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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public Inspection

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

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

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

C Name of organization
Bakersfield Memorial Hospital

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
PO Box 1888

City or town, state or country, and ZIP + 4
Bakersfield, CA 933011888

D Employer identification number
95-1802779

E Telephone number
(661) 327-1792

G Gross receipts $ 283,943,165

F Name and address of principal officer
Jon Van Boening
420 34th Street
Bakersfield, CA 93301

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW CHWHEALTH COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1951 | **M** State of legal domicile CA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE MEDICAL AND HEALTHCARE SERVICES TO THE COMMUNITY

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	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	8
5	Total number of employees (Part V, line 2a)	5	1,668
6	Total number of volunteers (estimate if necessary)	6	17
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	2,323,158
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-451,841

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	3,047,283	1,025,853
9	Program service revenue (Part VIII, line 2g)	248,651,879	261,609,627
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,647,035	2,326,484
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,850,581	1,842,322
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	255,196,778	266,804,286
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	86,742	160,996
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	127,364,665	137,203,445
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶248,047		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	101,025,124	112,619,705
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	228,476,531	249,984,146
19	Revenue less expenses Subtract line 18 from line 12	26,720,247	16,820,140

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	312,328,165	325,887,074
21	Total liabilities (Part X, line 26)	127,115,283	123,865,147
22	Net assets or fund balances Subtract line 21 from line 20	185,212,882	202,021,927

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 — Date: 2011-05-04

Jon Van Boening PRESIDENT
Type or print name and title

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-empolyed ☐ | Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4: KPMG LLP
55 SECOND STREET SUITE 1400
SAN FRANCISCO, CA 94105

EIN ▶

Phone no ▶ (415) 963-5100

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

BAKERSFIELD MEMORIAL HOSPITAL IS DEDICATED TO DELIVERING HEALTH SERVICES THAT ARE COMPASSIONATE, HIGH-QUALITY AND AFFORDABLE WE PROMOTE HEALTHY LIFESTYLES AS AN INTEGRAL PART OF THE COMMUNITY WE SERVE, WITH A SPECIAL CONCERN FOR THE UNDERSERVED

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 $ 182,138,501 including grants of $ 160,996) (Revenue $ 211,663,064)

BAKERSFIELD MEMORIAL HOSPITAL'S MISSION IS TO CONTRIBUTE TO THE HEALTH OF THE COMMUNITY THROUGH THE PROVISION OF QUALITY SERVICES DELIVERED IN A COMPASSIONATE AND COST EFFECTIVE MANNER THE HOSPITAL HAS 430 BEDS AND SERVICED PATIENTS AS FOLLOWS OUTPATIENT VISITS OF 116,381, EMERGENCY VISITS OF 59,071, INPATIENT AND OUTPATIENT OPERATING ROOM CASES OF 8,430, AND INPATIENT AND OUTPATIENT CARDIAC PROCEDURES OF 6,394 BMH HAS A 24-HOUR EMERGENCY ROOM AND PROVIDES SERVICES TO BENEFICIARIES OF THE MEDICARE PROGRAM AS WELL AS A WIDE RANGE OF COMMERCIALLY INSURED BMH ALSO PROVIDES SERVICES TO INDIVIDUALS WITHOUT THE ABILITY TO PAY - SERVICES FOR WHICH BMH RECEIVES NO REIMBURSEMENT FROM ANY OUTSIDE SOURCE INPATIENT SERVICES ACUTE MEDICAL/SURGICAL CARE/PSYCHIATRIC, SKILL NURSING, CANCER CENTER, CARDIOVASCULAR SURGERY, CARDIAC CATHETERIZATION LAB, EMERGENCY/QUICK CARE, INTENSIVE CARE, PHARMACY, SURGERY, SPEECH PATHOLOGY, SOCIAL SERVICES, RESPIRATORY CARE, PHYSICAL THERAPY, TRANSITIONAL CARE UNIT AND WOMEN AND INFANT CARE UNIT OUTPATIENT SERVICES AMBULATORY TREATMENT CENTER, CARDIAC REHABILITATION, CARDIOPULMONARY, DIAGNOSTIC IMAGING, LABORATORY, OUTPATIENT SURGERY CENTER, REHABILITATION SERVICES, AND WELLNESS/OCCUPATIONAL MEDICINE SUPPORT SERVICES CHAPLAINCY PROGRAM, EDUCATIONAL SERVICES, HEALTH SCIENCES LIBRARY, AS WELL AS SUPPORT, TIME AND MONEY TO ORGANIZATIONS AND INDIVIDUALS THROUGHOUT THE COMMUNITY

4b (Code) (Expenses $ 23,036,943 including grants of $ 0) (Revenue $ 26,185,353)

CARDIOLOGY SERVICE LINE

4c (Code) (Expenses $ 20,174,049 including grants of $ 0) (Revenue $ 21,558,850)

ORTHOPEDICS SERVICE LINE

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 225,349,493

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	Yes	
11	Is the organization's answer to any of the following questions "Yes"? *If so,complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.*	11	Yes	
	● Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*			
	● Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*			
	● Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*			
	● Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*			
	● Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	● Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* (Yes / No)	12A	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	1a	206		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	1,668		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note:** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . .	7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body	1a	12		
b	Enter the number of voting members that are independent	1b	8		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?				No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?				No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?				No
5	Did the organization become aware during the year of a material diversion of the organization's assets?				No
6	Does the organization have members or stockholders?			Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?			Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?			Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?			Yes	
b	Each committee with authority to act on behalf of the governing body?			Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O				No

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

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

Section C. Disclosure

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

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 ▶

JOHN HOLBERT CONTROLLER
420 34TH STREET
BAKERSFIELD, CA 93301
(661) 327-4647

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See add'l data										

1b Total . . . . . ▶	2,384,665	1,159,334	392,449

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 ▶ 224

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
TRAVEL NURSE SOLUTIONS LLC 3500 BLUE LAKE DR SUITE 290 BIRMINGHAM, AL 35243	Medical Services	774,154
CROSS COUNTRY TRAVCORPS LA LOCKBOX FILE 50941 LOS ANGELES, CA 900740941	Traveling Nurse Serv	743,873
HARRISON MARKETING ADVERTISING 5001 CALIFORNIA AVE STE 209 BAKERSFIELD, CA 93309	Advertising	559,378
MICHAEL K BROWN LANDSCAPE INC 3541 ALKEN ST BAKERSFIELD, CA 93308	Landscaping	438,649
AUREUS NURSING LLC PO BOX 3037 OMAHA, NE 681030037	Traveling Nurse Serv	425,535

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 36

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	747,589			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	278,264			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		1,025,853			
Program Service Revenue			Business Code				
	2a	PATIENT REV/CHARITY CARE	900,099	177,440,445	177,440,445		
	b	MEDICARE/MEDICAID PAYMENTS	900,099	81,547,021	81,547,021		
	c	KERN HOME HEALTH RESOURCES	621,610	390,891	390,891		
	d	LABORATORY	621,500	2,202,360		2,202,360	
	e	MEDICAL OFFICE BUILDING RENTS	621,110	21,909	21,909		
	f	All other program service revenue		7,001	7,001		
	g	**Total.** Add lines 2a–2f		261,609,627			
	3	Investment income (including dividends, interest and other similar amounts)		1,659,615			1,659,615
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross Rents	2,250				
	b	Less rental expenses					
	c	Rental income or (loss)	2,250				
	d	Net rental income or (loss)		2,250			2,250
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	17,449,798	355,950			
	b	Less cost or other basis and sales expenses	16,776,929	361,950			
	c	Gain or (loss)	672,869	-6,000			
	d	Net gain or (loss)		666,869			666,869
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from fundraising events		0			
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities		0			
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory		0			
		Miscellaneous Revenue	Business Code				
	11a	CAFETERIA REVENUE	900,099	816,277			816,277
	b	GIFT SHOP	900,099	490,001			490,001
	c	MANAGEMENT SERVICES (JV)	541,610	52,500		52,500	
	d	All other revenue		481,294		68,298	412,996
	e	**Total.** Add lines 11a–11d		1,840,072			
	12	**Total revenue.** See Instructions		266,804,286	259,407,267	2,323,158	4,048,008

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	160,996	160,996		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	1,601,699	1,517,367	81,922	2,410
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	27,000	27,000		
7	Other salaries and wages	107,814,428	103,165,368	4,487,825	161,235
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	6,095,452	5,164,979	914,318	16,155
9	Other employee benefits	14,828,351	12,595,839	2,224,379	8,133
10	Payroll taxes	6,836,515	5,786,525	1,025,477	24,513
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	392,343		392,343	
c	Accounting	93,761		93,761	
d	Lobbying	0			
e	Professional fundraising *See Part IV, line 17*	0			
f	Investment management fees	102,395		102,395	
g	Other	22,080,565	16,522,372	5,548,072	10,121
12	Advertising and promotion	1,102,423		1,102,423	
13	Office expenses	7,627,902	6,837,418	771,826	18,658
14	Information technology	7,797,107	5,847,830	1,949,277	
15	Royalties	0			
16	Occupancy	3,635,147	3,051,284	583,763	100
17	Travel	135,386	50,665	84,417	304
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	282,457	84,737	197,720	
20	Interest	5,927,105	5,927,105		
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	9,104,038	7,727,758	1,376,280	
23	Insurance	750,594	630,527	115,551	4,516
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	8,997,958	8,997,958		
b	LICENSES & TAXES	267,499	160,003	107,336	160
c	DUES & SUBSCRIPTIONS	368,947	100,748	266,457	1,742
d	MEDICAL SUPPLIES	40,021,885	40,021,885		
e	RECRUITING	1,044,901		1,044,901	
f	All other expenses	2,887,292	971,129	1,916,163	
25	**Total functional expenses.** Add lines 1 through 24f	249,984,146	225,349,493	24,386,606	248,047
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		2,550	1	3,000
	2	Savings and temporary cash investments		103,319,146	2	116,813,654
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		39,205,064	4	32,461,624
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		3,143,328	7	2,274,861
	8	Inventories for sale or use		3,494,394	8	3,821,291
	9	Prepaid expenses and deferred charges		3,912,246	9	1,408,690
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 278,759,494			
	b	Less accumulated depreciation	10b 153,880,107	130,562,948	10c	124,879,387
	11	Investments—publicly traded securities		18,837,182	11	21,269,797
	12	Investments—other securities See Part IV, line 11		4,677,910	12	5,095,995
	13	Investments—program-related See Part IV, line 11		4,548,921	13	17,840,775
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		624,476	15	18,000
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		312,328,165	16	325,887,074
Liabilities	17	Accounts payable and accrued expenses		17,199,761	17	21,284,035
	18	Grants payable			18	
	19	Deferred revenue		299,585	19	0
	20	Tax-exempt bond liabilities		35,000,000	20	35,000,000
	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		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		74,615,937	25	67,581,112
	26	**Total liabilities.** Add lines 17 through 25		127,115,283	26	123,865,147
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		181,002,723	27	198,754,952
	28	Temporarily restricted net assets		4,140,159	28	3,196,975
	29	Permanently restricted net assets		70,000	29	70,000
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		185,212,882	33	202,021,927
	34	Total liabilities and net assets/fund balances		312,328,165	34	325,887,074

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Bakersfield Memorial Hospital

Employer identification number
95-1802779

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

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

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

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

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

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

_____

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

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

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

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

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

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

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

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

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

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

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

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

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

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

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

Section A. Public Support

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

Section B. Total Support

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

12 Gross receipts from related activities, etc (See instructions) **12**

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2008 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2009.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

17a **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Part III Support Schedule for Organizations Described in IRC 509(a)(2)

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2009.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

b **33 1/3% support tests—2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Additional Data

Software ID:
Software Version:
EIN: 95-1802779
Name: Bakersfield Memorial Hospital

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Stephen T Clifford Director	80	X						0	0	0
Dr John R Findley Director	80	X						0	0	0
D Bradley Hannink Director	80	X						0	0	0
Dr Susan P Helper Director	80	X						0	0	0
Russell Judd Director	80	X						0	586,776	65,218
Dr Javier Miro Director	80	X						0	0	0
Dr Madan Mukhopadhyay Director	80	X						0	0	0
Sandra Serrano Director	80	X						0	0	0
Robert Noriega Secretary / Treasurer	80	X		X				0	0	0
Edward H Shuler Vice Chairman	80	X		X				0	0	0
Thomas W Smith Chairman	80	X		X				0	0	0
Jon Van Boening Service Area Leader	400	X		X				0	572,558	71,973
Jesica Hanson CFO	400			X				204,514	0	27,087
Terri Church VP / CNE	400				X			207,863	0	19,435
Sheri Comaianni VP / HR	400				X			195,513	0	16,328
Dr Robert Marshall VP / MA	400				X			280,870	0	27,317
Bruce Peters VP/COO	400				X			262,722	0	37,011
Dr Rodney Mark Root VP/MA	400				X			0	0	0
Whabong Anderson Registered Nurse	400					X		264,470	0	22,264
Editha Lolin Registered Nurse	400					X		249,211	0	25,564
David J Lozano Director of Pharmacy	400					X		196,710	0	28,415
Karen J Simpson Registered Nurse	400					X		201,190	0	16,036
Gena L Cook Registered Nurse	400					X		180,561	0	28,714
Jim Eppink Former Key Employee							X	141,041	0	7,087

Form 990, Part VIII - Statement of Revenue - 2a - 2g Program Service Revenue -

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
PATIENT REV/CHARITY CARE	900,099	177,440,445	177,440,445		
MEDICARE/MEDICAID PAYMENTS	900,099	81,547,021	81,547,021		
KERN HOME HEALTH RESOURCES	621,610	390,891	390,891		
LABORATORY	621,500	2,202,360		2,202,360	
MEDICAL OFFICE BUILDING RENTS	621,110	21,909	21,909		

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

Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
BAD DEBT EXPENSE	8,997,958	8,997,958		
LICENSES & TAXES	267,499	160,003	107,336	160
DUES & SUBSCRIPTIONS	368,947	100,748	266,457	1,742
MEDICAL SUPPLIES	40,021,885	40,021,885		
RECRUITING	1,044,901		1,044,901	

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2009

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
Bakersfield Memorial Hospital	95-1802779

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

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

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

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

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

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

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

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

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

A Check ☐ if the filing organization belongs to an affiliated group

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

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

Lobbying Expenditures During 4-Year Averaging Period

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

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

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?	Yes		17,974
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV		No	
j	Total lines 1c through 1i			17,974
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Identifier	Return Reference	Explanation
PART II-B, LINE 1F		Lobbying expenditures paid by the Parent organization for annual membership dues where expenses are allocated to the hospital American Hospital Association $1,300 Catholic Health Association $1,931 Hospital Association of So Cal $14,743 ========== TOTAL $17,974

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Bakersfield Memorial Hospital

Employer identification number
95-1802779

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

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

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

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

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions	70,000				
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	70,000				

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ **100.000 %**
- c Term endowment ▶

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,943,176		4,943,176
b Buildings		179,069,945	81,793,315	97,276,630
c Leasehold improvements				
d Equipment		88,523,380	69,795,820	18,727,560
e Other		6,222,993	2,290,972	3,932,021
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				124,879,387

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

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
INTEREST IN BAK MEM HOSP FDN	3,266,975	F
INVSTMENT IN HLTH RELATED ORGS	14,573,800	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶	17,840,775	

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

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

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
DUE TO RELATED PARTIES	63,886,630
OTHER NON-CURRENT LIABILITIES	97,101
PENSION PAYABLE	3,572,381
DEFERRED COMPENSATION	25,000
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	67,581,112

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
FORM 990, PART X, LINE 25		The consolidated audited financial statements did not include a FIN 48 footnote disclosure as the liability was determined not material for reporting purposes
Sch D, PART V, LINE 4		Bakersfield Memorial Foundation, a related organization, holds a permanent endowment fund The earnings on this endowment is used to fund nursing scholarships granted by the Foundation each year

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Bakersfield Memorial Hospital

Employer identification number
95-1802779

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other **500 %**	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)		5,648	4,832,765	934,500	3,898,265	1 620 %
b Unreimbursed Medicaid (from Worksheet 3, column a)		43,229	62,038,421	50,585,842	11,452,579	4 750 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs		48,877	66,871,186	51,520,342	15,350,844	6 370 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)		27,961	831,253	60,560	770,693	0 320 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)		38,684	910,041	0	910,041	0 380 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)		23,044	546,892	36,961	509,931	0 210 %
j **Total** Other Benefits		89,689	2,288,186	97,521	2,190,665	0 910 %
k **Total.** Add lines 7d and 7j		138,566	69,159,372	51,617,863	17,541,509	7 280 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building		2,385	76,420	0	76,420	0 030 %
7	Community health improvement advocacy		4,963	41,552	0	41,552	0 020 %
8	Workforce development						
9	Other						
10	**Total**		7,348	117,972	0	117,972	0 050 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	1,888,508		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	56,072,020		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	60,218,036		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-4,146,016		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?		9a	Yes	
9b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI		9b	Yes	

Part IV Management Companies and Joint Ventures

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1	MILLENNIUM SURGERY	AMBULATORY SURGERY CENTER	60 000 %	0 %	40 000 %
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

Part V Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
Bakersfield Memorial Hospital 420 34th St Bakersfield, CA 93301	X	X					X		

Part VI Supplemental Information

Complete this part to provide the following information

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

CA

Additional Data

Software ID:
Software Version:
EIN: 95-1802779
Name: Bakersfield Memorial Hospital

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

Not applicable Bakersfield Memorial Hospital (BMH) uses Federal Poverty Guidelines (FPG) to determine eligibility

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

The organization prepares a separate community benefit report

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

For purposes of calculating the amounts provided in the table, BMH uses a cost accounting system that combines relative value units (RVU) and cost to charge ratios (CCR) to allocate costs to the patient level The cost accounting system algorithm allocates total operating expenses to the procedure charge code level based upon an RVU for procedures that have been studied and assigned an RVU, or based upon a CCR for unstudied procedures that do not have an RVU assigned When a CCR is used, the system calculates that CCR on a departmental specific basis at the hospital where the services were provided The calculation is similar to the Worksheet 2 of Schedule H, Ratio of Patient Care Cost to Charges, except it is calculated on a departmental specific basis, not in the aggregate The allocated procedure charge code level costs are then rolled up to the patient level based upon the billed procedure charge codes associated with those services provided to each specific patient This is done for all patient segments including inpatient, outpatient, emergency department, private insurance, Medicaid, Medicare, uninsured and self pay The cost accounting system is utilized to determine the unreimbursed cost of Medicaid and other means-tested government programs The cost of charity care is calculated by applying the CCR derived from the cost accounting system on a per facility basis, to the charges incurred on patients that qualify for charity care at the respective facility The actual cost is reported for other community benefit activities such as community health improvement services, community benefit operations, health professions education, subsidized health services, research and cash and in-kind donations

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

There were no costs attributable to a physician clinic included in subsidized health services in Part I table

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

The amount of bad debt expense included on Form 990, Part IX, line 25, column (A) is $8,997,958 and has been subtracted for purposes of calculating the percentages in column (f)

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

The amount of the organization's bad debt at cost is determined by applying the CCR (see above) to patient charges that are deemed to be uncollectible This amount represents the cost of services provided to patients who are unable or refuse to pay their bills and do not qualify for free or discounted care, government sponsored programs or other financial assistance, and are otherwise uninsured Any portion of a patient bill remaining after applying financial, uninsured or other discounts or payments received on the account that are ultimately determined to be uncollectible are written off to bad debt As noted in Part I, Line 3, BMH provides free or discounted care to uninsured or under-insured individuals at or below 500% of the Federal Poverty Level BMH also provides patients options for prompt pay discounts, discounts for the medically indigent, and interest-free extended payment plans for patients who have demonstrated good faith and are cooperating in resolving their hospital bills All accounts for eligible uninsured patients receive an automatic uninsured discount of 25% for patients seen at California facilities The expected patient payment amount on the patient's bill reflects this discount BMH makes every effort in determining if a patient qualifies for charity care upon admission BMH follows CHW's financial assistance policy CHW's financial assistance policy is communicated to patients upon admission and is available in the languages primarily spoken in the community It is also posted in various common areas of the hospital and is provided upon billing if eligibility is not previously determined Eligibility is reevaluated as needed and amounts are classified as charity as soon as eligibility is known CHW also utilizes a Payment Assistance Rank Ordering (PARO) scoring system to assist in determining if a patient may qualify for charity care even though they have not applied for it PARO is a methodology that applies consistent screening and application standards to all patients utilizing historical data to develop a predictive model for healthcare financial assistance In its development, special attention was paid to those socio-economic factors that might adversely affect those patients deserving the most attention Other criteria are also utilized to ensure that no services that have qualified as charity are reported as bad debt As such, BMH does not believe that any amounts included in Part III, Line 2, are attributable to patients eligible under the organization's charity care policy The following is an excerpt from CHW and its subordinate corporations' consolidated annual audited financial statements for the year ended June 30, 2010, related to accounts receivable and allowances for charity and doubtful accounts Patient accounts receivable and net patient service revenue are reported at the net realizable amount from patients, third-party payors, and others for services rendered BMH manages its collection risk by regularly reviewing its accounts and contracts and by providing appropriate allowances Reserves for charity and uncollectible amounts have been established and are netted against patient accounts receivable in the consolidated balance sheet

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

BMH prepares Medicare cost reports in a manner that comports with Provider Reimbursement Manual (PRM) 15-1, 2150ff and PRM 15-2, 1000ff As such, the following language per the PRM 15-1 describes the computation of costs per the Medicare Cost Report Total allowable costs of a provider are apportioned between program beneficiaries and other patients so that the share borne by the program is based upon actual services received by program beneficiaries The ratio of covered beneficiary charges to total patient charges for the services of each ancillary department is applied to the cost of the department Added to this amount is the cost of routine services for program beneficiaries, determined on the basis of a separate average cost per diem for all patients for general routine patient care areas Another factor to be considered is a separate average cost per diem for intensive care unit, coronary care unit, and other special care inpatient hospital units CHW believes that the entire Medicare shortfall of $345 6 million, as reported below in Part VI, Line 7, constitutes community benefit The IRS Community Benefit Standard includes the provision of care to the elderly and Medicare patients Medicare shortfalls must be absorbed by CHW hospitals in order to continue treating the elderly in our communities The hospitals provide care regardless of this shortfall and thereby relieve the federal government of the burden of paying the full cost for Medicare beneficiaries This shortfall includes $4 1 million reported on Part III, Section B, Line 8, primarily for fee for service Medicare patients, as well as the unreimbursed portion of Medicare Managed Care and Medicare Capitated programs for BMH

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

BMH ensures that patient accounts are processed fairly and consistently BMH follows CHW's Patient Payment Assistance Policy CHW's collection policy contains provisions that prohibit the collection of amounts due from patients who the organization knows qualify for charity care Accounts with incorrect or incomplete demographic information are assigned to a collection agency if BMH or the billing company retained by CHW is unable to obtain an updated address through skip tracing or other means For patients who have an application pending for either government-sponsored financial assistance or for assistance under CHW's Patient Payment Assistance Policy, or where the patient is attempting in good faith to settle an outstanding bill with the facility via payment plans, BMH will not knowingly send that patient's bill to an outside collection agency Legal action will not be pursued to collect debts from patients who have qualified for charity or are cooperating in good faith to resolve their debt BMH does not impose wage garnishments or liens on primary residences On self-pay accounts that do not meet the criteria noted above, the initial determination of assignment to a collection agency will vary depending on the nature of the account with the final decision being at the discretion of each hospital patient financial assistance department Upon assignment of such a patient account to a collection agency, CHW requires the agency to comply with the Fair Debt Collection Practices Act

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

NONE

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

Bakersfield Memorial Hospital utilizes the following methods to assess community needs and the effectiveness of our response to these challenges Employees of the Department of Special Needs & Community Outreach serve on 11 different boards or committees that respond to a wide variety of community concerns Each quarter all hospital exempt employees report the names of the community organizations, neighborhood groups, and related community health activities in which they participate Our participation as a collaborative partner provides an opportunity to share information, resources and ideas, solve problems, identify options, and evaluate the success of our efforts The Community Benefit Committee helps ensure that our outreach services address identified community needs and is effectively working to improve the overall health status of the community and quality of life for its residents The community wide assessment conducted in 2003 by DNA and Company, Inc provided us with a baseline of demographic, health, and social indicators for Kern County In 2006, United Way of Kern County, in collaboration with Bakersfield Memorial Hospital, Community Action Partnership of Kern, Delano Regional Medical Center, Kaiser Permanente, Mercy Hospitals of Bakersfield, and San Joaquin Community Hospital, sponsored the most recent Kern County Community Assessment This report updated countywide statistics and helped to validate the community issues targeted for improvement that resulted from the 2003 Kern County Community Assessment The Kern County Network for Children Report Card 2008 is also used to corroborate the focus of our services The CHW Reporting Sheet for Community Needs Index (CNI) for Kern County prepared by Thomson/CHW is used to further validate the identification of communities (based on ZIP codes) that are the most socio economically disadvantaged and thus most in need Residents of these communities tend to have Disproportionate Unmet Health Related Needs (DUHN), i e , lack of education, lack of health care insurance, homelessness or transient lifestyles, no or limited access to quality health care, high prevalence of conditions such as diabetes, heart disease, obesity, and substance abuse During 2010, Bakersfield Memorial Hospital, with other community partners, launched www HealthyKern org This new website can be utilized as a single Internet source dedicated to hosting current Kern County health information Local health data will be more readily available These same community partners in collaboration with Healthy Communities Institute (Berkeley) began the process for our community needs assessment The process includes key informant interviews, committee planning meetings, priority areas of concern, and implementation strategies The Kern County needs assessment will be completed by December 30, 2010

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

Communication of the Financial Assistance Program to Patients and the Public Information about patient financial assistance available from CHW, including a contact number, was disseminated by the CHW facility by various means, including the publication of notices in patient bills and by posting notices in the Emergency and Admitting Departments, and at other public places as the CHW facility may elect Such information was provided in the primary languages spoken by the populations served by the CHW facility THE Information was posted in the Patient Access (Admitting) departments in the hospital as well as in the Patient Business Office If the opportunity was not available for patient access to discuss the policy with the patient, a Comspec representative (a contractor for the business office), discussed the various options during the patient's hospital stay The information regarding payment assistance and the availability of government aid WAS also given in a brochure to each patient during the registration process Any member of the CHW facility staff or medical staff may make referral of patients for financial assistance The patient or a family member, a close friend or associate of the patient may also make a request for financial assistance

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

Bakersfield Memorial Hospital serves all of Kern County, including Bakersfield (the county seat) and outlying rural communities such as Taft, Arvin and Lake Isabella The county stretches more than 8,100 square miles, geographically making it the third largest county in the state Other nine Hospitals serving the community are as follows Bakersfield Heart, Bakersfield Memorial, Good Samaritan, Kern Medical Center, Mercy, Mercy Southwest, Ridgecrest Regional, San Joaquin Community, and Tehachapi There are also eight Federally-designated medically underserved areas or populations, which are the McFarland-Delano Service Area, Bakersfield East/Lakeview/La Loma Service Area, Ridgecrest Service Are, and Other Kern service Areas (5) According to the California Department of Finance, Kern County's estimated population for 2010 is 871,728, and it is the 13th largest county based on population and the 7th fastest growing within the state's 58 counties By the year 2020, Kern County is projected to reach 1 1 million in population (California Department of Finance) Bakersfield's population of 333,719 (2010 estimate from the California Department of Finance) makes it the 11th largest city in California and places it among the top 100 largest metropolitan areas in the nation The median income for households in Kern County is $35,446 Approximately 41% of Kern County's population resides in rental occupied housing units and 16% of Kern County residents are unemployed (U S Census Bureau, American Fact Finder, CA EDD, Kern County, California) Based on 2010 population estimates (California Department of Finance), Kern County's population is ethnically and culturally diverse with 43 2 percent white (non Hispanic/Latino), 45 1 percent Hispanic/Latino, 5 5 percent African American, 3 8 percent Asian/Pacific Islander, 0 8 percent American Indian/Alaskan, and 1 3 percent multi-race The demographics are dramatically shifting in Kern County as seen in the population of children of the county with nearly sixty percent of the 0 to 5 year old population now being Hispanic One in five Kern County residents and 16 8 percent of families live in poverty According to the 2007 California Health Interview Survey, 8 6 percent of Kern County children did not have health insurance coverage for all or part of the previous year compared to 10 2 percent statewide During the 2006 07 school year, 35 6 percent of Kern County students tested had unhealthy body composition (obesity) based on individual Body Mass Index (BMI) scores Many of Bakersfield's poorest residents are concentrated in the city's southeast quadrant, the site of our two community outreach centers The population is largely African American and Hispanic/Latino, with a high concentration of limited English speaking individuals (many undocumented), elevated youth gang activity, and a high unemployment rate For many low income individuals and families living in the outlying rural communities of Kern County, geographic isolation heightens barriers to healthcare and other social services Our initiatives focus on providing preventive healthcare and related beneficial services free of cost (or minimal charge) to families/individuals facing the most severe economic and social challenges We offer compassionate and valuable services to vulnerable children, frail elderly, limited English speaking, low income families, and immigrants

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

The mission of Bakersfield Memorial Hospital and our status as the largest health care provider in Kern County dictate that we occupy a leadership role in building a healthier community It is a responsibility that we eagerly embrace as a defining characteristic of our organization The Community Benefit Report and Plan contains examples of the programs and initiatives we have undertaken that make a positive, measurable impact on the community we serve (i e , dollars spent on indigent medical care, children fed and clothed, victims served, and families taught to manage chronic disease) In fiscal year 2010 CHSB provided support to the following Program Committee That Responds to Community Need Description CHW Kern Service Area employees donating their time and expertise to boards and committees that serve the community Program Homemaker Care Program - Training Description The Homemaker Care Program provides a two-week comprehensive employment readiness skills training focusing in individuals transitioning from unemployment into the workforce In collaboration with over 20 community agencies, the Homemaker Care Program will offer skills training in the field of In-Home Supportive Services Program Support a Community Endeavor Description CHW Kern Service Area employees volunteering their time to support community endeavors that promote health and well-being Program Boy Scouts Description The Boy Scout pack at the CHW Learning Center is part of the "Scout Reach" program which strives to bring the Boy Scout message to underserved boys who otherwise would not be able to participate in a scouting program Program Employment Counseling Description Designed to enhance the skills of residents in Southeast Bakersfield who are entering the job market by providing resume preparation, interview techniques, assistance with application preparation and additional support with job search services Program Girl Scouts Description The Girl Scout troop at the CHW Learning Center is part of the scouting outreach to underserved girls in the community The program strives to bring the Girl Scout message to girls who would otherwise not be able to participate in a scouting program Program Holiday Baskets Description Holiday baskets are provided by St Philips Parish to provide food to families in need during the holiday season The CHW Learning and Outreach Centers submit eligible families to the church contact and distribute the baskets to eligible families Program Homework Club Description The Homework Club provides an academically structured after school program for underserved students attending first through seventh grades The Program focuses on providing a safe environment for pre-teens to work on homework and other academic skills Program Pack-A-Sack Lunch Program Description The Pack-a-Sack Program is a community-supported effort that provides a nutritious snack to after-school programs in underserved areas of Kern County Twice a month during the school year, students at Tevis Jr High School prepare snacks under the supervision of parents and teachers These brown bag lunches are then delivered to the CHW Learning Center for distribution to a variety of after school programs Program School Supportive Services Description The School Supportive Services Program provides support to Elementary, Junior High and High Schools throughout Kern County by sponsoring events, providing clothing and shoes and offering educational in-service presentations to students and their families Program Translation Services Description The Translation Services Program provides translation of correspondence, business documents, and general written materials for individuals in the underserved population who need assistance in understanding the written word Program Value Enhancement Program Description The Value Enhancement Program (VEP) is designed to develop a young person's self-worth and a sense of pride by providing needed community service

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

As a not-for-profit organization dedicated to improving the quality of life, BMH reinvests all its operating and investment income in hospital improvements, technology enhancements, community health programs, and employee benefits This active reinvestment makes it possible for us to deliver on our mission, including ensuring that everyone has access to health care Medical staff privileges are open to physicians whose experience and training are verified through a credentialing process The process gathers and verifies credentials, allows the medical staff to evaluate an applicant's qualifications, previous experience, and competence, and to ultimately make a decision to grant or deny medical staff membership and clinical privileges Credentials verification is the determination whether a practitioner's credentials are authentic and valid BMH is guided by a fiduciary board The board is responsible for ensuring that community health is one of the major goals in the strategic planning process All of BMH Board of Directors reside in the primary service area They are a diverse group that includes community members, physicians, faith based representatives, and business health executives who provide a broad spectrum of perspectives on plans presented for their approval Caring for the community beyond the hospital walls led to the founding, in 1991, of the Department of Special Needs & Community Outreach Today, the department operates more than 58 programs in Bakersfield, Arvin, Shafter, McFarland, Delano, Lake Isabella, Ridgecrest, Taft, and other outlying communities in Kern County where there is limited access to health care and related services With 24 employees (20 5 FTEs) and an annual budget of $1,110,807, the department's programs target low income, uninsured, or underinsured individuals, as well as Kern County citizens with unmet health needs, including migrant farmworkers and other disenfranchised populations The department frequently collaborates with more than 80 public, private, and nonprofit organizations Our outreach program completed a national pilot project for Advancing the State of the Art in Community Benefit (ASACB) by demonstrating and researching best practices regarding community benefit programs A Community Benefit Committee assists the Department of Special Needs & Community Outreach in prioritizing programs that are in line with the hospitals' strategic plans Committee members include representatives of the hospitals' Executive Management Teams, the business community, social service agencies, community volunteers, CHW board members, and employees This group meets four times annually to help ensure that our outreach services respond to identified community needs and are effectively working to improve the overall health status of the community The Committee provides input, advice, and approval for the Community Benefit Plan The approved plan is then submitted to the Bakersfield Memorial Hospital Board for final approval

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

BMH is affiliated with CHW Affiliates of CHW also promote the health of additional communities in Bakersfield, San Bernardino, San Francisco, San Andreas, and Grass Valley/Nevada City, California These affiliates follow practices similar to those noted above in determining the unmet healthcare needs of their communities Total unsponsored community benefit expense for CHW and its subordinate corporations for the year ended June 30, 2010, is as follows Persons Net Comm % of Served Benefit Exp excl Bad Debt Benefits for the Poor Traditional Charity Care 110,381 142,746,446 1 7% Unpaid Costs of Medicaid/Medi-Cal 944,650 558,385,256 6 5% Other Means-tested Programs 269,294 56,864,415 0 7% Community Services Community Health Services 553,419 48,887,807 0 5% Health Professions Education 21,746 6,431,872 0 1% Subsidized Health Services 212,434 36,161,087 0 4% Donations 256,564 8,509,998 0 1% Community Building Activities 69,194 1,805,508 0 0% Community Benefit Operations 11,547 5,645,250 0 1% Total Community Services for the poor 1,124,904 107,441,522 1 2% Total Benefits for the Poor 2,449,229 865,437,639 10 1% Benefits for the Broader Community Community Services Community Health Services 2,464,586 19,716,268 0 2% Health Professions Education 49,929 46,618,328 0 5% Subsidized Health Services 114,349 13,649,835 0 2% Research 23,285 27,190,380 0 3% Donations 158,111 3,762,689 0 1% Community Building Activities 77,077 6,774,273 0 1% Community Benefit Operations 95,948 2,000,665 0 0% Total Benefits for the Broader Community 2,983,285 119,712,438 1 4% Total Community Benefits 5,432,514 985,150,077 11 5% Unpaid Costs of Medicare 995,245 345,619,895 4 0% Total Community Benefits including Cost of Medicare 6,427,759 1,330,769,972 15 5%

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Bakersfield Memorial Hospital

Employer identification number
95-1802779

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States.

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Bakersfield Mercy Hospital 2201 Truxton Ave Bakersfield, CA 93301	941196203	501 (c) (3)	7,940	0	n/a	n/a	Advocacy for Poor
Bakersfield Memorial Hospital Auxiliary420 34th Street Bakersfield, CA 93301	951802779	501(c)(3)	12,350	0	n/a	n/a	Hospital Support
AMERICAN GENERAL MEDIAPO Box 2700 Bakersfield, CA 93308	201232360	N/A	5,250	0	n/a	n/a	Svc for poor
CYSTIC FIBROSIS FOUNDATION6420 Wilshire Blvd 1st Fl Los Angeles, CA 90048	131930701	501 (c) (3)	6,000	0	n/a	n/a	social health
TERRIO THERAPY FITNESS PO Box 13310 Bakersfield, CA 933893310	912073074	N/A	10,500	0	n/a	n/a	Personal Health
American Heart Association 404 Truxtun Ave Bakersfield, CA 93301	135613797	501 (c) (3)	33,030	0	n/a	n/a	Personal Health

2 Enter total number of section 501(c)(3) and government organizations . . . ▶ 39

3 Enter total number of other organizations . . . ▶ 6

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.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

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

Identifier	Return Reference	Explanation
PART I - GENERAL INFORMATION ON GRANTS & ASSISTANCE		PART I, LINE 2 Donations are provided to the community to further the mission of the hospital and support various community programs Bakersfield Memorial Hospital provides donations to support community programs through its Special Needs department and by donating directly to various community events and programs Special Needs The director of Special Needs reviews and approves all grants and donations related to its department Once the grant/donation is provided no further tracking is conducted as the organizations receiving the grant are charitable organizations Donating Directly to Community Events/Programs The Vice President and Manager of Business Development review and evaluate donations made directly to the community from the hospital Organizations seeking donations may be charitable or non-charitable The following are the criteria that Business Development use to evaluate donations 1 Relevancy to healthcare 2 Further the hospital's mission 3 Provide a community benefit (i e health education) and/or improve the lives of the community in which the hospital serves 4 Opportunity for the hospital to build and foster relationships in the community to further its mission The cost-benefit of the donation/grant is reviewed Afterwards, a member of the senior management team (VP Business Development, CFO, or President) approves the transactions The Bakersfield Memorial Hospital's President approves any donation greater than $5,000

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Bakersfield Memorial Hospital

Employer identification number
95-1802779

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☑ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	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 ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Russell Judd	(i)	0	0	0	0	0	0	0
	(ii)	347,126	230,116	9,534	37,621	27,597	651,994	0
Jon Van Boening	(i)	0	0	0	0	0	0	0
	(ii)	351,289	191,072	30,197	35,589	36,384	644,531	0
Jesica Hanson	(i)	167,701	36,388	425	10,837	16,250	231,601	0
	(ii)	0	0	0	0	0	0	0
Terri Church	(i)	179,128	27,806	929	13,706	5,729	227,298	0
	(ii)	0	0	0	0	0	0	0
Sheri Comaianni	(i)	159,601	33,311	2,601	10,385	5,943	211,841	0
	(ii)	0	0	0	0	0	0	0
Dr Robert Marshall	(i)	228,423	45,894	6,553	14,825	12,492	308,187	0
	(ii)	0	0	0	0	0	0	0
Bruce Peters	(i)	210,748	42,840	9,134	20,618	16,393	299,733	0
	(ii)	0	0	0	0	0	0	0
Whabong Anderson	(i)	259,631	2,469	2,370	16,562	5,702	286,734	0
	(ii)	0	0	0	0	0	0	0
Editha Lolin	(i)	226,248	14,764	8,199	16,333	9,231	274,775	0
	(ii)	0	0	0	0	0	0	0
David J Lozano	(i)	163,072	24,920	8,718	16,407	12,008	225,125	0
	(ii)	0	0	0	0	0	0	0
Karen J Simpson	(i)	198,749	2,424	17	10,485	5,551	217,226	0
	(ii)	0	0	0	0	0	0	0
Gena L Cook	(i)	170,431	9,729	401	12,763	15,951	209,275	0
	(ii)	0	0	0	0	0	0	0
Jim Eppink	(i)	40,651	0	100,390	3,110	3,977	148,128	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
PART I, LINE 1A and Line 3		Part I, Line 1A Club dues have been paid by the organization for business use by one director/officer, who is the service area leader, for recruiting and business entertainment purposes No amounts have been included as reportable income as expenses related to personal usage are paid by the employee Part I, Line 3 Although the organization employs personnel, the Organization relied on a related organization, Catholic Healthcare West, that used one or more of the methods described in Schedule J, Part I, Line 3, to establish the Organization's Service Area Leader's compensation See Schedule O disclosure for Form 990, Part VI, Section B, Line 15a for additional information
PART I, LINE 4a		The organization's key employees and its highest compensated employees participate in a severance plan that provides fair compensation, ranging from payments of 2 months to 12 months of base compensation, depending on the executive's position, in the event of a position elimination or other involuntary termination, in accordance with the guidelines of the plan Payments pursuant to the plan arrangement for one former key employee occurred during 2009, J Eppink $82,503
PART I, LINE 4b		The organization's key employees and certain officers and highly compensated employees hired prior to June 30, 2006 are eligible to participate in the CHW Executive Deferred Compensation Plan, a nonqualified 457(f) plan which is intended to provide a benefit approximating the difference, if any, between the benefit provided under the CHW excess benefit plan and the benefit provided under the qualified benefit plan that substantially replaced the excess plan No benefit will vest under the 457(f) plan before the latter of the attainment of age 62 while employed or the completion of 15 years of service
PART II, SUPPLEMENTAL DISCLOSURES		The organization's executive compensation philosophy is designed to assist the organization in attracting and retaining the caliber of executives required to enable the organization to fulfill its mission of providing high quality healthcare for all persons regardless of their ability to pay for services, improving the quality of life in the communities the organization serves, promoting employee satisfaction, and ensuring financial stability A substantial portion of executive compensation is performance based and is linked to organizational goals approved in advance by the Compensation and Benefits Committee These goals include attainment of annual and long-term financial performance, certain healthcare quality standards and the organization's commitment to serving the poor and disenfranchised in the communities it serves Total compensation, which includes base salary, annual and long-term incentive compensation, targets the 75th percentile of the market in which the organization competes for executives, commensurate with the size and complexity of the organization

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Bakersfield Memorial Hospital

Employer identification number
95-1802779

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	CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY	52-1598225	13033FTN0	05-19-2004	150,000,000	NEW MONEY TO VARIOUS PROJECT & MED		X		X
B	CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY	52-1643828	13033FYE4	11-10-2005	200,000,000	NEW MONEY TO FINANCE CAPITAL EXPEN		X		X

Part II Proceeds

		A	B	C	D	E
1	Total proceeds of issue	10,054,205	26,804,899			
2	Gross proceeds in reserve funds	0	0			
3	Proceeds in refunding or defeasance escrows	0	0			
4	Other unspent proceeds	0	0			
5	Issuance costs from proceeds	0	0			
6	Working capital expenditures from proceeds	0	0			
7	Capital expenditures from proceeds	10,054,205	26,804,899			
8	Year of substantial completion	2006	2008			

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

Part III Private Business Use

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X						
2	Are there any lease arrangements with respect to the financed property which may result in private business use?	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							
3b	Are there any research agreements with respect to the financed property which may result in private business use?	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							
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		0 %		0 %						
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 %		0 %						
6	Total of lines 4 and 5		0 %		0 %						
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	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							
2	Is the bond issue a variable rate issue?	X		X							
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X		X						
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?		X		X						
b	Name of provider										
c	Term of GIC										
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5	Were any gross proceeds invested beyond an available temporary period?	X		X							
6	Did the bond issue qualify for an exception to rebate?		X		X						

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

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

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
Jon Van Boening	BOARD MEMBER/OFFICER		SEE SCHEDULE O		No
Bruce Peters	OFFICER		SEE SCHEDULE O		No
Jesica Hanson	KEY EMPLOYEE		SEE SCHEDULE O		No
Javier E Miro MD Inc	BM, J MIRO IS SOLE OWNER	27,000	MEDICAL SERVICES		No

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

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2009

Open to Public Inspection

Name of the organization
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Employer identification number
95-1802779

Identifier	Return Reference	Explanation
PART VI - GOVERNANCE, MANAGEMENT, DISCLOSURE		SECTION A, LINE 6 The sole corporate member is Catholic Healthcare West, a 501(c)(3) exempt organization SECTION A, LINE 7A CHW, as the sole corporate member, ratifies the selection of members and the CHW Board approves new Board members of the organization SECTION A, LINE 7B Reserved rights of the corporate member include adoption of mission and philosophy statements, amendment or restatement of articles of incorporation and bylaws, dissolution of the corporation, acquisition of another corporation, creation of a new subsidiary, merger or consolidation with another corporation, participation as a general or limited partner in any venture, incurring long-term indebtedness in excess of normal operating requirements, ratification of board member appointments and dismissals, selection and removal of independent auditors, and transactions outside the ordinary course of business SECTION B, LINE 11A The Board of Directors has delegated the review of the Form 990 to the Finance and Planning Committee The organization's CFO and Controller worked closely with the Parent Organization and AN INDEPENDENT accounting firm it engaged to review the return and presented each section of the final draft of Form 990, excluding compensation schedules to the Finance and Planning Committee Subsequent to its review, the Finance and Planning Committee reported back to the Board regarding its oversight of the Form 990 and the final draft, excluding compensation schedules was provided to the entire voting Board before the return was filed SECTION B, LINE 12C The Organization has adopted CHW's Conflicts of Interest Policy The Organization's Board is charged with monitoring proposed or ongoing transactions for conflicts of interest and addressing any potential or actual conflicts Pursuant to the conflicts of interest policy, an annual conflict of interest disclosure statement, aimed at determining any family and business relationships and transactions, or other transactions that may pose a potential conflict, is distributed to all covered persons (e g , board members, officers and executive leadership, key employees and all management personnel whose responsibilities include business decisions which may give rise to conflicts of interest) Covered persons are also required to disclose real or potential conflicts at the time such conflicts arise When an individual becomes a covered person and annually thereafter, each covered person is required to submit an updated disclosure statement and to sign a statement affirming that he/she (1) has received a copy of the conflicts of interest policy, (2) has read the policy and understands said policy, and (3) agrees to comply with all requirements of the policy, including completing the conflicts of interest disclosure statement The completed questionnaires are reviewed by CHW's Legal Department and any persons with actual or potential conflicts are informed via written communication The procedures for addressing any conflict of interest related to a proposed transaction include, but are not limited to, the following (1) the conflicting interest is fully disclosed to the board, (2) the interested person responds to factual questions related to the substance of the transaction or arrangement being considered, after which he/she shall leave the meeting, (3) the person with the conflict of interest is excluded from the discussion and approval of such transaction, (4) if warranted, alternatives to the proposed transaction are investigated, and competitive bids or comparable valuations are obtained, (5) any conflicting issues arising during the course of a board meeting which cannot be resolved are to be referred to an independent committee of the Board of Directors, and (6) the transaction or action must be approved by a majority of disinterested persons All conflicts of interest, whether resolved or unresolved, are reported in the Organization's Form 990 SECTION B, LINE 15A Although the organization employs personnel, the Service Area Leader is compensated by Catholic Healthcare West (CHW) CHW's Compensation and Benefits department conducts an annual review and analysis to provide benchmarking data for the total compensation and benefits package of the Service Area Leader Appropriate comparability data for similar jobs in peer companies (both taxable and tax-exempt) is obtained from independent third-party survey sources SECTION B, LINE 15B Compensation of other Key Employees is based on a comprehensive EVALUATION FOCUSING ON ALL ASPECTS OF THE INCUMBENT'S ASSIGNED DUTIES AND assessed performance in carrying out the philosophy and mission of CHW and its sponsoring congregations Additionally, comparative data and market surveys regarding compensation in the surrounding marketplace are considered The salaries are finalized by the Service Area Leader in coordination with the organization's VP of Human Resources SECTION C, LINE 19 Federal tax laws do not mandate that the or

Identifier	Return Reference	Explanation
PART VI - GOVERNANCE, MANAGEMENT, DISCLOSURE		ganization's governing documents, conflict of interest policy and financial statements be made available for public inspection The organization makes its financial statements avai lable upon request

Identifier	Return Reference	Explanation
Sch L, Part IV		GemCare-Mercy-Memorial Health System, LLC Effective January 1, 2010, Bakersfield Memorial Hospital, a California nonprofit public benefit corporation, and CHW d/b/a Mercy Hospitals of Bakersfield, entered into an LLC Operating agreement with GemCare Holdings, Inc and Managed Care Systems, LLC This Operating agreement formed GemCare-Mercy-Memorial Health System, LLC (GMMHS) The purpose of this business venture is to pool the resources of each owner to promote community health and expand the healthcare system In exchange for GMMHS' shares, Bakersfield Memorial Hospital contributed $7,252,500, resulting in an ownership interest of 25% Upon the creation of this venture, the Chief Executive Officer became a member of the Board of Directors GemCare Holdings provides insurance coverage for Bakersfield Memorial Hospital's employees Managed Care Systems administer those benefits Millennium Surgery Center Effective January 1, 2010, Bakersfield Memorial Hospital, a California nonprofit hospital, entered into a stock purchase agreement with Millennium Surgery Center, Inc, an ambulatory surgery center The purpose of this joint venture is to provide medical, surgical, and related healthcare services in Bakersfield, CA BMH contributed $7,050, 000 in exchange for 60% of the stock of Millennium Surgery Center This transaction resulted in Bakersfield Memorial Hospital becoming a majority shareholder in this venture Upon the creation of this venture, the Bakersfield Memorial Hospital's Chief Executive, Operating, and Finance Officers became members of the Millennium Surgery Center's Board of Directors Also on January 1, 2010, Bakersfield Memorial Hospital entered into a consulting agreement with Millennium Surgery Center for the administration and negotiation of the surgery center's managed care program Jon Van Boening is a member of the GMMHS Board Jon Van Boening, Jesica Hanson, and Bruce Peters are members of the MSC's Board These individuals who are directors of Millennium Surgery Center and GMHHS do not receive compensation payment for their services

Identifier	Return Reference	Explanation
Sch R, Part V, Line 2		1) Bakersfield Memorial Hospital provided managed care consulting services to Millenium These services were paid based on contract terms established by current market value of such services 2) Amounts included were related to shareowner distributions The Millenium's CEO and CFO reviewed the quarterly financials to determine the amount of the distribution After the CEO and CFO reviewed the amount for distribution, this information was provided to the Board of Directors for approval 3) The FMV analysis was used to determine the capital contributions for Millennium The appraisals/FMV evaluations were performed by an external and reputable organization

Identifier	Return Reference	Explanation
Sch K, Part IV		Bond Issuance A (Issuer EIN 52-1598225) Part II, Line 5 Issuance costs were paid with equity (cash), not with bond proceeds Part IV CALCULATIONS PERFORMED BY ARBITRAGE CONSULTANT AND THERE WAS NO REBATABLE ARBITRAGE LIABILITY SO NO FORM 8038-T FILED

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

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2009

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
Catholic Healthcare West 185 Berry Street San Francisco, CA 94107 94-1196203	Hospital	CA	501(c)(3)	3	NA
Bakersfield Memorial Hospital Foundation 420 34th Street Bakersfield, CA 93301 95-3555043	Fundraising	CA	501(c)(3)	11a	NA

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No
Kern Home Health Resources 26220 Enterprise Court Lake Forest, CA92630 33-0184040	Home infusion	CA	NA	INVESTMENT	386,539	521,304		No	0	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
MILLENNIUM SURGERY CENTER INC 9300 STOCKDALE HWY STE 200 BAKERSFIELD, CA93311 77-0513445	AMBULATORY SURG	CA	NA	S CORP	0	0	60 000 %

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

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

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to other organization(s)	1b		No
c Gift, grant, or capital contribution from other organization(s)	1c	Yes	
d Loans or loan guarantees to or for other organization(s)	1d		No
e Loans or loan guarantees by other organization(s)	1e	Yes	
f Sale of assets to other organization(s)	1f		No
g Purchase of assets from other organization(s)	1g		No
h Exchange of assets	1h		No
i Lease of facilities, equipment, or other assets to other organization(s)	1i		No
j Lease of facilities, equipment, or other assets from other organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for other organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations by other organization(s)	1l	Yes	
m Sharing of facilities, equipment, mailing lists, or other assets	1m	Yes	
n Sharing of paid employees	1n		No
o Reimbursement paid to other organization for expenses	1o	Yes	
p Reimbursement paid by other organization for expenses	1p		No
q Other transfer of cash or property to other organization(s)	1q	Yes	
r Other transfer of cash or property from other organization(s)	1r	Yes	

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1) MILLENNIUM SURGERY CENTER INC	r	352,568
(2) MILLENNIUM SURGERY CENTER INC	k	7,050,000
(3)		
(4)		
(5)		
(6)		

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

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

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