERY MONTH TO THE GENERAL PUBLIC - BLOOD PRESSURE SCREENINGS DONE MONTHLY AT PLEASANT POINT AND TWICE A YEAR AT SENIOR CITIZEN COMPLEXES - BLOOD SUGAR SCREENING PROVIDED MONTHLY AT PLEASANT POINT AND COLONIAL ASSISTED LIVING - HEALTH FAIRS ARE HELD FOR LOCAL INDUSTRY AS WELL AS THE GENERAL PUBLIC, PROVIDING A WIDE RANGE OF SCREENING TESTS AND EDUCATIONAL MATERIALS IN HENDERSON, UNION AND WEBSTER COUNTIES - SPEAKERS PROVIDED TO COMMUNITY ORGANIZATIONS FOR PRESENTATIONS ON SUCH HEALTHCARE TOPICS AS CANCER, ALZHEIMER'S DISEASE, BLOOD PRESSURE, CHOLESTEROL, ETC - WELLNESS PROGRAM OFFERED TO LOCAL BUSINESSES INCLUDES ON-SITE HEALTH FAIRS, RISK APPRAISAL, NURSE VISITS, AND EDUCATIONAL PROGRAMS - FLU SHOTS PROVIDED TO INDUSTRY AND SCHOOLS - DISCOUNT OF 50% OFFERED ON FIRST MAMMOGRAPHY SCREENING DURING BREAST CANCER AWARENESS MONTH - A DISCOUNT AGREEMENT WITH THE HEALTH DEPARTMENT ON MAMMOGRAPHY REFERRALS - NEONATAL SERVICES PROVIDED AT A REDUCED RATE FOR LOW-INCOME WOMEN - OUTPATIENT LACTATION CONSULTING FEES WAIVED FOR LOW-INCOME MOTHERS - HOST TWO BLOOD DRIVES AT THE HOSPITAL ON BEHALF OF RED CROSS - OSTEOPATHIC RESIDENCY CLINIC PROVIDED AT MINIMAL COST - METHODIST HOSPITAL SERVES AS A PRECEPTOR SITE FOR VARIOUS UNIVERSITIES AND COLLEGES FOR ADMINISTRATIVE, PHYSICAL AND OCCUPATIONAL THERAPIES, AND NURSING STUDENTS - HOSPITAL MANAGEMENT PARTICIPATES IN AND ROUTINELY DONATES USE OF THE HOSPITAL FACILITY TO VARIOUS NON-PROFIT COMMUNITY ORGANIZATIONS SUCH AS YMCA, SALVATION ARMY, UNITED WAY, JUNIOR PRO-BALL, ETC - PRESENTS ALTERNATIVE CARE DELIVERY MODELS TO LEADERSHIP HENDERSON - OPERATES A LICENSED PRIMARY CARE CENTER "CATCH" PROGRAM THAT PROVIDES DIRECT MEDICAL CARE TO CHILDREN WITHOUT ACCESS TO MEDICAL CARE THIS SERVICE IS LICENSED AT SIX SITES THROUGHOUT THE COMMUNITY, INCLUDING SCHOOLS, TREATED APPROXIMATELY 1,853 CHILDREN - EMPLOYEES ARE MEMBERS OF VARIOUS COMMUNITY ORGANIZATIONS AND REGULARLY ATTEND MEETINGS TO KEEP THEM ACTIVELY INVOLVED IN THE COMMUNITY A MERCIAN HEART ASSOCIATION, KENTUCKY CANCER PROGRAM, DIABETES COALITION, I AM YOUR HENDERSON CHILD, FOR EXAMPLE - ASSISTED IN PLANNING AND ORGANIZING OF VARIOUS ACTIVITIES FOR COMMUNITY ORGANIZATIONS RELAY FOR LIFE (AMERICAN CANCER SOCIETY), RACE FOR THE CURE (BREAST CANCER), JAIL & BAIL (MARCH OF DIMES), REGIONAL SENIOR GAMES - BUILDING, MAINTENANCE, COMPUTER EQUIPMENT, AND SOME MEDICAL EQUIPMENT PROVIDED TO THE HENDERSON CITY/COUNTY AMBULANCE SERVICE AT NO CHARGE - PROVIDE FOR TRANSPORTATION COSTS FOR PATIENTS NEEDING ASSISTANCE TO THEIR HOMES FROM THE HOSPITAL - CASH AND IN-KIND CONTRIBUTIONS TO SUPPORT VARIOUS OTHER NON-PROFITS LOCATED IN HENDERSON COUNTY, KY - CA

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

SH DONATION TO ECONOMIC DEVELOPMENT ENTITY TO FOSTER DEVELOPMENT IN THE AREA - SCHOLARSHIPS OFFERED TO NURSING, PHYSICAL THERAPY, RADIOLOGY AND PHARMACY STUDENTS - PARTICIPATION IN LOCAL CAREER DAYS TO PROVIDE INFORMATION ON HEALTH CAREERS TO HIGH SCHOOL, COLLEGE, AND TECHNICAL SCHOOL STUDENTS - HIGH SCHOOL AND COLLEGE STUDENTS GAIN VALUABLE EXPERIENCE THROUGH THE HEALTH CAREERS PROGRAM THAT PUTS THEM IN A HOSPITAL SETTING WHILE EXPLORING HEALTHCARE CAREERS - PRESENTATIONS MADE TO LOCAL HIGH SCHOOLS TO PROMOTE HEALTH CAREERS AND LECTURE ON HEALTHCARE TOPICS

**Schedule I  
(Form 990)**

## **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

2009

## Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

---

Name of the organization

**NAME OF THE ORGANIZATION**  
**COMMUNITY UNITED METHODIST**  
**HOSPITAL INC**

**Employer identification number**

61-0461753

## **Part I General Information on Grants and Assistance**

**Employer identification number**

61-0461753

**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.

**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.

<b>(a)</b> Type of grant or assistance	<b>(b)</b> Number of recipients	<b>(c)</b> Amount of cash grant	<b>(d)</b> Amount of non-cash assistance	<b>(e)</b> Method of valuation (book, FMV, appraisal, other)	<b>(f)</b> Description of non-cash assistance
HEALTHCARE SCHOLARSHIP	10	23,885			
RETROACTIVE SCHOLARSHIP	4	20,675			
EDUCATIONAL ASSISTANCE	55	138,949			
JOHN A LOGAN SCHOLARSHIP	2	3,800			

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

**Schedule J**  
(Form 990)**Compensation Information**

OMB No 1545-0047

**2009****Open to Public  
Inspection**Department of the Treasury  
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
**► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.**  
**► Attach to Form 990. ► See separate instructions.**

**Name of the organization**COMMUNITY UNITED METHODIST  
HOSPITAL INC**Employer identification number**

61-0461753

**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 type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<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 checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" 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

**4a** No

**a** Receive a severance payment or change-of-control payment?

**4b** No

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?

**4c** No

**c** Participate in, or receive payment from, an equity-based compensation arrangement?

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

**5a** No

**a** The 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

**6a** No

**a** The 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** Yes

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

**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	(i) (ii)	(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				
BEGLEY BRUCE D	(i) (ii)	388,391	79,560	23,571	8,332	12,322	512,176	
SPRAGUE DR ARNOLD III	(i) (ii)	221,377		38,500	6,432	13,823	280,132	
HEBBLER GREG	(i) (ii)	129,845	21,773	47,318	5,360	11,822	216,118	
PARK DAVID B	(i) (ii)	140,945		39,161	5,324	6,841	192,271	
MERIWETHER JOHN W	(i) (ii)	117,771	7,000	41,060	4,611	16,724	187,166	
MORGAN LOIS	(i) (ii)	109,040	16,672	29,653	4,791	12,562	172,718	
DONAHUE PATRICK S	(i) (ii)	124,344	18,442	11,237	3,029	11,603	168,655	
REID WILSON MD	(i) (ii)	451,888	443,235	33,000	16,500	17,024	961,647	
JAMES YELTON MD	(i) (ii)	438,305	241,623	38,500	24,338	18,024	760,790	
KRISTOPHER BEICKMAN MD	(i) (ii)	330,117	44,593	45,216	9,900	17,624	447,450	
PAUL MOORE MD	(i) (ii)	248,489	45,488	38,500	4,261	13,823	350,561	
VINROD D SONI MD	(i) (ii)	305,679		26,269		10,823	342,771	
LOGAN JOHN A III	(i) (ii)	194,667	60,691	144,046	4,694	3,575	407,673	

**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
FRINGE OR EXPENSE EXPLANATION	SCHEDULE J, PAGE 1, PART I, LINE 1A	SOCIAL CLUB DUES- PAID ON BEHALF OF THE HOSPITAL FOR THE CEO AT MH AND THE ADMINISTRATOR AT MHUC FOR PURPOSE OF RECRUITING PHYSICIANS' SPECIALTIES FOR THE HEALTHCARE ORGANIZATION, WAS NOT TREATED AS TAXABLE COMPENSATION
NON-FIXED PAYMENTS PROVIDED	SCHEDULE J, PAGE 1, PART I, LINE 7	KEY ADMINISTRATIVE EMPLOYEES ARE ELIGIBLE TO RECEIVE AS PART OF THEIR COMPENSATION, BONUSES EQUAL TO A CERTAIN PERCENTAGE OF THEIR SALARY IF TARGETS ARE ACHIEVED FOR FINANCIAL PERFORMANCE, QUALITY AND PATIENT SATISFACTION INCENTIVE PROGRAM WAS DELIBERATED AND APPROVED BY THE ADMINISTRATIVE PERSONNEL COMMITTEE AND THE BOARD OF DIRECTORS

Schedule K  
(Form 990)

2009

Open to Public  
Inspection

## Supplemental Information on Tax Exempt Bonds

► Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).

► Attach to Form 990. ► See separate instructions.

Department of the Treasury  
Internal Revenue Service

Name of the organization

COMMUNITY UNITED METHODIST  
HOSPITAL INC

Employer identification number

61-0461753

## Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
							Yes	No	Yes	No
A	COUNTY OF HENDERSON KY	61-6000814		06-08-2007	7,400,000				X	
B	COUNTY OF UNION KY	61-6000887		06-28-2007	5,600,000				X	
C	COUNTY OF HENDERSON KY	61-6000814		12-30-2009	12,000,000				X	
D	COUNTY OF HENDERSON KY	61-6000814		12-30-2009	18,000,000				X	
E	COUNTY OF HENDERSON KY	61-6000814		02-16-2010	14,210,000				X	

## Part II Proceeds

		A	B	C	D	E	
						1	2
1	Total proceeds of issue	7,400,000	5,600,000	12,000,000	18,000,000		14,210,000
2	Gross proceeds in reserve funds						
3	Proceeds in refunding or defeasance escrows						
4	Other unspent proceeds						
5	Issuance costs from proceeds	29,900	23,100		102,783		
6	Working capital expenditures from proceeds						
7	Capital expenditures from proceeds	7,370,100	5,576,900	12,000,000	17,897,217		14,210,000
8	Year of substantial completion	2010	2009	2010	2010		2010

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

## Part III Private Business Use

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

**Part III Private Business Use (Continued)**

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts with respect to the financed property which may result in private business use?		X		X		X		X		X
3b Are there any research agreements with respect to the financed property which may result in private business use?		X		X		X		X		X
3c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?		X		X		X		X		X
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ►										
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ►	0 400 %		0 410 %				0 570 %			
6 Total of lines 4 and 5	0 400 %		0 410 %				0 570 %			
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?		X		X		X		X		X

**Part IV Arbitrage**

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		X		X
2 Is the bond issue a variable rate issue?		X		X		X		X		X
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X		X		X		X		X
b Name of provider	FIFTH THIRDBANK								FIFTH THIRDBANK	
c Term of hedge	5 0						5 0		5 0	
4a Were gross proceeds invested in a GIC?		X		X		X		X		X
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X		X
6 Did the bond issue qualify for an exception to rebate?		X		X		X		X		X



## Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 61-0461753  
**Name:** COMMUNITY UNITED METHODIST  
HOSPITAL INC

### Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(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
OHIO VALLEY NATIONAL BANK	COMMON BD MBR	180,709	TRUST FEES		No
JOHN LOGAN III	FORMER KEY EMPL	246,064	CONSULTING FEES		No
REID WILSON MD	RELATED KEY EMP	1,036,499	WAGES		No
JILLIAN CLARK	RELATED KEY EMP	27,230	WAGES		No
HALEY MORGAN	RELATED KEY EMP	10,998	WAGES		No
AMY DAVENPORT	RELATED BOARD	42,722	WAGES		No
CHLOE EBLEN	RELATED BOARD	60,832	WAGES		No
JULIE WISCHER	REALTED BOARD	42,901	WAGES		No

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 61-0461753  
**Name:** COMMUNITY UNITED METHODIST HOSPITAL INC

**efile GRAPHIC print - DO NOT PROCESS** **As Filed Data -** **DLN: 93493133024891**

OMB No 1545-0047

**2009**

Open to Public Inspection

<b>SCHEDULE O</b> (Form 990)	<b>Supplemental Information to Form 990</b>  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
Department of the Treasury Internal Revenue Service	Name of the organization COMMUNITY UNITED METHODIST HOSPITAL INC	
		Employer identification number 61-0461753

Identifier	Return Reference	Explanation
RELATED PARTY INFORMATION AMONG OFFICERS	FORM 990, PAGE 6, PART VI, LINE 2	JON SIGHTS DALE SIGHTS DIRECTOR OFFICER FAMILY RELATIONSHIP

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	METHODIST HOSPITAL IS GOVERNED BY A BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11	FORM 990 INFORMATION IS COMPILED BY HOSPITAL MANAGEMENT AND RETURN IS PREPARED BY AN INDEPENDENT THIRD PARTY CERTIFIED PUBLIC ACCOUNTING FIRM FAMILIAR WITH HOSPITAL OPERATIONS, POLICIES, AND COMMITTEE/BOARD ACTIONS. FINAL RETURN IS REVIEWED BY CEO & CFO. RETURNS ARE REVIEWED BY THE FINANCE COMMITTEE (OF THE BOARD OF DIRECTORS) FOR RECOMMENDATION TO THE FULL BOARD OF DIRECTORS FOR APPROVAL

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	ONGOING MONITORING BY COMPLIANCE OFFICER (MH VP OF LEGAL SERVICES)

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	EVERY YEAR, SURVEYS ARE SENT OUT TO THE BOARD MEMBERS, MEDICAL STAFF AND DIRECTORS. SURVEYS ARE RETURNED AND TABULATED CONFIDENTIALLY AND THE AGGREGATED RESPONSES ARE SHARED WITH THE ADMINISTRATIVE PERSONNEL COMMITTEE AND THE BOARD. COMPENSATION IS REVIEWED BY USING THIRD PARTY EXECUTIVE COMPENSATION SURVEYS. CURRENTLY COMPENSATION AND THIRD PARTY EXECUTIVE COMPENSATION SURVEYS ARE THEN REVIEWED BY THE ADMINISTRATIVE PERSONNEL COMMITTEE WHO THEN RECOMMENDS APPROVAL TO THE INDEPENDENT BOARD. THE BOARD HAS FINAL APPROVAL ON COMPENSATION FOR THE CEO.

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	EVERY YEAR, HOSPITAL USES EXTERNAL THIRD PARTY COMPENSATION SURVEYS FOR ALL KEY EMPLOYEES

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	METHODIST HOSPITAL CONFORMS TO THE FREEDOM OF INFORMATION ACT. HOSPITAL PROVIDES DOCUMENTS REQUESTED VIA PUBLIC REQUEST

Identifier	Return Reference	Explanation
DIFFERENCES IN ISSUE PRICE EXPLANATION	SCHEDULE K	SINGLE FORM 8038 WAS FILED FOR THE 12,000,000 SERIES 2009A AND 18,000,0000 SERIES 2009B BONDS REPORTED SEPARATELY ON SCHEDULE K DUE TO ISSUES HAVING DIFFERENT PURPOSES, INTEREST RATES AND MATURITIES

Identifier	Return Reference	Explanation
PURPOSE OF ISSUE DESCRIPTION	SCHEDULE K	COUNTY OF HENDERSON, KY FINANCE ACQUISITION OF MEDITECH CLINICAL INFORMATION SYSTEM COUNTY OF UNION, KY FINANCE ACQUISITION OF CAPITAL EXPENDITURES (MEDICAL EQUIPMENT FOR NEW OPERATING ROOM) COUNTY OF HENDERSON, KY REFINANCING OF SHORT-TERM DEBT, WHICH HAD BEEN USED TO FINANCE CAPITAL ACQUISITIONS AND CONSTRUCTION PROJECTS, TO LONG-TERM DEBT COUNTY OF HENDERSON, KY PARTIAL CURRENT REFUNDING OF HENDERSON COUNTY SERIES 2003 B DEBT COUNTY OF HENDERSON, KY REFUND REMAINING PORTION OF HENDERSON COUNTY SERIES 2003 B DEBT

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	SCHEDULE O	FORM 990, PART VI, LINE 16B- JOINT VENTURE POLICY ALTHOUGH THE HOSPITAL HAS NO WRITTEN POLICY, THE AGREEMENT WITH THE JOINT VENTURE STATES THAT THE ORGANIZATION MUST ACCEPT CERTAIN RATIOS OF PATIENTS WHICH ENSURE ACCEPTANCE OF MEDICARE, MEDICAID AND INDIGENT PATIENTS SIMILAR TO RATIOS OFFERED BY THE HOSPITAL PRIOR TO THE JOINT VENTURE. THE AGREEMENT WAS REVIEWED BY INDEPENDENT THIRD PARTIES TO ENSURE COMPLIANCE. SCHEDULE L, PART III- TYPE OF ASSISTANCE PROVIDED EDUCATIONAL ASSISTANCE

---

**SCHEDULE R**  
**(Form 990)**

## Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2009

## Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
COMMUNITY UNITED METHODIST  
HOSPITAL INC

**Employer identification number**

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
HENDERSON REGIONAL HOSPITAL FNDN  1305 NORTH ELM STREET  HENDERSON, KY 42420 61-0944432	FUNDRAISING	KY	501	9	N/A
TRI-CO MEDICAL COLLECTIONS INC  1305 NORTH ELM STREET  HENDERSON, KY 42420 61-1202266	COLLECTION	KY	501	11C	N/A
UNION CO METHODIST HOSPITAL FNDN  4604 US HWY 60 WEST  MORGANFIELD, KY 42437 61-1230297	FUNDRAISING	KY	501	9	N/A

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

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

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)**Note.** Complete line 1 if any entity is listed in Parts II, III or IV**1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

	Yes	No
1a		No
1b		No
1c	Yes	
1d		No
1e		No
1f		No
1g		No
1h		No
1i	Yes	
1j		No
1k		No
1l	Yes	
1m	Yes	
1n	Yes	
1o		No
1p	Yes	
1q		No
1r		No

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1) HENDERSON REGIONAL HOSPITAL FNDN	C	830,856
(2) TRI-COUNTY MEDICAL COLLECTIONS INC	P	213,757
(3) TRI-COUNTY MEDICAL COLLECTIONS INC	L	278,080
(4) HENDERSON REGIONAL HOSPITAL FNDN	N	81,437
(5)		
(6)		

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

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

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 61-0461753  
**Name:** COMMUNITY UNITED METHODIST 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			
AUDAS SCOTT DIRECTOR	1 00	X					0	0	0
BAILEY MARK DIRECTOR	1 00	X					0	0	0
BOWMAN RACHEL DIRECTOR	1 00	X					0	0	0
CARDEN REV DALE DIRECTOR	1 00	X					0	0	0
CERTAIN GARLAND DIRECTOR	1 00	X					0	0	0
CRAFTON JAMES M JR DIRECTOR	1 00	X					0	0	0
DAVENPORT JOEY DIRECTOR	1 00	X					0	0	0
DAVIS SCOTT CHAIRMAN	1 00	X		X			0	0	0
EBLEN JOHN DIRECTOR	1 00	X					0	0	0
GRAUL PEGGY DIRECTOR	1 00	X					0	0	0
HARGIS STEVE TREASURER	1 00	X		X			0	0	0
HAWKINS REV GARLAND DIRECTOR	1 00	X					0	0	0
HODGE NANCY DIRECTOR	1 00	X					0	0	0
HOFFMAN JOAN SECRETARY	1 00	X		X			0	0	0
HOPPER JOEL DIRECTOR	1 00	X					0	0	0
JENKINS WAYNE DIRECTOR	1 00	X					0	0	0
KEACH JENNIFER DIRECTOR	1 00	X					0	0	0
KNIPP REV WILLARD DIRECTOR	1 00	X					0	0	0
LUTZ TIM DIRECTOR	1 00	X					0	0	0
MCCOLLUM CHARLIE DIRECTOR	1 00	X					0	0	0
NIX RAY DIRECTOR	1 00	X					0	0	0
SHIELDS DANE DIRECTOR	1 00	X					0	0	0
SIGHTS DALE DIRECTOR	1 00	X					0	0	0
SIGHTS JON VICE-CHAIRMA	1 00	X		X			0	0	0
SMITH DR H M DIRECTOR	1 00	X					0	0	0

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Office	Key employee	Highest compensated employee			
STOCKE-HECK REBECCA DIRECTOR	1 00	X					0	0	0
THOMASON DAVID DIRECTOR	1 00	X					0	0	0
TORIBIO IGNACIO DIRECTOR	1 00	X					0	0	0
UTLEY KEITH DIRECTOR	1 00	X					0	0	0
VECCIA JIM DIRECTOR	1 00	X					0	0	0
WATKINS DR DAVID DIRECTOR	1 00	X					0	0	0
WILEY NANCY DIRECTOR	1 00	X					0	0	0
WILLIAMS CYNTHIA DIRECTOR	1 00	X					0	0	0
WISCHER GERALD S DIRECTOR	1 00	X					0	0	0
WOODRING BRUCE DIRECTOR	1 00	X					0	0	0
WRIGHT BELINDA DIRECTOR	1 00	X					0	0	0
EVERSON DUDLEY EMERITUS	1 00	X					0	0	0
KING LEO EMERITUS	1 00	X					0	0	0
DAVIS BISHOP LINDSEY BISHOP	1 00	X					0	0	0
BEGLEY BRUCE D EXEC DIRECT	50 00			X			491,522	0	20,654
SPRAGUE DR ARNOLD III VP EMPLOY P	50 00			X			259,877	0	20,255
HEBBLER GREG CHIEF FINANC	50 00			X			198,936	0	17,182
PARK DAVID B VP LEGAL SER	50 00			X			180,106	0	12,165
MERIWETHER JOHN W CHIEF OPERAT	50 00			X			165,831	0	21,335
MORGAN LOIS VP CHIEF NUR	50 00			X			155,365	0	17,353
DONAHUE PATRICK S VP ADMIN- MH	50 00			X			154,023	0	14,632
REID WILSON MD ORTHOPEDIC S	50 00			X			928,123	0	33,524
JAMES YELTON MD ORTHOPEDIC S	50 00			X			718,428	0	42,362
KRISTOPHER BEICKMAN MD OB GYN	50 00			X			419,926	0	27,524
PAUL MOORE MD FAMILY PHYSI	50 00			X			332,477	0	18,084

**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	Office	Highest compensated employee			
VINROD D SONI MD GENERAL SURG	50 00				X	331,948	0	10,823
LOGAN JOHN A III MED DIR/ CON	20 00				X	399,404	0	8,269

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

<i><b>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</b></i>	<b>(A) Total expenses</b>	<b>(B) Program service expenses</b>	<b>(C) Management and general expenses</b>	<b>(D) Fundraising expenses</b>
BAD DEBT EXPENSE	21,390,964	21,390,964		
SUPPLIES	14,008,922	13,144,860	864,062	
EQUIPMENT RENTAL & MAINT	3,484,045	2,936,244	547,801	
KY PROVIDER TAX	2,285,346	2,285,346		
PURCHASED SERVICES	1,633,639	1,545,332	88,307	