

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



Form **990**

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

Open to Public Inspection

A F	or the	2010 ca	lendar year, or tax year begir	nning 07-01-2010 and ending 06-30-20)11			
в с	neck if a	applicable	C Name of organization BETHESDA HOSPITAL INC			D Emplo	yer ident	ification number
Г Ad	ldress c	hange				31-05	37122	
ГΝ	ame cha	ange	Doing Business As			E Teleph	one num	ber
┌ In	ıtıal retu	ırn	Number and street (or P O box	if mail is not delivered to street address)	Room/suite	(513)	569-65	75
Гτ	mınate	ed	619 OAK STREET - ACCOUNTING	3 WEST		(= - /		
┌ Ar	nended	return	City or town, state or country, a	nd ZIP + 4		G Gross r	eceipts \$ 1	1,105,664,135
	plicatio	n pending	CINCINNATI, OH 45206					
			F Name and address of p	orincipal officer	H(a) Is this	a group return fo	or affiliates?	Yes No
			JOHN S PROUT 619 OAK STREET - ACC	OUNTING 3 WEST		J		
			CINCINNATI, OH 4520		1 ` ′	ll affiliates incl		☐ Yes ☐ No
						lo," attach a up exemptio		ee instructions)
I T	ax-exer	npt status	▼ 501(c)(3)	◀ (Insert no)	H(c) Gro	ap exemper		
J V	/ebsit	e: 🕨 WW	/W TRIHEALTH COM					
K Fo	rm of or	rganızatıon	Corporation Trust Associa	ation Other ►	L Year of fe	ormation 189	6 M Sta	ite of legal domicile OH
Pa	art I	Sum	mary					
ų.			_	sion or most significant activities OF THE PEOPLE WE SERVE				
Activities & Governance								
Ĭ								
Š O	2	Check th	nis box দ if the organization	discontinued its operations or disposed	d of more than i	25% of its r	net asset	ts
্ৰ স্ক				erning body (Part VI, line 1a)			3	11
<u>8</u>				rs of the governing body (Part VI, line 1	•	.	4	8
Ĕ			·	in calendar year 2010 (Part V, line 2a)			5	4,304
PG F			mber of volunteers (estimate	r necessary) n Part VIII, column (C), line 12			6 7a	1,155 3,444,676
				e from Form 990-T, line 34		_	7a 7b	-3,854,385
	+ -	c	Tated Basilless taxable illesill		Pri	or Year	75	Current Year
	8	Contri	butions and grants (Part VIII	, line 1h)		833,5	18	6,620,381
릙	9						50	490,584,196
Reveni	10	Invest	tment income (Part VIII, colu	mn (A), lines 3, 4, and 7d)		19,828,506		32,432,306
Ť	11	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)						6,979,590
	12			11 (must equal Part VIII, column (A), l	ne	501,195,9	0.6	536,616,473
	13			art IX, column (A), lines 1-3)		337,1	_	353,065
	14			rt IX, column (A), line 4)		00.72	0	0
	15			oyee benefits (Part IX, column (A), lines	5-			
Expenses		10)				211,383,6	62	223,198,502
₹	16a			X, column (A), line 11e)			0	0
五	Ь		ndraising expenses (Part IX, column					
	17), lines 11a-11d, 11f-24f)		248,526,5		249,256,284
	18 19			nust equal Part IX, column (A), line 25)		460,247,3		472,807,851
<u>ئى ئىر</u>		Reven	ue less expellses Subtract III	ne 18 from line 12	Beginnin	g of Curren		63,808,622
Net Assets or Fund Balances					_	Year		End of Year
38. B.	20					672,248,0	69	705,816,400
異な	21					388,192,2	_	337,017,150
							72	368,799,250
	rt II		ature Block	nined this return including accommodity	echedulas	ctatoment-	and to the	a bact of mir
knov		and belie		nined this return, including accompanying te. Declaration of preparer (other than offi				
					2	012-05-10		
Sig		Signa	ature of officer			ate		
Her			HAEL CROFTON VP FINANCE or print name and title					
		Print/Type		Preparer's signature	Date	Check if self-		N
Paid		preparer's Fırm's nar	me DELOITTE TAX LLP			employed 🕨	<u>'</u>	n's EIN ▶
	arer	Firm's add	dress 250 EAST FIFTH STREET					
Use	Only	3 446	CINCINNATI, OH 45202				710	ne no 🕨 (513) 784- 0

May the IRS discuss this return with the preparer shown above? (see instructions)

▼Yes No

Form	1990 (2010)					Page Z
Par	t IIII Statement Check if Scheo			lishments Jestion in this Part III		
1	Briefly describe the o	organization's missio	n			
				RVE THIS IS ACCOMI ELLNESS AND EDUCA	PLISHED BY PROVIDING	A FULL RANGE OF
2	the prior Form 990 or	990-EZ?		ervices during the year v	which were not listed on	「Yes V No
	If "Yes," describe the					
3	services?			nt changes in how it con		┌ Yes ┌ No
	If "Yes," describe the	se changes on Sche	dule O			
4	Section 501(c)(3) an	d 501(c)(4) organiza	ations and secti		argest program services by e required to report the am ervice reported	
4a	(Code) (Expenses \$	412,661,810	including grants of \$	353,065) (Revenue \$	488,727,249)
	SEE SCHEDULE H					
4b	(Code) (Expenses \$		including grants of \$) (Revenue \$)
4c	(Code) (Expenses \$		including grants of \$) (Revenue \$)
4d	Other program servi	•	•	£ #) (Daylanua #	,
	(Expenses \$		cluding grants o) (Revenue \$)
4e	Total program service	ce expenses►\$	412,661,81	U		

Part IV Checklist of Required Sched	lules
-------------------------------------	-------

			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 (see instruction)? 🕏	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, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? 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 2	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	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
а	Did the organization report an amount for land, buildings, and equipment in Part X, line10? If "Yes," complete Schedule D, Part VI.	11a	Yes	
b	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.	11b	Yes	
c	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.	11c		No
d	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.	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	11e	Yes	
f	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 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	12b	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? <i>If</i> "Yes," complete Schedule F, Parts I and IV	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, Parts II and IV	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, Parts III and IV.	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? <i>If</i> "Yes," complete Schedule G, Part I (see instructions)	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? <i>If</i> "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
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a	Yes	
Ь	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form	20b	Yes	

Par	t 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 lines 24b-24d and complete Schedule K. If "No," go to line 25	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
С	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? 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)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		Νο
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c		Νο
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		Νο
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)?	35	Yes	
а	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 \checkmark Yes \checkmark No			
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	Yes	
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	
		F	orm 990	(2010)

Part V Statements Regarding Other IRS Filings and Tax Compliance

	Check if Schedule O contains a response to any question in this Part V		.୮	
			Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable 1a 368			
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			
b	return	2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	20	162	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the	2-	V	
L.	year?	3a	Yes Yes	
	At any time during the calendar year, did the organization have an interest in, or a signature or other authority	3b	res	
4a	over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		Νo
b	If "Yes," enter the name of the foreign country 🕨			
	See instructions for 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		Νο
	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		Νο
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	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		Νο
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).			
	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		Νo
	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		Νo
d	If "Yes," indicate the number of Forms 8282 filed during the year			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		Νο
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		Νo
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	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.			
а	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			
	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			
11	Section 501(c)(12) organizations. Enter			
	Gross income from members or shareholders			
Ь	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
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			
13	year			
а	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13a		
	Enter the amount of recommend the amount of the second to			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans			
c	Enter the amount of reserves on hand 13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		Νo
h	If "Yes " has it filed a Form 720 to report these nayments? If "No" provide an explanation in Schedule 0	14b		

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.

Check if Schedule O contains a response to any question in this Part VI										. F	7
---	--	--	--	--	--	--	--	--	--	-----	---

Se	ction A. Governing Body and Management				
		_		Yes	No
_					
1a	Enter the number of voting members of the governing body at the end of the tax year	11			
b	Enter the number of voting members included in line 1a, above, who are independent	8			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relat other officer, director, trustee, or key employee?		2	Yes	
3	Did the organization delegate control over management duties customarily performed by or und supervision of officers, directors or trustees, or key employees to a management company or ot	er the direct	3		N o
4	Did the organization make any significant changes to its governing documents since the prior F filed?	_	4		N o
5	Did the organization become aware during the year of a significant diversion of the organization'	's assets? .	5		N o
6	Does the organization have members or stockholders?		6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or mor governing body?	e members of the	7a	Yes	
ь	Are any decisions of the governing body subject to approval by members, stockholders, or othe	r nersons?	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions underta	· · · -	76	165	
0	year by the following	ken during the			
а	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot organization's mailing address? If "Yes," provide the names and addresses in Schedule O $$.		9		Νο
	ection B. Policies (This Section B requests information about policies not required because Code.)	by the Internal			
	•			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	[10a		Νο
b	If "Yes," does the organization have written policies and procedures governing the activities of affiliates, and branches to ensure their operations are consistent with those of the organization?		10ь		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before	_			
			11a		Νο
b	Describe in Schedule O the process, if any, used by the organization to review this 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 the conflicts?		12b	Yes	
С	Does the organization regularly and consistently monitor and enforce compliance with the police 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 appendent persons, comparability data, and contemporaneous substantiation of the deliberati	roval by			
а	The organization's CEO, Executive Director, or top management official		15a	Yes	
	Other officers or key employees of the organization	-	15b	Yes	
	If "Yes" to line 15a or 15b, 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 at taxable entity during the year?		16a	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to 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		Νo
Se	ction C. Disclosure				
17	List the States with which a copy of this Form 990 is required to be filed▶				
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and (3)s only) available for public inspection. Indicate how you make these available. Check all that				
19	Own website Another's website Vupon request Describe in Schedule O whether (and if so, how), the organization makes its governing documents and the problem of the problem	its, 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 🕨 MICHAEL CROFTON 619 OAK STREET - ACCOUNTING 3 WEST

CINCINNATI, OH 45206

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

Check if Schedule O contains a response to any question in this Part VII

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

- 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, if any 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, and 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 neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours	Posi t	((tion (hat a	(che		II		(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of other
	per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee		Key employee	Former Highest compensated employee		from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
(1) STEPHEN SCHRANTZ VICE CHAIRMAN	1 00	х		х				0	0	0
(2) JAMES SCHWAB CHAIRMAN (END 2/11)	1 00	х		х				0	0	0
(3) MICHAEL HAVERKAMP TRUSTEE	1 00	х						0	0	0
(4) ROBERT WALKER CHAIRMAN (START 3/11)	1 00	х		х				0	0	0
(5) JOHN PROUT PRESIDENT/CEO (SCH O)	1 00	х		х				0	1,216,064	299,811
(6) PAUL EDGETT III TRUSTEE	1 00	х						0	0	0
(7) SILVANIA NG MD TRUSTEE (SCH O-MED STAFF PRES)	1 00	х						45,000	0	0
(8) THOMAS FINN TRUSTEE	1 00	Х						0	0	0
(9) MYRTIS POWELL TRUSTEE	1 00	Х						0	0	0
(10) EDWARD HARNESS JR TRUSTEE (END 3/11)	1 00	х						0	0	0
(11) MARC ALEXANDER MD TRUSTEE (SCH O-MED STAFF PRES)	1 00	х						0	45,000	0
(12) SR MARY ELLEN MURPHY TRUSTEE	1 00	х						0	0	0
(13) MICHAEL MCGRAW SECRETARY/TREASURER	1 00	х						0	0	0
(14) DONNA NIENABER ESQ ASST SECRETARY (SCH 0)	1 00			х				0	480,976	138,646
(15) CRAIG RUCKER ASST TREAS/CFO (SCH O)	1 00			х				0	492,908	115,752
(16) SHER MCCLANAHAN CHIEF OPERATING OFFICER-BNH	60 00				х			0	357,292	86,142
-	•							l		Form 000 (2010)

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and Title	(B) A verage hours	1	tion (that a	(che		II.		(D) Reportable compensation from the	(E) Reportable compensation from related	(F) Estimated amount of other
	per week (describe hours for related organizations in Schedule O)	Highest compensated employee Key employee Officer Institutional Trustee or director			Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	compensation from the organization and related organizations		
(17) WILLIAM GRONEMAN EXEC VP (SCH O)	1 00				Х			0	511,263	166,581
(18) GERALD OLIPHANT EXEC VP & COO (SCH O)	1 00				х			0	547,879	117,654
(19) GEORGES FEGHALI MD CMO (SCH O)	1 00				Х			0	493,357	137,101
(20) ANTHONY BORZOTTA MD PHYSICIAN	60 00					х		319,437	0	71,578
(21) STEVEN JOHNSON MD PHYSICIAN	60 00					х		278,487	0	39,296
(22) LAURA TRICE MD PHYSICIAN	60 00					х		224,412	0	46,499
(23) ALAN ALTMAN MD PHYSICIAN	60 00					х		218,837	0	80,638
(24) SHAYLA PULLEN-JAMES MD PHYSICIAN	60 00					х		204,670	0	38,116
(25) MICHAEL CROFTON FORMER OFFICER (SCH 0)	0 00						х	0	261,091	67,993
(26) ROBERT HALONEN FORMER OFFICER	0 00						х	0	238,044	0
1b Sub-Total					•	<u>.</u>	-			
d Total (add lines 1b and 1c) .	to Part VII, Sec	ction A			•		-	1,290,843	4,643,874	1,405,807
2 Total number of individuals (inc				e lıs	ted a	- above) who	' '		· ·

\$100,000 in reportable compensation from the organization >78

			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 I 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			
	ındıvıdual	4	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for			
	services rendered to the organization? If "Yes," complete Schedule I for such person	5		Νo

Section B. Independent Contractors

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
ARUP PO BOX 27964 SALT LAKE CITY, UT 84127	LABORATORY RESEARCH & DVLPMT	1,687,107
TRI-STATE HEALTHCARE LAUNDRY INC 551 S LOOP ROAD EDGEWOOD, KY 41017	LAUNDRY SERVICE	1,478,349
PATIENT TRANSPORT SERVICES INC 1700 EDISON DRIVE SUITE 300 MILFORD, OH 45150	PATIENT TRANSPORTATION	1,227,814
AMERICAN NURSING CARE INC 1700 EDISON DRIVE SUITE 300 MILFORD, OH 45150	NURSING STAFFING	1,104,504
EXECUTIVE HEALTH RESOURCES 15 CAMPUS BLVD NEWTOWN SQUARE, PA 19073	MEDICAL STAFFING	633,998
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 **►**43

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

А	Section 501(c)(3) and 501(c)(4) organizations mus Il other organizations must complete column (A) but are not required to c			D).	
Do no	ot include amounts reported on lines 6b, b, 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	353,065	353,065		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees				
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	170,785,114	145,404,555	25,380,559	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	11,106,969	8,800,542	2,306,427	
9	Other employee benefits	29,284,494	23,617,995	5,666,499	
10	Payroll taxes	12,021,925	10,374,032	1,647,893	
а	Fees for services (non-employees) Management	1,333,323	1,271,931	61,392	
b	Legal	2,273,651		2,273,651	
c	Accounting	380,013		380,013	
d	Lobbying	88,350		88,350	
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees	1,225,497		1,225,497	
g	Other	30,565,730	26,795,167	3,770,563	
12	Advertising and promotion	1,954,811	181,025	1,773,786	
13	Office expenses	5,447,565	3,363,378	2,084,187	
14	Information technology	7,562,596	739,894	6,822,702	
15	Royalties				
16	Occupancy	11,119,905	9,909,590	1,210,315	
17	Travel	931,916	588,769	343,147	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	9,978,817	9,978,817		
21	Payments to affiliates	22.670.472	20 274 272	2 404 000	
22	Depreciation, depletion, and amortization	23,678,472	20,274,373	3,404,099	
23 24	Insurance	3,371,584	3,223,957	147,627	
	line 25, column (A) amount, list line 24f expenses on Schedule O)	05	0=====		
a	MEDICAL/DIETARY SUPPLY	95,989,737	95,704,211	285,526	
b	BAD DEBT	39,467,549	39,467,549	0	
c d	REPAIRS & MAINTENANCE OHIO HOSPITAL FEE	6,180,643 3,481,222	5,764,302 3,481,222	416,341	
	O&M COST TRACK FEES	679,449	679,449	0	
e f	All other expenses	3,545,454	2,687,987	857,467	
25	Total functional expenses. Add lines 1 through 24f			·	0
26	Joint costs. Check here ► [If following	472,807,851	412,661,810	60,146,041	
	SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet (A) (B) Beginning of year End of year 4.899.129 7,898,961 1 2 2 Savings and temporary cash investments 3 3 31,535,286 32,143,839 4 5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of 5 Schedule L . . . 6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) **A**ssets 6 698,360 100,373 8 1,720,294 1,730,580 2,415,155 2,381,597 Prepaid expenses and deferred charges 10a Land, buildings, and equipment cost or other basis Complete 476,984,348 10a Part VI of Schedule D 255,545,141 ь Less accumulated depreciation 10b 232,216,819 **10c** 221,439,207 277.347.446 245.041.961 11 11 65,973,093 155,123,411 12 Investments—other securities See Part IV, line 11 12 1,944,613 1,813,291 13 13 Investments—program-related See Part IV, line 11 . . 14 14 53,629,196 15 38,011,858 15 16 672.248.069 16 705,816,400 **Total assets.** Add lines 1 through 15 (must equal line 34) . . . 43.386.408 17 52.352.693 17 Accounts payable and accrued expenses . 18 18 2.242.145 19 1.866.484 19 20 20 Liabilities 21 21 Escrow or custodial account liability Complete Part IV of Schedule D . . 22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified 22 223.154.509 23 23 212.090.276 Secured mortgages and notes payable to unrelated third parties . . 24 24 Unsecured notes and loans payable to unrelated third parties 25 119,784,896 25 70.332.036 Other liabilities Complete Part X of Schedule D 26 388.192.297 26 337,017,150 **Total liabilities.** Add lines 17 through 25 Organizations that follow SFAS 117, check here ▶ 🔽 and complete lines 27 Balances through 29, and lines 33 and 34. 27 Unrestricted net assets 272,486,072 27 360,544,378 Temporarily restricted net assets 11,569,700 8,254,872 28 28 Fund 29 29 Permanently restricted net assets Organizations that do not follow SFAS 117, check here 🕨 🥅 and complete lines 30 through 34. 5 30 30 Capital stock or trust principal, or current funds Assets 31 Paid-in or capital surplus, or land, building or equipment fund 31 32 32 Retained earnings, endowment, accumulated income, or other funds ¥ 284,055,772 33 368,799,250 33 Total net assets or fund balances 34 Total liabilities and net assets/fund balances 672,248,069 705,816,400

Par	Check if Schedule O contains a response to any question in this Part XI			.┏	
1	Total revenue (must equal Part VIII, column (A), line 12)	1		536.6	516,473
2	Total expenses (must equal Part IX, column (A), line 25)	2	472,807,8		-
3	Revenue less expenses Subtract line 2 from line 1	3		63,8	308,622
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4		284,0	55,772
5	Other changes in net assets or fund balances (explain in Schedule O)	5		20,9	34,856
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6		368,7	799,250
Par	t XII Financial Statements and Reporting				
	Check if Schedule O contains a response to any question in this Part XII		•	ে	•
				Yes	No
1	Accounting method used to prepare the Form 990				
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		2a		Νo
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 taudit, 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 is on a separate basis, consolidated basis, or both	ssued			
	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?	è	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the reaudit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	equired	3b		

Employer identification number

OMB No 1545-0047

Inspection

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

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

Public Charity Status and Public Support

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

Name of the organization

BETH	ESDA H	OSPITAL INC							
		31-053712							
	rt I	Reason for Public Charity Status (All organizations must complete this part.) See ins	tructions						
The	organı	ızatıon ıs not a prıvate foundatıon because ıt ıs (For lınes 1 through 11, check only one box)							
1	Г	A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).							
2	Γ	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	Γ	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	Γ	An organization operated for the benefit of a college or university owned or operated by a governmenta	l unit describe	d ın					
_	_	section 170(b)(1)(A)(iv). (Complete Part II)							
6	<u> </u>	A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).							
7	1	An organization that normally receives a substantial part of its support from a governmental unit or from described in section 170(b)(1)(A)(vi) (Complete Part II)	m the general	public					
8	Г	A community trust described in section 170(b)(1)(A)(vi) (Complete Part II)							
9	Ė	An organization that normally receives (1) more than 331/3% 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 331/3% of							
		its support from gross investment income and unrelated business taxable income (less section 511 to							
		acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part III)	,						
10	Г	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) Sethe 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	e section 509(a)(3).	Check				
e	Γ	By checking this box, I certify that the organization is not controlled directly or indirectly by one or mother than foundation managers and other than one or more publicly supported organizations described 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 II check this box	I supporting o	rganız	ation,				
g		Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?							
		(i) a person who directly or indirectly controls, either alone or together with persons described in (ii)		Yes	No				
		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	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the US?		(vii) A mount of support	
		instructions))	Yes	No	Yes	No	Yes	No		
 Total										

Part II Support Schedule for Organizations Described in Sections 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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

	dider rate III. If the	organización i	ans to quanty t	maci the tests	iisted below, pie	case complet	c raic III.
S	ection A. Public Support		_				
Cale	endar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1	Gifts, grants, contributions, and						
	membership fees received (Do not						
	ınclude 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						
	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						
Ü	line 4						
S	ection B. Total Support	1				I	
	endar year (or fiscal year beginning						
Cur	in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7	A mounts from line 4						
8	Gross income from interest,						
0	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 Do not include gain						
	or loss from the sale of capital						
	assets (Explain in Part IV)						
11	Total support (Add lines 7						
	through 10)						
12	Gross receipts from related activities	es, etc (See inst	ructions)			12	
13	First Five Years If the Form 990 is f	or the organization	on's first, second	, third, fourth, or	fifth tax year as a	501(c)(3) orga	nızatıon,
	check this box and stop here	_	r		•	. , . , -	▶ ┌॔
S	ection C. Computation of Pub	lic Support P	ercentage				
14	Public Support Percentage for 2010	(lıne 6 column (f) divided by line	11 column (f))		14	
15	Public Support Percentage for 2009	Schedule A Par	rt II line 14			15	
							
16a	33 1/3% support test—2010. If the				line 14 is 33 1/3%	or more, chec	
	and stop here. The organization qua	•				2.2.4.204	▶ [
b	33 1/3% support test—2009. If the				oa, and line 15 is :	1/3% or mor کد	. -
17-	box and stop here. The organization				12 16 1C	handler - 4.4	▶
r/a	10%-facts-and-circumstances test-						ın.
	is 10% or more, and if the organization made			•			
	in Part IV how the organization mee	is the facts and	circumstances"	test ine organiz	acion quanifies as	a publicly supp	orted F
L	organization 10%-facts-and-circumstances test-	_2000 Ifthe era	anization did not	chack a hay an lu	no 13 165 166 5	or 17a and line	F1
ט	15 is 10% or more, and if the organ						
	Explain in Part IV how the organizat			•		<u>-</u>	clv
	supported organization	aon meets the 16	aces and circuitis	tances test life	. organization qual	iiiies as a publi	ETY ▶ ¯
18	Private Foundation If the organizati	on did not check	a box on line 13	. 16a. 16b. 17a o	r 17b. check this	box and see	- 1
	instructions	a.a not eneck		, , 0 0 , 7 0 0	. 2. 2, 511558 61115		▶ □

Schedule A (Form 990 or 990-EZ) 2010 Page 3 Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.) Section A. Public Support Calendar year (or fiscal year beginning (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total ın) 🟲 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") 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 Gross receipts from activities that are not an unrelated trade or business under section 513 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf The value of services or facilities furnished by a governmental unit to the organization without charge Total. Add lines 1 through 5 7a Amounts included on lines 1, 2, and 3 received from disqualified **b** A mounts 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 Public Support (Subtract line 7c from line 6) Section B. Total Support Calendar year (or fiscal year beginning **(e)** 2010 (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (f) Total ın) 9 Amounts from line 6 Gross income from interest, 10a dividends, payments received on securities loans, rents, royalties and income from similar sources Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 Add lines 10a and 10b c Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on Other income Do not include 12 gain or loss from the sale of capital assets (Explain in Part Total support (Add lines 9, 10c, 11 and 12) First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15						
16 Public support percentage from 2009 Schedule A, Part III, line 15		16						
S	Section D. Computation of Investment Income Percentage							
17	Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17						
18	Investment income percentage from 2009 Schedule A , Part III, line 17	18						

19a 33 1/3% support tests—2010. 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

33 1/3% support tests—2009. 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

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

Schedule A (Fo	orm 990 or 990-EZ) 2010	Pag
Part IV	Supplemental Information. Supplemental Information. Complete this required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. additional information. (See instructions).	•

Facts And	Circumstances	Test

Schedule A (Form 990 or 990-EZ) 2010

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -

DLN: 93493131021522

OMB No 1545-0047

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.

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, 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

	, , ,	01(c)(3)) organizations Complete Part	s I-A and C below	Do not complete Part I-B	
	ction 527 organizations Complete	•	F 000 F7 D-		\ _4::4:\
	-	s," to Form 990, Part IV, Line 4, or have filed Form 5768 (election under s		,	•
	, , , ,	: have NOT filed Form 5768 (election under s	, ,,	•	
	. , . ,	s," to Form 990, Part IV, Line 5 (Pro	,	•	•
	ction 501(c)(4), (5), or (6) organi	· · · · · · · · · · · · · · · · · · ·	, ,	, ,	(, ,
	me of the organization	·		Employer iden	tıfıcatıon number
BET	HESDA HOSPITAL INC			31-0537122	
Par	t I-A Complete if the or	ganization is exempt under s	section 501(c		organization.
1		ganization's direct and indirect politic			
2	Political expenditures	gamzation's affect and married pointie	ar campaign activ	L	
3	'			•	\$
3	V olunteer hours				
Par	t I-B Complete if the or	ganization is exempt under s	section 501(c)(3).	
1	Enter the amount of any excise	tax incurred by the organization und	er section 4955	•	\$
2	Enter the amount of any excise	e tax incurred by organization manage	ers under section	4955 >	\$
3	If the organization incurred a s	ection 4955 tax, did it file Form 4720	O for this year?		☐ Yes ☐ No
4a	Was a correction made?				┌ Yes ┌ No
b	If "Yes," describe in Part IV				
Par		ganization is exempt under s	section 501(c) except section 501	.(c)(3).
1	Enter the amount directly expe	ended by the filing organization for sec	tion 527 exempt	function activities 🕨	\$
2	Enter the amount of the filing o	rganization's funds contributed to oth	ner organizations	for section 527	
	exempt funtion activities		-	•	\$
3	Total exempt function expendi	tures Add lines 1 and 2 Enter here a	nd on Form 1120	-POL, line 17b 🕨	\$
4	Did the filing organization file F	Form 1120-POL for this year?			☐ Yes ☐ No
5	Enter the names, addresses ar	nd employer identification number (EI	N) of all section 5	527 political organizations	to which the filing
		or each organization listed, enter the			
	•	ns received that were promptly and di political action committee (PAC) If a	•		
	separate segregated rund of a	pontical action committee (PAC) If a	iddicional Space is	s needed, provide informat	.ioii iii Fait I v
	(a) Name	(b) Address	(c) EIN	(d) A mount paid from	(e) A mount of political
				filing organization's	contributions received
				funds If none, enter -0-	and promptly and

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

Sc	hedule C (Form 990 or 990-EZ) 2010						Page 2
P	art II-A Complete if the organization under section 501(h)).	is ex	cempt under	section 501(c)(3) and fi	led Form 5768	
A B	Check If the filing organization belongs to a Check If the filing organization checked bo			" provisions apply	/		
	Limits on Lobbying E (The term "expenditures" means a)		(a) Filing Organization's Totals	(b) Affiliated Group Totals
<u>1</u> a	Total lobbying expenditures to influence public o	pinion	(grass roots lob	oyıng)			
b	Total lobbying expenditures to influence a legisl	atıve b	ody (direct lobby	ıng)			
c	Total lobbying expenditures (add lines 1a and 1	b)					
d	Other exempt purpose expenditures						
е	Total exempt purpose expenditures (add lines 1	c and :	Ld)				
f	Lobbying nontaxable amount Enter the amount columns	from th	e following table	ın both			
	If the amount on line 1e, column (a) or (b) is:	The	lobbying nontaxa	ble amount is:			
	Not over \$500,000	20%	of the amount on lin	e 1e			
	Over \$500,000 but not over \$1,000,000	\$100	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 \$1,000,0	000		
	Over \$1,500,000 but not over \$17,000,000	\$225	,000 plus 5% of the	excess over \$1,500,00	00		
	Over \$17,000,000	\$1,00	00,000				
	Grassroots nontaxable amount (enter 25% of lir	ne 1 f)					
_	Subtract line 1g from line 1a If zero or less, ent	-					
i	Subtract line 1f from line 1c If zero or less, ente	er - 0 -					
j	If there is an amount other than zero on either li section 4911 tax for this year?	ne 1h d	or line 11, did the	organization file F	orm 4720 rep	orting	┌ Yes ┌ No
	4-Year Av (Some organizations that made a columns below. See t	secti	on 501(h) ele		havè to co		ne five
	Lobbying Exp	endit	ures During 4	l-Year Averag	jing Period		
	Calendar year (or fiscal year						

	Lobbying Expenditures During 4-Year Averaging Period							
	Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total		
2a	Lobbying non-taxable amount							
b	Lobbying ceiling amount (150% of line 2a, column(e))							
С	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)).

		, ,	~,	(-)
		Yes	No	A mount
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			
а	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		Νo	
d	Mailings to members, legislators, or the public?		Νo	
e	Publications, or published or broadcast statements?		Νo	
f	Grants to other organizations for lobbying purposes?	Yes		88,350
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		Νo	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		Νo	
i	Other activities? If "Yes," describe in Part IV	Yes		3,968
j	Total lines 1c through 1i			92,318
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
ь	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		l	
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

	answered "Yes".	LI-A,	line 3 is	
1	Dues, assessments and similar amounts from members	1		
_				

- 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).
- Current year
- Carryover from last year
- c
- Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues
- 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?
- Taxable amount of lobbying and political expenditures (see instructions)

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

Ident if ier	Return Reference	Explanation
EXPLANATION OF OTHER LOBBYING ACTIVITIES	PART II-B, LINE 1I	DURING THE TAX YEAR, BETHESDA HOSPITAL, INC ("HOSPITAL") PAID ANNUAL MEMBERSHIP DUES TO VARIOUS NATIONAL, STATE AND LOCAL ORGANIZATIONS, A PORTION (\$668) OF WHICH RELATED TO LOBBYING ACTIVITIES IN ADDITION, TRIHEALTH, INC, A RELATED ORGANIZATION OF HOSPITAL, WHICH PROVIDES ADMINISTRATIVE SUPPORT SERVICES TO HOSPITAL, PAID ANNUAL MEMBERSHIP DUES TO VARIOUS NATIONAL, STATE AND LOCAL ORGANIZATIONS A PORTION OF WHICH RELATED TO LOBBYING ACTIVITIES A PORTION OF THE AFOREMENTIONED ADMINISTRATIVE SUPPORT SERVICES ARE ALLOCATED TO HOSPITAL AND \$3,300 OF THE AMOUNT SHOWN ON LINE 11 REPRESENTS HOSPITAL'S SHARE OF THESE LOBBYING EXPENSES
PART IV, SUPPLEMENTAL INFORMATION		PART II-B, LINE 1(F), GRANTS TO OTHER ORGANIZATIONS FOR LOBBYING TRIHEALTH, INC, A RELATED ORGANIZATION OF HOSPITAL, WHICH PROVIDES ADMINISTRATIVE SUPPORT SERVICES TO HOSPITAL, PAID FEES TO CASSIDY AND ASSOCIATES, A LEADER IN THE GOVERNMENT RELATIONS INDUSTRY FOR OVER THIRTY YEARS, FOR PROFESSIONAL SERVICES A PORTION OF THE AFOREMENTIONED ADMINISTRATIVE SUPPORT SERVICES ARE ALLOCATED TO HOSPITAL AND THE AMOUNT SHOWN ON LINE 1F REPRESENTS HOSPITAL'S SHARE OF THESE EXPENSES

2a

2b 2c

3

4

5

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -

DLN: 93493131021522

OMB No 1545-0047

SCHEDULE D (Form 990)

Department of the Treasury

Supplemental Financial Statements ► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Open to Public

erna	Revenue Service	Form 990. ► See separate instructions.		Inspection	on
	ne of the organization IESDA HOSPITAL INC		Emp	loyer identification number	
'			31-	0537122	
Pa	rt I Organizations Maintaining Donor A		ınds	or Accounts. Complete	ıf the
	organization answered "Yes" to Form 9	T		(b) Funds and other account	
	Total number at and of year	(a) Donor advised funds		(b) Funds and other account	.5
	Total number at end of year				
	Aggregate contributions to (during year) Aggregate grants from (during year)				
	· · · · · · · · · · · · · · · · · · ·				
	Aggregate value at end of year				
	Did the organization inform all donors and donor adv funds are the organization's property, subject to the		or advi	rsed ⊤Yes ∣	∏ No
	Did the organization inform all grantees, donors, an used only for charitable purposes and not for the be conferring impermissible private benefit			er purpose	Г No
a	Conservation Easements. Complete	e if the organization answered "Yes" to	Forn	n 990, Part IV, line 7.	
	Purpose(s) of conservation easements held by the Preservation of land for public use (e.g., recrea Protection of natural habitat Preservation of open space Complete lines 2a-2d if the organization held a quaeasement on the last day of the tax year	tion or pleasure)	ertifie	ically importantly land area d historic structure onservation	
				Held at the End of the Y	ear
1	Total number of conservation easements		2a		
)	Total acreage restricted by conservation easement	rs	2b		
	Number of conservation easements on a certified \boldsymbol{h}	ıstorıc structure ıncluded ın (a)	2c		
i	Number of conservation easements included in (c)	acquired after 8/17/06	2d		
	Number of conservation easements modified, transt the taxable year ▶	ferred, released, extinguished, or terminate	d by th	ne organization during	
	Number of states where property subject to conserv	vation easement is located 🗠			
	Does the organization have a written policy regarding enforcement of the conservation easements it holds		llıng of	f violations, and Yes	┌ No
	Staff and volunteer hours devoted to monitoring, ins	specting and enforcing conservation easem	ents d	uring the year ►	
	A mount of expenses incurred in monitoring, inspect	ring, and enforcing conservation easements	during	g the year ► \$	
	Does each conservation easement reported on line $170(h)(4)(B)(I)$ and $170(h)(4)(B)(II)$?	2(d) above satisfy the requirements of sec	tıon	☐ Yes	┌ No
	In Part XIV, describe how the organization reports balance sheet, and include, if applicable, the text of the organization's accounting for conservation ease	the footnote to the organization's financial		•	
a r	Organizations Maintaining Collecti Complete if the organization answered		or Otl	her Similar Assets.	
•	If the organization elected, as permitted under SFA art, historical treasures, or other similar assets hel provide, in Part XIV, the text of the footnote to its f	d for public exhibition, education or researc	h ın fu		
b	If the organization elected, as permitted under SFA historical treasures, or other similar assets held for provide the following amounts relating to these item	r public exhibition, education, or research ir			
	(i) Revenues included in Form 990, Part VIII, line	1		▶ \$	
	(ii) Assets included in Form 990, Part X			<u></u>	
	If the organization received or held works of art, his	torical treasures or other similar assets fo	r finan		
	following amounts required to be reported under SF		. man	ista. gam, provide the	
а	Revenues included in Form 990, Part VIII, line 1			► \$	

b Assets included in Form 990, Part X

Sche	edule D (Form 990) 2010							Page 2
Par	titi Organizations Maintaining Co	llections of Art,	Historical Tr	easures, or Ot	her Similar	Asse	ts (co	ontinued)
3	Using the organization's accession and other items (check all that apply)	r records, check any	_	-		lection	า	
а	Public exhibition		d Loan o	r exchange progra	ims			
b	Scholarly research		e					
С	Preservation for future generations							
4	Provide a description of the organization's c Part XIV	ollections and explain	n how they furthe	r the organization's	s exempt purpo	se in		
5	During the year, did the organization solicit assets to be sold to raise funds rather than					Г	Yes	┌ No
Pa	rt IV Escrow and Custodial Arrang	•				m 990),	
	Part IV, line 9, or reported an ai							
1a	Is the organization an agent, trustee, custoo included on Form 990, Part X?	lian or other intermed	diary for contribut	ions or other asse	ts not	Γ	Yes	┌ No
b	If "Yes," explain the arrangement in Part XI	V and complete the fo	ollowing table					
						A mou	ınt	
c	Beginning balance			_ 1	Lc			
d	Additions during the year			_1	Ld			
e	Distributions during the year			1	Le			
f	Ending balance			1	Lf			
2a	Did the organization include an amount on F	orm 990, Part X, line	21?	_		Г	Yes	┌ No
ь								
	rt V Endowment Funds. Complete		answered "Yes	s" to Form 990,	Part IV, line	10.		
		(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years E		Four Y	ears Back
1a	Beginning of year balance	3,596,105	3,591,810	3,586,810	D .			
b	Contributions	79,856	4,295	5,000	o e			
c	Investment earnings or losses							
d	Grants or scholarships							
e	Other expenditures for facilities and programs							
f	Administrative expenses							
g	End of year balance	3,675,961	3,596,105	3,591,810	o			
2	Provide the estimated percentage of the yea	r end balance held as	5					
а	Board designated or quasi-endowment 🕨							
ь	Permanent endowment 🕨 100 000 %							
с	Term endowment ▶							
3a	Are there endowment funds not in the posse	ssion of the organiza	tion that are held	and administered	for the			
	organization by	•			_		Yes	No
	(i) unrelated organizations					3a(i)		No
	(ii) related organizations				ļ	3a(ii)	Yes	<u> </u>
	If "Yes" to 3a(II), are the related organization	•			[3b	Yes	<u> </u>
4	Describe in Part XIV the intended uses of the			20 David V. Ivaa 4	1.0			
Рα	rt VI Investments—Land, Building	s, and Equipmen						
	Description of investment		(a) Cost or o				(d) Boo	ok value
	Land			555,1	.76			555,176
1a								
	Buildings			275,025,0	002 100,523	3,001	17-	4,502,001
b				275,025,0 1,558,1		<u> </u>	17-	
b c	Buildings				.17 1,063	3,296		494,821
b c d	Buildings			1,558,1	17 1,063 888 153,001	3,296	3'	4,502,001 494,821 9,295,151 6,592,058

12 Investments—Other Securities. See	-orm 990, Part X, line 12 I	d of voluntion
(a) Description of security or category (including name of security)	(b) Book value	od of valuation f-year market value
(1)Financial derivatives		·
(2)Closely-held equity interests		
(3)O ther		
(A) EMERGING MARKETS	36,755,286	<u>F</u>
(B) PRIVATE EQUITY	15,918,087	F_
(C) HEDGE FUNDS	48,676,667	F
(D) REAL ESTATE	12,664,793	F
(E) OTHER	41,108,578	F_
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)	155,123,411	
Part VIII Investments—Program Related. See	Form 990, Part X, line 1	
(a) Description of investment type	(b) Book value	d of valuation f-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		
Part IX Other Assets. See Form 990, Part X, lin	e 15.	
(a) Descript		(b) Book value
(1) DUE FROM RELATED ORGANIZATIONS		33,113,633
(2) INVESTMENT IN DIRECT AFFILIATE		4,898,225
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15	5.)	 38,011,858
Part X Other Liabilities. See Form 990, Part X		
1 (a) Description of Liability	(b) A mount	
Federal Income Taxes		
THIRD PARTY SETTLEMENTS	6,982,017	
OTHER LIABILITIES	7,107,997	
PENSION LIABILITY	34,557,621	
ACCRUED EIB	5,931,428	
ACCRUED PROFESSIONAL LIABILITY EXPENSE	15,752,973	
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	70,332,036	

Pai	t XI Reconciliation of Change in Net Assets from Form 990 to Financial Stateme	nts	
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	536,616,473
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	472,807,85
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	63,808,622
4	Net unrealized gains (losses) on investments	4	18,196,643
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	2,738,21
9	Total adjustments (net) Add lines 4 - 8	9	20,934,856
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	84,743,478
	t XII Reconciliation of Revenue per Audited Financial Statements With Revenue	\perp	· · · · · · · · · · · · · · · · · · ·
1	Total revenue, gains, and other support per audited financial statements	1	
2	A mounts included on line 1 but not on Form 990, Part VIII, line 12		
а	Net unrealized gains on investments		
ь	Donated services and use of facilities	1	
c	Recoveries of prior year grants	1	
d	Other (Describe in Part XIV) 2d	1	
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		
а	Investment expenses not included on Form 990, Part VIII, line 7b . 4a		
b	Other (Describe in Part XIV) 4b	1	
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	s per F	leturn
1	Total expenses and losses per audited financial statements	1	
2	A mounts included on line 1 but not on Form 990, Part IX, line 25		
а	Donated services and use of facilities	_	
b	Prior year adjustments	J 1	
c	Other losses	」	
d	Other (Describe in Part XIV)	_	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	A mounts included on Form 990, Part IX, line 25, but not on line 1:		
а	Investment expenses not included on Form 990, Part VIII, line 7b 4a	_	
b	Other (Describe in Part XIV)	_	
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

Ident if ier	Return Reference	Explanation
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	,	INVESTMENT PROCEEDS FROM ENDOWMENT FUNDS ARE USED TO SUPPORT BETHESDA HOSPITAL, INC PROGRAMS
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48		FOLLOWING IS THE TEXT OF THE FOOTNOTE TO BETHESDA HOSPITAL, INC 'S AUDITED CONSOLIDATED FINANCIAL STATEMENTS THAT REPORTS ITS AND ITS SUBSIDIARIES LIABILITY, IF APPLICABLE, FOR CERTAIN TAX POSITIONS UNDER ASC 740-10-25 THE HOSPITAL COMPLETED AN ANALYSIS OF UNCERTAIN TAX POSITIONS IN ACCORDANCE WITH APPLICABLE ACCOUNTING GUIDANCE AT JUNE 30, 2011 AND 2010, AND DETERMINED NO AMOUNTS WERE REQUIRED TO BE RECOGNIZED IN THE CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2011 AND 2010
PART XI, LINE 8 - OTHER ADJUSTMENTS		CONTRIBUTED CAPITAL TO PARENT -10,000,000 LOSS ON UNCONSOLIDATED ORGANIZATIONS -9,778,815 CHANGE IN PENSION PLAN/SERP FUNDED STATUS 25,831,856 CHANGE IN TEMPORARILY RESTRICTED NET ASSETS -3,314,828

OMB No 1545-0047

Open to Public **Inspection**

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

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

Hospitals

Name of the organization BETHESDA HOSPITAL INC

Employer identification number

						0537122			
Pa	rt I Financial Assista	nce and C	ertain Oth	er Community Be	nefits at Cost				
	Did the exercise to the Co	nnanl	atanas sels	. dumma 44	£ N o	" ₆ . [Yes	No
1a	Did the organization have a fi If "Yes," is it a written policy					nba.	1a	Yes	
	If the organization has multip					of the financial	1b	Yes	
2	assistance policy to its vario				iescribes application (or the financial			
	Applied uniformly to all horogenerally tailored to indiv	•	ls	Applied uniformly	to most hospitals				
3	Answer the following based o organization's patients during			nce eligibility criteria tl	nat applied to the large	st number of the			
а	Does the organization use Fe income individuals? If "Yes,"						3a	Yes	
	▽ 100% □ 150%	Γ ₂₀	о% Г	Other	%			103	
b	Does the organization use FP "Yes," indicate which of the fo					dividuals? If	21.	V	
	□ 200% □ 250%	_	00% Г	· _ ·	0% F Other	· · · · · · · · · · · · · · · · · · ·	3b	Yes	
				33070 7 10	_				
С	If the organization does not u determining eligibility for free test or other threshold, regar	or discounte	d care Inclu	de in the description wh	nether the organizatior				
4	Did the organization's financi					uring the tax year	4	Yes	
5a	provide for free or discounted Did the organization budget amount		•	-		v vear?	- -	 _V	
b	If "Yes," did the organization						<u>5a</u> 5b	Yes	N o
c	If "Yes" to line 5b, as a resul		•		-		30		140
	care to a patient who was elig						5c		
6a	Does the organization prepar- year?		•	ort during the tax		L	6a	Yes	
6b	If "Yes," did the organization			ublic?		[6b	Yes	
	Complete the following table worksheets with the Schedule		ksheets prov	ıded ın the Schedule H	instructions Do not s	ubmit these			
7	Financial Assistance and C	ertain O ther	Community I	Benefits at Cost					
ı	Financial Assistance 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 be expense	enefit	(f) Pero total ex	
а	Financial Assistance at cost (from Worksheets 1 and 2)			15,231,294	5,377,657	9,85	3,637	2	270 %
b	Unreimbursed Medicaid (from			37,202,453	24,193,762	13,008			000 %
c	Worksheet 3, column a) Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			37,202,433	24,133,702	13,000	5,091		000 %
d	Total Financial Assistance and Means-Tested Government Programs			52,433,747	29,571,419	22,86	2,328	5	270 %
e	Other Benefits Community health improvement services and community benefit operations (from (Worksheet 4)			10,685,451	8,052,122	2,63:	3,329	0	610 %
f	Health professions education					·			
g	(from Worksheet 5) Subsidized health services			10,531,602	6,665,920	·	5,682	U	890 %
h	(from Worksheet 6) Research (from Worksheet 7)			1,495 0	0		1,495		0 %
	Cash and in-kind contributions to community groups (from Worksheet 8)			7,200	0		7,200		0 %
-	otal Other Benefits			21,225,748	14,718,042		7,706		500 %
k '	Total. Add lines 7d and 7j			73,659,495	44,289,461	29,370	0,034	6	770 %

	rt II Community Buildir	na Activitie	s during the	tax vear and de	scribe in	Part V	I how its community	v hiii		'age ∡
	activities during the	tax year, an								ealth
	of the communities i	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense		rect offset revenue	ting (e) Net communit building expense		(f) Pero total ex	
1	Physical improvements and housing	(
2	Economic development									
3	Community support									
4	Environmental improvements									
5	Leadership development and training									
6	for community members Coalition building									
7	Community health improvement									
8	advocacy Workforce development									
9	Other									
10	Total									
Par	t IIII Bad Debt, Medicar	e, & Collec	tion Practic	es						
Sect	ion A. Bad Debt Expense								Yes	No
1	Did the organization report bac	l debt expense	ın accordance	with Heathcare Fi	nancıal M	anageme	ent Association	_		N.
2	Statement No 15? Enter the amount of the organi	zation's had d	eht expense (a	t cost)		 ₂	11,076,251	1		No
3	Enter the estimated amount of			· ·	•		11,070,231			
	attributable to patients eligible	under the org	janization's fina	ancial assistance p	oolicy .	3				
4	Provide in Part VI the text of t In addition, describe the costil rationale for including a portion	ng methodolog	ıy used ın detei	rmining the amoun						
Sect	ion B. Medicare									
5	Enter total revenue received fr	om Medicare ((including DSH	and IME)		5	90,687,393			
6	Enter Medicare allowable costs	s of care relati	ing to payments	s on line 5		6	99,998,259			
7	Subtract line 6 from line 5 Thi		• •			7	-9,310,866			
8	Describe in Part VI the extent Also describe in Part VI the co Check the box that describes t	sting method	ology or source				-			
	Cost accounting system	▽ c∘	st to charge ra	tio 「	O ther					
Sect	ion C. Collection Practices									
9a	Does the organization have a v							9a	Yes	
b	If "Yes," does the organization patients who are known to qual							9Ь	Yes	
Pai	tt IV Management Com								1	
	(a) Name of entity	(b	 Description of pr activity of entity 		(c) Organiz profit % o ownersh	r stock	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	pro	e) Physio fit % or wnershi	stock
1 1 1	BN NORTHEAST CARDIAC CENTER LLC	CARDIAC CARE			5	57 950 %	·		42 (050 %
2 2 I LLC	HAND AMBULATORY SURGERY CENTER	HAND AMBULATO	ORY SURGERY CEN	NTER	5	50 000 %			50 (000 %
3								1		
4								+		
5										
6								+		
								+		
7								1		
8								\bot		
9										
10								1		
11								\perp		
12								\perp		
13		1						1		

Part	Facility Information									
(list in	n A. Hospital Facilities order of size, measured by total revenue per facility, from to smallest)	Licensed hospital	General medical &	Children's ho	Teaching hospital	Ortical access hospital	Research facility	ER-24 hours	ER-other	
	any hospital facilities did the organization operate during year? 1	spital	ical & surgical	hospital	spital	ss hospital	ality			
Name	and address									Other (Describe)
1	BETHESDA NORTH HOSPITAL 10500 MONTGOMERY ROAD CINCINNATI,OH 45242	х	Х		х		Х	Х		
		<u> </u>								
		-								

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility (list in order of size, measured by total revenue per facility, from largest to smallest)				
How many non-hospital facilities did the organization operate during the	tax year? 15			
Name and address	Type of Facility (Describe)			
1 See Additional Data Table				
<u> </u>	Schedule H (Form 990) 2010			

Part V Facility Information (continued)

Schedule H (Form 990) 2010 Page **8**

Part VI Supplemental Information

Complete this part to provide the following information

Required descriptions. Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 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 financial assistance policy
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- Promotion of community health. Provide any other information important to describing how the organization's hospital facilities 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.)
- Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		PART I, LINE 3C BETHESDA HOSPITAL, INC UTILIZES
		THE FEDERAL POVERTY GUIDELINES IN DETERMINING
		CHARITY CARE ELIGIBILITY SEE THE RESPONSES TO
		PART I, LINES 3A AND 3B AN INDIVIDUAL'S INCOME
		UNDER FPG IS A SIGNIFICANT FACTOR IN DETERMINING
		ELIGIBILITY FOR CHARITY CARE HOWEVER, IN
		DETERMINING WHETHER TO EXTEND DISCOUNTED OR
		FREE CARE TO A PATIENT, THE PATIENT'S ASSETS MAY
		ALSO BE TAKEN INTO CONSIDERATION FOR EXAMPLE, A
		PATIENT SUFFERING A CATASTROPHIC ILLNESS MAY
		HAVE A REASONABLE LEVEL OF INCOME, BUT A LOW
		LEVEL OF LIQUID ASSETS SUCH THAT THE PAYMENT OF
		MEDICAL BILLS WOULD BE SERIOUSLY DETRIMENTAL TO
		THE PATIENT'S FINANCIAL (AND ULTIMATELY PHYSICAL)
		WELL-BEING AND SURVIVAL SUCH A PATIENT MAY BE
		EXTENDED DISCOUNTED OR FREE CARE BASED UPON THE
		FACTS AND CIRCUMSTANCES

Identifier	ReturnReference	Explanation
		PART I, LINE 6A IN 1995, THE GOOD SAMARITAN
		HOSPITAL OF CINCINNATI, OHIO AND BETHESDA
		HOSPITAL, INC FORMED A PARTNERSHIP CALLED
		TRIHEALTH, INC TO CREATE AN INTEGRATED HEALTH
		DELIVERY SYSTEM WHOSE MISSION IS TO IMPROVE THE
		HEALTH OF THE PEOPLE THEY SERVE, WITH AN EMPHASIS
		ON PREVENTION, WELLNESS AND EDUCATION THE
		COMMUNITY BENEFIT PROVIDED BY BETHESDA
		HOSPITAL, INC IS TRACKED ON A STANDALONE BASIS,
		HOWEVER ITS COMMUNITY BENEFIT IS REPORTED IN
		COMBINATION WITH THE GOOD SAMARITAN HOSPITAL
		OF CINCINNATI, OHIO'S COMMUNITY BENEFIT IN A
		REPORT PREPARED BY TRIHEALTH, INC

Identifier	ReturnReference	Explanation
		PART I, LINE 7 FOR THE AMOUNTS REPORTED AT COST, IN PART I, LINE 7, BETHESDA HOSPITAL, INC UTILIZED WORKSHEET 2 - RATIO OF PATIENT CARE COST-TO-CHARGES, WHICH WAS PROVIDED IN THE INSTRUCTIONS TO SCHEDULE H, TO CALCULATE THE COST-TO-CHARGE RATIO

Identifier	ReturnReference	Explanation
		PART I, LINE 7G THE SUBSIDIZED HEALTH SERVICES COMMUNITY BENEFIT AMOUNT REPORTED IN PART I, LINE 7(G) DOES NOT INCLUDE COSTS ATTRIBUTABLE TO PHYSICIAN CLINICS

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) \$39,467,549 OF BAD DEBT EXPENSE THAT WAS INCLUDED IN FORM 990, PART IX, LINE 25, COLUMN (A) HAS BEEN REMOVED FOR PURPOSES OF CALCULATING THE PERCENTAGE OF TOTAL EXPENSES IN SCHEDULE H, PART I, LINE 7, COLUMN (F)

Identifier	ReturnReference	Explanation
		PART II BETHESDA HOSPITAL, INC DID NOT ENGAGE IN ANY COMMUNITY BUILDING ACTIVITIES DURING THE TAX YEAR

Identifier	ReturnReference	Explanation
		PART III, LINE 4 NET PATIENT ACCOUNTS RECEIVABLE
		(PART OF FOOTNOTE A)NET PATIENT ACCOUNTS
		RECEIVABLE AND NET PATIENT SERVICE REVENUE HAVE
		BEEN ADJUSTED TO THE ESTIMATED AMOUNTS
		EXPECTED TO BE COLLECTED THESE ESTIMATED
		AMOUNTS ARE SUBJECT TO FURTHER ADJUSTMENTS
		UPON REVIEW BY THIRD-PARTY PAYORS THE PROVISION
		FOR BAD DEBTS IS BASED UPON MANAGEMENT'S
		ASSESSMENT OF HISTORICAL AND EXPECTED NET
		COLLECTIONS CONSIDERING HISTORICAL BUSINESS
		AND ECONOMIC CONDITIONS, TRENDS IN HEALTH CARE
		COVERAGE, AND OTHER COLLECTION INDICATORS
		MANAGEMENT PERIODICALLY ASSESSES THE ADEQUACY
		OF THE ALLOWANCES FOR UNCOLLECTIBLE ACCOUNTS
		BASED UPON HISTORICAL WRITE-OFF EXPERIENCE THE
		RESULTS OF THESE REVIEWS ARE USED TO MODIFY AS
		NECESSARY THE PROVISIONS FOR BAD DEBTS AND TO
		ESTABLISH APPROPRIATE ALLOWANCES FOR
		UNCOLLECTIBLE NET PATIENT ACCOUNTS RECEIVABLE AFTER SATISFACTION OF AMOUNTS DUE FROM
		INSURANCE, THE COMPANY FOLLOWS ESTABLISHED
		GUIDELINES FOR PLACING CERTAIN PATIENT BALANCES
		WITH COLLECTION AGENCIES, SUBJECT TO THE TERMS
		OF CERTAIN RESTRICTIONS ON COLLECTION EFFORTS AS
		DETERMINED BY THE COMPANY FINANCIAL
		INSTRUMENTS THAT POTENTIALLY SUBJECT THE
		COMPANY TO CONCENTRATIONS OF CREDIT RISK
		CONSIST PRIMARILY OF NON-GOVERNMENTAL PATIENT
		ACCOUNTS RECEIVABLE THE COMPANY GRANTS CREDIT
		WITHOUT COLLATERAL TO ITS PATIENTS, MOST OF
		WHOM ARE INSURED UNDER THIRD-PARTY PAYOR
		AGREEMENTS THE PERCENTAGES OF GROSS PATIENT
		ACCOUNTS RECEIVABLE FROM PATIENTS AND THIRD-
		PARTY PAYORS AT JUNE 30 APPROXIMATED THE
		FOLLOWING 2011 - MEDICARE 20%, MEDICAID 2%,
		MANAGED CARE 19%, SELF PAY 25%, COMMERCIAL AND
		OTHER 34%2010 - MEDICARE 20%, MEDICAID 1%,
		MANAGED CARE 17%, SELF PAY 27%, COMMERCIAL AND
		OTHER 35% AS FOR THE AMOUNT OF BAD DEBT THAT
		REASONABLY COULD BE ATTRIBUTABLE TO PATIENTS
		WHO LIKELY WOULD QUALIFY FOR FINANCIAL
		ASSISTANCE UNDER THE ORGANIZATION'S CHARITY
		CARE POLICY, BETHESDA HOSPITAL, INC. DOES NOT
		REPORT ACTUAL BAD DEBT EXPENSE AS COMMUNITY
		BENEFIT IF UPON FURTHER RESEARCH, IT IS ULTIMATELY
		DETERMINED THAT A PORTION OF BAD DEBT EXPENSE IS
		ATTRIBUTABLE TO PATIENTS WHO WOULD LIKELY
		QUALIFY FOR FINANCIAL ASSISTANCE UNDER
		TRIHEALTH'S CHARITY CARE POLICY, THOSE COSTS
		WOULD BE RECLASSIFIED, AS APPROPRIATE, TO
		COMMUNITY BENEFIT AT THAT TIME

Identifier	ReturnReference	Explanation
Tuentine)		PART III, LINE 8 BETHESDA HOSPITAL, INC USES THE "STEPDOWN METHODOLOGY" IN DETERMINING THE MEDICARE ALLOWABLE COSTS REPORTED ON THE MEDICARE COST REPORT THIS METHOD OF COST FINDING PROVIDES FOR THE ALLOCATION OF THE COST OF SERVICES RENDERED BY EACH GENERAL SERVICE COST CENTER TO OTHER COST CENTERS WHICH UTILIZE SUCH SERVICES ONCE THE COSTS OF A GENERAL SERVICE COST CENTER HAVE BEEN ALLOCATED, THAT COST CENTER IS CONSIDERED CLOSED ONCE CLOSED, IT DOES NOT RECEIVE ANY OF THE COSTS
		SUBSEQUENTLY ALLOCATED FROM THE REMAINING GENERAL SERVICE COST CENTERS BETHESDA HOSPITAL, INC DID NOT REPORT ANY MEDICARE SHORTFALL AS COMMUNITY BENEFIT IN PART III, LINE 7 OF THIS SCHEDULE

Identifier	ReturnReference	Explanation
Identiller		PART III, LINE 9B AS OF THE FILING OF THIS RETURN, BETHESDA HOSPITAL, INC, AS PART OF TRIHEALTH, INC, MAINTAINS A WRITTEN DEBT COLLECTION POLICY TRIHEALTH, INC, WHO PERFORMS THE BILLING SERVICES FOR ALL AFFILIATED HOSPITALS, WILL NOT INITIATE COLLECTION PRACTICES ON PATIENTS WHO ARE KNOWN TO QUALIFY FOR CHARITY CARE OR FINANCIAL ASSISTANCE BEFORE COLLECTION ACTIONS ARE TAKEN, TRIHEALTH, INC WILL MAKE REASONABLE EFFORTS, GENERALLY AS EARLY IN THE BILLING PROCESS AS POSSIBLE, TO DETERMINE WHETHER A PATIENT IS ELIGIBLE FOR FINANCIAL ASSISTANCE AFTER SUCH
		ELIGIBLE FOR FINANCIAL ASSISTANCE AFTER SUCH EFFORTS HAVE BEEN MADE AND A BALANCE REMAINS THAT IS THE RESPONSIBILITY OF THE PATIENT OR GUARANTOR, TRIHEALTH, INC MAY PURSUE, IN ITS SOLE DISCRETION, WHATEVER ACTIONS IT MAY BE ENTITLED TO TAKE UNDER LAW

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 MISSION AND CHARITABLE PURPOSEIN 1896, BETHESDA HOSPITAL, INC ("BETHESDA") BEGAN
		AS A HOME VISITING MINISTRY OF THE METHODIST DEACONESSES TO SERVE THE HEALTH NEED S OF THE
		GERMAN IMMIGRANTS LIVING IN CINCINNATI NOWTHAT MINISTRY, ONCE LED BY DEACONESS LOUISE GOLDER
		AND HER BROTHER REV CHRISTIAN GOLDER, HAS GROWN INTO SEVERAL HEALTH SERVICE S FOR GREATER
		CINCINNATI IN 1995, BETHESDA, INC AND GOOD SAMARITAN HOSPITAL FORMED A PAR TNERSHIP TO
		CREATE A LOCAL HEALTH SYSTEM TRIHEALTH, INC ("TRIHEALTH") THE MISSION OF TR IHEALTH IS TO
		IMPROVE THE HEALTH STATUS OF THE COMMUNITY THROUGH A FULL RANGE OF HEALTH RE LATED SERVICES-
		PREVENTION, WELLNESS AND EDUCATION AND THUS EXEMPLIFY THE FOUNDING SPIRIT O F THE BETHESDA
		DEACONESSES THE SERVICES DESCRIBED BELOW, AND OTHERS NOT LISTED, PROMOTE CO MMUNITY HEALTH IN
		ACUTE ILLNESS, IN MANAGEMENT OF CHRONIC DISEASE, AND IN EDUCATION AND PR EVENTION MEASURES
		PROGRAMS SEEK TO REDUCE THE BURDENS ON THE GOVERNMENT FOR EXAMPLE, IF BETHESDA DID NOT
		ADDRESS THE ROOT CAUSES OF LOW BIRTH WEIGHT AND PREMATURITY, THE BURDEN TO GOVERNMENT MEDICAL
		PROGRAMS SUCH AS MEDICAID WOULD BE EVEN GREATER COMMUNITY BENEFIT AP PROACHCURRENTLY,
		BETHESDA, AS A PART OF TRIHEALTH, IS INVOLVED IN THE PLANNING AND IMPLEME NTATION OF A
		COLLABORATIVE COMMUNITY HEALTH NEEDS ASSESSMENT WITH AN ANTICIPATED COMPLETIO N
		TIMELINE OF 2012 THE ASSESSMENT REPORT WILL ASSIST PARTNER HOSPITALS AND AGENCIES IN AD
		DRESSING UNMET HEALTH NEEDS, AND IMPROVING POPULATION HEALTH COMMUNITY HEALTH NEEDS, AS A
		SSESSED IN PRIOR YEARS BY INDEPENDENT GROUPS SUCH AS THE GREATER CINCINNATI UNITED WAY AND
		THE HEALTH FOUNDATION OF GREATER CINCINNATI, HAVE SHOWN SIGNIFICANT HEALTH NEEDS TO BE IN
		FANT MORTALITY, OBESITY, DEPRESSION, HYPERTENSION AND DIABETES TWO MAJOR STRATEGIES
		ARE IN PLACE TO ADDRESS INFANT MORTALITY AND
		REC EIVE TRIHEALTH'S EXPERTISE THROUGH ONGOING HOSPITAL AND PHYSICIAN PRACTICE INITIATIVES THE
		TRIHEALTH COMMUNITY HEALTH INITIATIVE FOR
		DIABETES, LED BY THE TRIHEALTH PHYSICIAN PRACTI CES AND OUTPATIENT CLINICS WITH DIABETES EDUCATORS, FOCUSES ON ONGOING MANAGEMENT OF
		DIABE TES IN PATIENT EDUCATION AND EMPOWERMENT
		PHYSICIAN PRACTICES TRACK EFFECTIVENESS THROUGH MEASURES SUCH AS HEMOGLOBIN A1C, A MEASURE OF
		PATIENT DIABETES SELF-MANAGEMENT FREE AND D ISCOUNTED SERVICES ARE PROVIDED FOR THOSE
		UNABLE TO PAY AND MEETING ELIGIBILITY CRITERIA THROUGH THE HOSPITAL CARE ASSURANCE PROGRAM
		(HCAP), BETHESDA SERVES PATIENTS MEETING CRITE RIA SET FORTH BY THE OHIO DEPARTMENT OF JOBS AND
		FAMILY SERVICES BETHESDA POLICY IS TO PROVIDE CHARITY CARE ON A SLIDING SCALE DISCOUNTING WHEN
		THE FAMILY INCOME IS UP TO 400 PERC ENT OF THE ANNUALLY ESTABLISHED FEDERAL POVERTY GUIDELINE
		IT OFFERS AN UNINSURED DISCOUNT FOR MEDICALLY NECESSARY SERVICES FOR THOSE WHO HAVE NO
		INSURANCE AND WHO DO NOT QUALIFY FOR OTHER FINANCIAL ASSISTANCE OPTIONS FINANCIAL
		COUNSELORS ASSIST PATIENTS IN COMPLETING THE FINANCIAL ASSISTANCE APPLICATION WHICH IS AVAILABLE ON TRIHEALTH'S WEBSITE AND BROCHUR ES
		ABOUT FINANCIAL ASSISTANCE ARE VISIBLE AND AVAILABLE IN HOSPITAL REGISTRATION AND ADMIT
		TING AREAS BETHESDA PROVIDED \$29 4 MILLION IN
		TOTAL COMMUNITY BENEFIT FOR FISCAL YEAR 2011 OF THAT TOTAL, \$22 9 MILLION REPRESENTED
		OTH TRADITIONAL CHARITY CARE AND FOR THE UNPAID
		COST OF MEDICAID IS ONE MANIFESTATION OF THE RISING RATES OF PERSONS WITHOUT HEALTH INSURANCE THE MEDICAID PUBLIC PROGRAM
		REIMBURSE S HOSPITALS FOR SERVICES BUT PAYMENTS MAY NOT ALWAYS COVER THE TOTAL COST OF CARE AND
		MEDI CATIONS THE UNPAID COST OF MEDICARE IS NOT
		INCLUDED IN TOTAL COMMUNITY BENEFIT BETHESDA IS COMMITTED TO FULFILLING THE MISSION OF COMPASSION TO THE VULNERABLE MEMBERS OF THE
		COMM UNITIES THEY SERVE COMMUNITY OUTREACH FOR
		THE BROADER COMMUNITYBETHESDA PARTICIPATES IN THE REGIONAL TRAUMA SYSTEM THUS PROVIDING THE
		COMMUNITY WITH ACCESS TO TRAUMA CARE THE TWO EMERGENCY ROOMS OF BETHESDA PROVIDE 24-HOUR
		EMERGENCY CARE TO COMMUNITY MEMBERS LIVING IN THE NORTHEAST CORRIDOR OF CINCINNATI AS WELL AS
		WARREN, BUTLER, AND CLERMONT COUNTIES BET HESDA IS A LEVEL III TRAUMA CENTER AS VERIFIED BY THE
		COMMITTEE ON TRAUMA OF THE AMERICAN COLLEGE OF SURGEONS ONE EXAMPLE OF ONGOING EFFORTS BY
		BETHESDA TO IMPROVE THE HEALTH OF THE BROADER COMMUNITY ARE PROGRAMS TO ADDRESS THE
		IDENTIFIED HEALTH NEED OF DIABETES DIABETES EDUCATORS EXTEND THE EDUCATION TO THE
		COMMUNITY BY PROVIDING CLASSES TO A DIVERSE POPU LATION, FROM AREA INDUSTRIES AND FIREHOUSE
		GROUPS TO RETIREMENT CENTERS A DIABETES SUPPOR T GROUP MEETS FOR CONTINUED EDUCATION IN
		CHRONIC DISEASE MANAGEMENT THOUGH HEALTHY WOMEN HEALTHY LIVES WAS INSTITUTED IN JULY 2007
		BY GOOD SAMARITAN HOSPITAL WOMEN'S SERVICES TO I MPROVE THE HEALTH OF THE GREATER CINCINNATI
		COMMUNITY, IT IS NOW FISCALLY SUPPORTED BY BET HESDA HOSPITAL AS WELL, MAKING IT A TRIHEALTH
		SYSTEM PROGRAM HEALTHY WOMEN HEALTHY LIVES IS AN APPROACH BASED ON THE PREMISE THAT PREVENTIO

Identifier	ReturnReference	Explanation
		N, EARLY DETECTION, TREATMENT AND ACCESS TO HEALTH CARE SERVICES IMPROVE INDIVIDUAL AND CO
		MMUNITY HEALTH OUTCOMES THE FOCUS IS ON HEALTH RISKS ASSOCIATED WITH THE ONSET OF MENOPAU SE
		WELL ORGANIZED SCREENING AND EDUCATION EVENTS
		BRING THE SERVICES TO AT RISK POPULATION S OF AFRICAN AMERICAN, APPALACHIAN, HISPANIC,
		UNINSURED AND UNDERINSURED WOMEN FORTY YEARS
		OF AGE OR OLDER SCREENING INCLUDES OSTEOPOROSIS, MAMMOGRAPHY, CHOLESTEROL,
		HYPERTENSION, AND OBESITY EVERY WOMAN RECEIVES A NURSE CONSULTATION, A COPY OF THEIR RESULTS AND
		A WRI TTEN PRIMARY CARE REFERRAL WOMEN WITH
		ABNORMAL RESULTS ARE CONTACTED AND ASSISTED IN ACCE SSING PRIMARY CARE IN FISCAL YEAR 2011 OVER
		500 WOMEN WERE SERVED, WITH 2,843 WOMEN SERVE D SINCE THE PROGRAM START, HEALTHY WOMEN HEALTHY
		LIVES SERVES AS AN ENTRY POINT TO HEALTH CARE
		SERVICES FOR MANY WOMEN IN THE COMMUNITY COLLABORATIVE EFFORTS TO IMPROVE
		COMMUNITY H EALTH THE TRIHEALTH THINK FIRST PROGRAM IS AN ESTABLISHED BETHESDA SERVICE
		FOCUSED ON INJURY PREVENTION THE THINK FIRST
		PROGRAM STAFF WORKS WITH COMMUNITY PARTNERS TO PROVIDE INJURY PREVENTION PROGRAMS AND
		COMMUNITY AWARENESS EVENTS COLLABORATING WITH THE EDUCATORS, THE MEDIA, CIVIC CLUBS AND
		CORPORATIONS, THINK FIRST TEACHES INJURY
		PREVENTION TO ALL AGE G ROUPS THE GREATER CINCINNATI COMMUNITY HAS IDENTIFIED A
		SIGNIFICANT HEALTH NEED IN INFANT MORTALITY AND PREMATURITY TRIHEALTH HAS COMBINED EFFORTS WITH
		THE LARGER MEDICAL COMMUNITY, AGENCIES AND
		OTHER STAKEHOLDERS TO ADDRESS THIS HEALTH ISSUE BETHESDA HAD 4032 DELIVE RIES IN FISCAL YEAR 2011
		OF THESE BIRTHS AND IN FISCAL YEAR 2011 OUTCOMES,
		THE PERCENTAGE OF MOTHERS WITH PRETERM LABOR WAS 6 7% (A DECREASE FROM 7 0% IN FISCAL YEAR
		2010) THE PE RCENTAGE OF INFANTS BORN WEIGHING LESS THAN 2500 GRAMS WAS 6 9% (A SLIGHT INCREASE
		FROM 6 6% IN FISCAL YEAR 2010) THESE OUTCOMES
		REFLECT MANY EFFORTS TO FURTHER COLLABORATE WITH O BSTETRICIANS IN THE COMMUNITY IN REDUCING
		UNNECESSARY PRETERM BIRTHS TRIHEALTH ALSO SUPPORTS ON OUTREACH TO AT-RISK MOTHERS HEALTH
		PROFESSIONS EDUCATIONBETHESDA CONTINUES A
		COMMIT MENT TO EDUCATING THE NEXT GENERATION OF HEALTH CARE PROVIDERSPHYSICIANS AND ALLIED
		HEAL TH PROFESSIONALS COST IN EXCESS OF GOVERNMENTAL SUPPORT FOR MEDICAL EDUCATION
		PROGRAMS AT BETHESDA TOTALED \$4 MILLION IN
		FISCAL YEAR 2011 BETHESDA, AS PART OF TRIHEALTH, SPONSORS MEDICAL RESIDENCIES THERE WERE THIRTY
		TWO TOTAL RESIDENTS IN A JOINT OBSTETRICS AND GYNEC OLOGY RESIDENCY AT TRIHEALTH HOSPITALS IN
		FISCAL YEAR 2011 ALSO, THE BETHESDA FAMILY PRAC
		TICE RESIDENCY INCLUDED EIGHTEEN RESIDENTS IN FISCAL YEAR 2011 THE BETHESDA PARAMEDIC TRAI NING
		PROGRAM IS A HOSPITAL-BASED PROGRAM ACCREDITED BY THE OHIO DEPARTMENT OF TRANSPORTATION
		THROUGH THIS TRAINING PROGRAM, CERTIFIED
		EMERGENCY MEDICAL TECHNICIANS CAN ADVANCE TO THE PARAMEDIC LEVEL EDUCATION IS COMPRISED OF
		DIDACTIC SESSIONS, WITH LAB, FIELD, AND HOS PITAL CLINICAL ROTATIONS BETHESDA, AS A PART OF
		TRIHEALTH, COLLABORATES WITH LOCAL AND REGIONAL COLLEGES, UNIVERSITIES AND TRAINING CENTERS TO
		PROVIDE MENTORING, INTERNSHIPS, CLERK SHIPS,
		SUPERVISED EDUCATION AND CLINICAL ROTATIONS TO STUDENTS IN HEALTH FIELDS THESE PAR TNERSHIPS
		HELP STUDENTS LEARN ABOUT AND PREPARE FOR
		PROFESSIONS IN NURSE PRACTITIONER, RES PIRATORY THERAPY, RADIOLOGY TECHNOLOGY, STERILE
		PROCESSING, PHLEBOTOMY, MEDICAL LABORATORY, PHARMACY, SPEECH, AUDIOLOGY, PHYSICAL THERAPY,
		AND OCCUPATIONAL THERAPY IN CONCLUSION, ASIDE
		FROM THE CHARITY CARE AND UNPAID COST OF MEDICARE PROGRAMS, BETHESDA PROVIDED THE CO
		MMUNITY WITH HEALTH CARE SERVICES AND PROGRAMS, MEDICAL EDUCATION, AND CASH AND IN-KIND CO
		NTRIBUTIONS FOR THE POOR AND THE BROADER
		COMMUNITY THIS COMMITMENT TO COMMUNITY HEALTH RE VEALS BETHESDA'S FOUNDING SPIRIT OF CONCERN
		FOR THE VULNERABLE IT ALSO REFLECTS THE ONGOI NG, TANGIBLE EFFORTS AND CONTRIBUTIONS OF COUNTLESS
		EMPLOYEES, PHYSICIANS AND LEADERS LIVI NG THE
		CORE VALUES OF STEWARDSHIP AND RESPONSE TO COMMUNITY NEEDS
	•	·

PART VI, LINE 3 TRIHEALTH, INC PERFORMS THE BILLING SERVICES FOR ALL AFFILIATED HOSPITALS INCLUDING
BETHESDA HOSPITAL, INC BROCHURES/APPLICATIONS, PROVIDED IN MULTIPLE LANGUAGES, ARE VISIBLE AND AVAILABLE IN THE REGISTRATION AND ADMITTING AREAS OF ALL TRIHEALTH AFFILIATED HOSPITALS IN ADDITION, THE APPLICATION IS PRINTED ON THE REVERSE SIDE OF A PATIENT'S BILL WITH INSTRUCTIONS ON HOW TO COMPLETE THE APPLICATION AS WELL AS HOW TO RETURN IT FINANCIAL COUNSELORS ASSIST PATIENTS IN COMPLETING THE FINANCIAL ASSISTANCE APPLICATION FINALLY, TRIHEALTH INC 'S WEBSITE CONTAINS INFORMATION REGARDING ITS CHARITY CARE AND FINANCIAL ASSISTANCE PROGRAMS WITH DIRECTIONS ON HOW TO CONTACT THE APPROPRIATE PERSONNEL TO INITIATE AN APPLICATION OR ASK QUESTIONS ABOUT THE PROCESS

Identifier	ReturnReference	Explanation		
		PART VI, LINE 4 LOCATED IN CINCINNATI, OHIO,		
		BETHESDA HOSPITAL, INC AND THE TRIHEALTH, INC SYSTEM SERVE HAMILTON, BUTLER, WARREN, CLINTON		
		AND CLERMONT COUNTIES IN OHIO, AS WELL AS		
		PERSONS FROM INDIANA AND KENTUCKY IN		
		METROPOLITAN STATISTICAL AREAS, THE CINCINNATI-		
		MIDDLETOWN REGION IS THE LARGEST IN OHIO THE		
		ESTIMATED POPULATION FOR THIS AREA IS 2,130,151		
		THE POPULATION WITHIN THE FIVE OHIO COUNTIES		
		SERVED BY BETHESDA HOSPITAL, INC AND TRIHEALTH,		
		INC IS ESTIMATED TO BE 1,662,600 AND 12 0 PERCENT		
		OF THIS POPULATION IS UNINSURED		

	·
	PART VI, LINE 6 BETHESDA HOSPITAL, INC IS
	COMPRISED OF VARIOUS MEDICAL SERVICES INCLUDING
	BETHESDA NORTH HOSPITAL ("NORTH") AND BETHESDA
	MEDICAL CENTER AT ARROW SPRINGS ("ARROW
	SPRINGS") ITS BOARD OF DIRECTORS IS COMPRISED OF
	INDEPENDENT COMMUNITY REPRESENTATIVES NORTH
	IS A 360-BED ACUTE TERTIARY TEACHING HOSPITAL
	NORTH PROVIDES A 24-HOUR EMERGENCY DEPARTMENT,
	INTENSIVE CARE UNITS AND A LEVEL II SPECIAL CARE
	NURSERY SERVICES ARE OPEN TO ALL INDIVIDUALS
	REGARDLESS OF ABILITY TO PAY IN ADDITION, NORTH
	HAS AN OPEN MEDICAL STAFF AND A HISTORY OF
	TRAINING AND EDUCATING MEDICAL RESIDENTS AND
	HEALTH CARE PROFESSIONALS FINALLY IN CONCERT
	WITH THE HATTON INSTITUTE AT THE GOOD SAMARITAN
	HOSPITAL OF CINCINNATI, OHIO, AN AFFILIATED
	HOSPITAL, NORTH CONDUCTS MEDICAL AND SCIENTIFIC
	RESEARCH PROGRAMS INCLUDING STUDIES THAT ARE
	NOT COMMERCIALLY SPONSORED NORTH PARTICIPATES
	IN MEDICARE AND MEDICAID AND OTHER GOVERNMENT-
	SPONSORED HEALTH CARE PROGRAMS, AND HAS AN
	ACTIVE CHARITY CARE PROGRAM ARROW SPRINGS
	COMPRISES A FULLY STAFFED 24-HOUR EMERGENCY
	DEPARTMENT, PRIMARY CARE AND SPECIALIST
	PHYSICIANS, DIAGNOSTIC SERVICES, OCCUPATIONAL
	MEDICINE, PHYSICAL THERAPY AND A PHARMACY IT
	PROVIDES THE SAME HIGH-QUALITY, PATIENT-
	CENTERED CARE AND SERVICES THAT IS PROVIDED BY
	NORTH BOTH OF THESE FACILITIES ARE DIGITALLY
	CONNECTED, ALLOWING PHYSICIANS TO CONSULT ON
	PATIENT CARE AND SHARE RECORDS AND TEST RESULTS
	IMMEDIATELY THE BETHESDA HOSPITAL, INC SERVICES
	DESCRIBED ABOVE, AND OTHERS NOT LISTED, PROMOTE
	COMMUNITY HEALTH IN ACUTE ILLNESS, IN
	MANAGEMENT OF CHRONIC DISEASE, AND IN
,	EDUCATION AND PREVENTION MEASURES WHICH SEEK
	TO REDUCE THE BURDENS ON THE GOVERNMENT

Explanation

ReturnReference

Identifier

Identifier	ReturnReference	Explanation
		PART VI, LINE 7 IN 1995, THE GOOD SAMARITAN
		HOSPITAL OF CINCINNATI, OHIO AND BETHESDA
		HOSPITAL, INC FORMED A PARTNERSHIP CALLED
		TRIHEALTH, INC TO CREATE AN INTEGRATED HEALTH
		DELIVERY SYSTEM WHOSE MISSION IS TO IMPROVE THE
		HEALTH OF THE PEOPLE THEY SERVE, WITH AN EMPHASIS
		ON PREVENTION, WELLNESS AND EDUCATION
		TRIHEALTH, INC 'S SITES INCLUDE TWO HOSPITAL
		LOCATIONS AND VARIOUS PHYSICIAN OFFICE
		BUILDINGS THROUGHOUT THE GREATER CINCINNATI
		AREA IN ADDITION TO FITNESS, REHABILITATION,
		OCCUPATIONAL HEALTH, PALLIATIVE CARE SERVICES
		AND OUTPATIENT CENTERS IT ALSO PROVIDES
		SERVICES IN HOMES AND WORKPLACES AND DELIVERS
		CARE AND EDUCATION COOPERATIVELY THROUGH
		COMMUNITY-BASED ORGANIZATIONS, SUCH AS
		CHURCHES, SCHOOLS, CLINICS AND SOCIAL AGENCIES

Schedule H (Form 990) 2010

Software ID: Software Version:

EIN: 31-0537122

Name: BETHESDA HOSPITAL INC

Form 990 Schedule H, Part V Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

Type of Facility (Describe)
24-HOUR EMERGENCY ROOM AND COMPREHENSIVE OUTPATIENT SERVICES
WOMEN'S HEALTH
LAB, PHARMACY AND OUTPATIENT DRUG/ALCOHOL TREATMENT
OUTPATIENT INFUSION AND CHEMOTHERAPY TREATMENT
SLEEP CENTER
OUTPATIENT SURGICAL CENTER
OUTPATIENT IMAGING AND COMPREHENSIVE BREAST CARE CENTER
SENIOR CARE/DAY HEALTH CENTERS
SENIOR CARE/DAY HEALTH CENTERS
SENIOR CARE/DAY HEALTH CENTERS
OUTPATIENT WOMEN'S HEALTH CLINIC
PHYSICAL THERAPY
PHYSICAL THERAPY
FAMILY MEDICINE CLINIC
OUTPATIENT ALCOHOL AND DRUG TREATMENT

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -

Schedule I (Form 990)

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

OMB No 1545-0047

DLN: 93493131021522

Department of the Treasury Internal Revenue Service

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

Inspection

Name of the organization						Employer identific	cation number
BETHESDA HOSPITAL INC						31-0537122	
Part I General Inforn	nation on Grants	and Assistance					
Does the organization main the selection criteria used							Г Yes Г
Describe in Part IV the or	-						, 165 ,
Form 990, Part I	V, line 21 for any r	Governments and ecipient that received eded.	more than \$5,000.	Check this box if n	o one recipient recei	ved more than \$5,0	
1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) A mount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) UPTOWN CONSORTIUM INC629 OAK STREET SUITE 306 CINCINNATI,OH 45206	20-0688727	501(C)(3)	142,100				GENERAL PURPO SE
(2) VOLUNTEERS IN MEDICAL MISSIONSPO BOX 756 SENECA,SC 29679	62-1361564	501(C)(3)	6,000				MEDICAL SERVICE TRIP
(3) THE CENTER FOR CLOSING THE HEALTH GAP IN GREATER CINCINNATI3120 BURNET AVENUE SUITE 201 CINCINNATI,OH 45229	20-0902286	501(C)(3)	103,635				GENERAL PURPO SE
(4) BETHESDA FOUNDATION619 OAK STREET CINCINNATI,OH 45206	23-7374129	501(C)(3)	32,953				GENERAL PURPO SE
(5) CENTER FOR RESPITE CARE INCPO BOX 141301 CINCINNATI,OH 45229	20-2544994	501(C)(3)	24,500				GENERAL PURPO SE
(6) GOOD SAMARITAN HOSPITAL FOUNDATION OF CINCINNATI INC619 OAK STREET CINCINNATI,OH 45206	31-1206047	501(C)(3)	5,880				GENERAL PURPO SE
(7) HEALTH IMPROVEMENT COLLABORATIVE OF GREATER CINCINNATI INC 2100 SHERMAN AVE NO 100 CINCINNATI, OH 45212	31-1449807	501(C)(3)	23,000				GENERAL PURPO SE
(8) COLLEGE OF MOUNT SAINT JOSEPH5701 DELHI ROAD CINCINNATI,OH 45233	23-7179567	501(C)(3)	9,800				GENERAL PURPO SE
2 Enter total number of sect	ion 501(c)(3) and go	vernment organizations .					8

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)A mount of cash grant	(d)A mount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance

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

Ident if ier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S		SCHEDULE I, PART I, LINE 2 BETHESDA HOSPITAL, INC ("HOSPITAL") PROVIDES GRANTS TO OTHER ORGANIZATIONS DIRECTLY ON A VERY LIMITED BASIS IN THOSE INSTANCES, THE DEPARTMENT GRANTING THE FUNDS IS RESPONSIBLE FOR OBTAINING AND STORING ALL NECESSARY INFORMATION FROM THE OTHER ORGANIZATION RELATIVE TO HOW THE FUNDS WILL BE SPENT GENERALLY, GRANTS ARE PROVIDED, ON BEHALF OF HOSPITAL THROUGH TRIHEALTH, INC ("TRIHEALTH"), A SUPPORTING ORGANIZATION OF HOSPITAL, WHICH
		PROVIDES ADMINISTRATIVE SUPPORT SERVICES TO HOSPITAL AS SUCH, TRIHEALTH IS RESPONSIBLE FOR MONITORING THE USE OF HOW THE FUNDS WILL BE SPENT

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -**Compensation Information**

DLN: 93493131021522

OMB No 1545-0047

Schedule J (Form 990)

Department of the Treasury

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

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

Open to Public Inspection

Internal Revenue Service	► Attach to Form 990. ► See separate instructions.		Inspection
Name of the organiz BETHESDA HOSPITAL INC		Employer identif	ication number
		31-0537122	
Part I Question	ons Regarding Compensation		

					Yes	Νo
1a	Check the appropriate box(es) if the organization provide 990, Part VII, Section A, line 1a Complete Part III to p					
	First-class or charter travel	Γ	Housing allowance or residence for personal use			
	Travel for companions	\Box	Payments for business use of personal residence			
	Tax idemnification and gross-up payments	\sqcap	Health or social club dues or initiation fees			
	Discretionary spending account	Γ	Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organi reimbursement orprovision of all the expenses described			1b		
2	Did the organization require substantiation prior to reimbofficers, directors, trustees, and the CEO/Executive Dire			2		
3	Indicate which, if any, of the following the organization us organization's CEO/Executive Director Check all that a	pply				
	Compensation committee	_	Written employment contract			
	Independent compensation consultant		Compensation survey or study			
	Form 990 of other organizations	ļ	Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part or a related organization	VII,	Section A, line 1a with respect to the filing organization			
а	Receive a severance payment or change-of-control payr	ment	: from the organization or a related organization?	4a		Νo
ь	Participate in, or receive payment from, a supplemental	nonc	ualified retirement plan?	4b	Yes	
c	Participate in, or receive payment from, an equity-based	d con	npensation arrangement?	4c		Νo
	If "Yes" to any of lines 4a-c, list the persons and provide	e the	e applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must co	ompl	lete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line compensation contingent on the revenues of	1a,	did the organization pay or accrue any			
а	The organization?			5a		Νo
b	Any related organization?			5b		Νo
	If "Yes," to line 5a or 5b, describe in Part III					
6	For persons listed in form 990, Part VII, Section A, line compensation contingent on the net earnings of	1a,	did the organization pay or accrue any			
а	The organization?			6a		Νo
ь	Any related organization?			6b		Νo
	If "Yes," to line 6a or 6b, describe in Part III					
7	For persons listed in Form 990, Part VII, Section A, line payments not described in lines 5 and 6? If "Yes," described in lines 5 and 6?		-	7		Νο
8	Were any amounts reported in Form 990, Part VII, paid of subject to the initial contract exception described in Regin Part III		·	8		No
9	If "Yes" to line 8, did the organization also follow the reb section 53 4958-6(c)?	outta	ble presumption procedure described in Regulations	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is 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)(1)-(111) 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-MI			(E) Total of columns		
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	other deferred compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
(1) JOHN PROUT	(I) (II)	0 826,309	0 325,512	0 64,243	0 290,415	0 9,396	0 1,515,875	0
(2) DONNA NIENABER ESQ	(I) (II)	0 285,693	0 112,845	0 82,438	0 122,081	0 16,565	0 619,622	0
(3) CRAIG RUCKER	(I) (II)	0 356,895	0 119,103	0 16,910	0 108,173	0 7,579	0 608,660	0
(4) SHER MCCLANAHAN	(I) (II)	0 259,673	0 77,355	0 20,264	0 73,735	0 12,407	0 443,434	0
(5) WILLIAM GRONEMAN	(I) (II)	0 340,571	0 112,569	0 58,123	0 143,853	0 22,728	0 677,844	15,009
(6) GERALD OLIPHANT	(I) (II)	0 394,187	0 128,877	0 24,815	0 96,037	0 21,617	0 665,533	0
(7) GEORGES FEGHALI MD	(1) (11)	0 345,269	0 124,696	0 23,392	0 114,648	0 22,453	0 630,458	0
(8) ANTHONY BORZOTTA MD	(I) (II)	317,115 0	0	2,322	49,799 0	21,779 0	391,015	0
(9) STEVEN JOHNSON	(I) (II)	260,791 0	17,102 0	594 0	22,306 0	16,990 0	317,783	0
(10) LAURA TRICE MD	(I) (II)	222,441 0	0	1,971 0	36,867 0	9,632	270,911 0	0
(11) ALAN ALTMAN MD	(I) (II)	200,337 0	0	18,500 0	61,076 0	19,562 0	299,475	0
(12) SHAYLA PULLEN- JAMES MD	(I) (II)	204,526 0	0	144 0	17,000 0	21,116	242,786	0
(13) MICHAEL CROFTON	(I) (II)	0 191,909	0 48,549	0 20,633	0 45,715	0 22,278	0 329,084	0
(14) RO BERT HALONEN	(I) (II)	0 238,044	0	0	0	0	238,044	0
(15)							,	
(16)								

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

Ident if ier	Return Reference	Explanat ion
	PART I, LINE 4B	ELIGIBLE EXECUTIVES (GENERALLY VICE PRESIDENTS AND ABOVE) PARTICIPATE IN A PROGRAM THAT PROVIDES FOR SUPPLEMENTAL RETIREMENT BENEFITS THE PAYMENT OF BENEFITS UNDER THE PROGRAM, IF ANY, IS ENTIRELY DEPENDENT UPON THE FACTS AND CIRCUMSTANCES UNDER WHICH THE EXECUTIVE TERMINATES EMPLOYMENT WITH THE ORGANIZATION BENEFITS UNDER THE PROGRAM ARE UNFUNDED AND NON-VESTED DUE TO THE SUBSTANTIAL RISK OF FORFEITURE PROVISION, THERE IS NO GUARANTEE THAT THESE EXECUTIVES WILL EVER RECEIVE ANY BENEFIT UNDER THE PROGRAM ANY AMOUNT ULTIMATELY PAID UNDER THE PROGRAM TO THE EXECUTIVE IS REPORTED AS COMPENSATION ON FORM 990, SCHEDULE J, PART II, COLUMN B IN THE YEAR PAID TRIHEALTH, INC, THE RELATED ORGANIZATION THAT PAID THE SALARIES OF THE FOLLOWING INDIVIDUALS LISTED IN SCHEDULE J, PART II, CONTRIBUTED, ON BEHALF OF THE FOLLOWING INDIVIDUALS, TO A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN IN THE AMOUNTS AS NOTED JOHN PROUT - \$240,770 DONNA NIENABER, ESQ - \$67,368 MICHAEL CROFTON - \$14,108 CRAIG RUCKER - \$63,874 SHER MCCLANAHAN - \$39,917 WILLIAM GRONEMAN - \$75,052 GERALD OLIPHANT - \$73,468 GEORGES FEGHALI, MD - \$72,079 IN ADDITION, THE FOLLOWING INDIVIDUAL LISTED IN SCHEDULE J, PART II, RECEIVED A PAYMENT FROM A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN WHICH WAS TREATED AS TAXABLE COMPENSATION BY TRIHEALTH, INC WILLIAM GRONEMAN - \$15,009
SUPPLEMENTAL INFORMATION	PART III	PART I, LINE 3 TRIHEALTH, INC, A RELATED ORGANIZATION OF BETHESDA HOSPITAL, INC, USES THE FOLLOWING TO ESTABLISH THE COMPENSATION OF THE ORGANIZATION'S CEO/EXECUTIVE DIRECTOR COMPENSATION COMMITTEE, INDEPENDENT COMPENSATION CONSULTANT, COMPENSATION SURVEY OR STUDY, AND APPROVAL BY THE BOARD/COMPENSATION COMMITTEE PART I, LINE 4A - SEVERANCE PAYMENTS THE REPORTABLE INDIVIDUALS OF BETHESDA HOSPITAL, INC ARE PAID BY TRIHEALTH, INC, A RELATED ORGANIZATION, RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE SECTION 501(A) AS AN ORGANIZATION DESCRIBED IN INTERNAL REVENUE CODE SECTION 501(C)(3) THESE INDIVIDUALS DO NOT HAVE EMPLOYMENT AGREEMENTS SO NO SPECIAL ARRANGEMENTS EXIST BEYOND TRIHEALTH, INC 'S STANDARD EMPLOYEE SEVERANCE PACKAGE SEVERANCE PAY IS BASED ON LENGTH OF SERVICE THE AMOUNT OF NOTICE PAY WILL BE DETERMINED BY HUMAN RESOURCES IN ACCORDANCE WITH TRIHEALTH, INC POLICY PAYMENTS OF SEVERANCE ARE CONDITIONED UPON SIGNING A SEPARATION AND RELEASE AGREEMENT NO REPORTABLE INDIVIDUALS RECEIVED SEVERANCE PAYMENTS FROM TRIHEALTH, INC DURING THE 2010 CALENDAR YEAR

Schedule J (Form 990) 2010

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493131021522

31-0537122

SCHEDULE O (Form 990 or 990-EZ)

Name of the organization BETHESDA HOSPITAL INC

Department of the Treasury Internal Revenue Service Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2010

Open to Public Inspection
Employer identification number

		31-033/122
ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2		THE OFFICERS, DIRECTORS AND TRUSTEES OF BETHESDA HOSPITAL, INC LISTED IN PART VII, SECTION A HAVE A "BUSINESS RELATIONSHIP" WITH EACH OTHER BY VIRTUE OF SITTING ON THE BOARDS OF TRIHEALTH, INC AND THE GOOD SAMARITAN HOSPITAL OF CINCINNATI, OHIO, BOTH AFFILIATED ENTITIES OF BETHESDA HOSPITAL, INC SYLVANIA NG, MD, EDWARD HARNESS, ROBERT L WALKER, MICHAEL HAVERKAMP, AND MYRTIS POWELL HAVE A "BUSINESS RELATIONSHIP" WITH EACH OTHER BY VIRTUE OF SITTING ON THE BOARD OF BETHESDA, INC, THE SINGLE CORPORATE MEMBER OF BETHESDA HOSPITAL, INC JOHN PROUT, DONNA NIENABER, ESQ, CRAIG RUCKER, SHER MCCLANAHAN, WILLIAM GRONEMAN, GERALD OLIPHANT, AND GEORGES FEGHALI, MD HAVE A "BUSINESS RELATIONSHIP" WITH EACH OTHER BY VIRTUE OF SITTING ON RELATED ENTITY BOARDS OF TRIHEALTH, INC AND ITS SUBSIDIARIES AND AFFILIATES AS WELL AS BEING EMPLOYED BY TRIHEALTH, INC

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		BETHESDA HOSPITAL, INC HAS TWO CORPORATE MEMBERS - BETHESDA, INC (VOTING MEMBER) AND TRIHEALTH, INC (NON-VOTING MEMBER)

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		BETHESDA, INC HAS THE ABILITY TO ELECT MEMBERS TO THE GOVERNING BODY OF BETHESDA HOSPITAL, INC

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B		BETHESDA, INC MUST APPROVE CERTAIN FINANCIAL TRANSACTIONS, AMENDMENTS TO BETHESDA HOSPITAL, INC 'S GOVERNING DOCUMENTS AND THOSE MATTERS RESERVED BY OHIO LAW

ldentifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		MEMBERS OF THE BOARD ARE PROVIDED AN ELECTRONIC COPY OF THIS FORM 990 PRIOR TO FILING HOWEVER, FOR THE PROTECTION OF DONOR PRIVACY, SCHEDULE B - SCHEDULE OF CONTRIBUTORS WAS REMOVED FROM THE COPY PROVIDED TO THE BOARD SUBSEQUENT TO PRESENTATION TO THE BOARD, THE ORGANIZATION FILES THE RETURN MAKING ANY NON-SUBSTANTIVE CHANGES NECESSARY TO EFFECT E-FILING ANY SUCH NON-SUBSTANTIVE CHANGES ARE NOT SUBMITTED TO THE BOARD

Identifier Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	ALL BOARD MEMBERS ARE REQUIRED TO ANNUALLY DISCLOSE CERTAIN FINANCIAL INTERESTS AND FIDUCIARY RELATIONSHIPS THE EXECUTIVE COMMITTEE AND CORPORATE COUNSEL REVIEW RESPONSES, CONDUCT FURTHER INVESTIGATION (IF NECESSARY), AND DETERMINE WHEN A CONFLICT EXISTS WITH RESPECT TO A CERTAIN TRANSACTION IF A CONFLICT EXISTS, THE TRANSACTION IS NOT TO BE ENTERED INTO UNLESS ALTERNATIVES ARE FULLY INVESTIGATED, AND IN THEIR ABSENCE, THE BOARD, WITHOUT THE PARTICIPATION OF THE INTERESTED MEMBER(S), DETERMINES THAT THE TRANSACTION IS IN THE BEST INTEREST OF THE ORGANIZATION PLANS TO MANAGE THE CONFLICT DURING THE RELATIONSHIP ARE IMPLEMENTED ALL DISCUSSIONS ARE APPROPRIATELY DOCUMENTED ALL DIRECTORS AND MANAGERS, WHICH INCLUDE OFFICERS AND KEY EMPLOYEES, ARE REQUIRED TO ANNUALLY DISCLOSE ANY CIRCUMSTANCES, INCLUDING FAMILY AND BUSINESS RELATIONSHIPS, THAT MAY CREATE A CONFLICT OF INTEREST FOR THE ORGANIZATION THESE RESPONSES ARE REVIEWED AND ACTED UPON BY A CONFLICT OF INTEREST COMMITTEE

ldentifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	IN DETERMINING COMPENSATION OF THE BETHESDA HOSPITAL, INC 'S OFFICERS AND KEY EMPLOYEES, THE ANNUAL PROCESS PERFORMED BY TRIHEALTH, INC (A RELATED ORGANIZATION WHO PAID THE INDIVIDUALS), INCLUDED COMPENSATION COMMITTEE, INDEPENDENT COMPENSATION CONSULTANT, COMPENSATION SURVEY OR STUDY, AND, APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE ADDITIONALLY, ALL DISCUSSIONS AND DECISIONS ARE CONTEMPORANEOUSLY DOCUMENTED

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	BETHESDA HOSPITAL, INC 'S GOVERNING DOCUMENTS, CONFLICTS OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST

ldentifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED GAINS ON INVESTMENTS 18,196,643 LOSS ON UNCONSOLIDATED ORGANIZATIONS -9,778,815 CONTRIBUTED CAPITAL TO PARENT -10,000,000 CHANGE IN TEMPORARILY RESTRICTED NET ASSETS -3,314,828 CHANGE IN PENSION PLAN/SERP FUNDED STATUS 25,831,856 TOTAL TO FORM 990, PART XI, LINE 5 20,934,856

ldentifier Retu Refere		Explanation
VOLUNTEER FORM 9 INFORMATION 6	, ,	DURING THE TAX YEAR, BETHESDA HOSPITAL, INC WAS ASSISTED BY 1,155 VOLUNTEERS WHO DONATED APPROXIMATELY 131,000 HOURS VOLUNTEERS HELPED THROUGH THE FOLLOWING BETHESDA NORTH HOSPITAL AND BETHESDA CENTER - ARROW SPRINGS ("HOSPITALS") THESE FACILITIES WERE ASSISTED BY 1,136 VOLUNTEERS WHO DONATED APPROXIMATELY 130,000 HOURS IN ALMOST EVERY DEPARTMENT OF THE HOSPITALS VOLUNTEERS PROVIDED SERVICES IN THE VARIOUS WAITING ROOMS (E.G. ENDOSCOPIC CATHERTERIZATION, SURGERY) AS WELL AS BOTH THE INPATIENT AND OUTPATIENT PHARMACIES AND ALL AREAS OF PHYSICAL THERAPY ESCORT VOLUNTEERS DISCHARGED A LARGE PERCENTAGE OF BOTH INPATIENTS AND OUTPATIENTS AS WELL AS PERFORMING ERRANDS FOR THE HOSPITALS ALSO VOLUNTEERS OF THE HOSPITALS PROVIDED HEALING TOUCH TO PATIENTS AND OUTPATIENTS, VISITED WITH PATIENTS AND THEIR FAMILIES, PROVIDED PASTORAL CARE SERVICES TO PATIENTS AND PROVIDED THE BOOK CART TO PATIENTS EACH DAY FINALLY, CRAFTER VOLUNTEERS, WORKING FROM THEIR HOMES, MADE VARIOUS ITEMS FOR PATIENTS AND NEWBORNS SENIOR SERVICES (SENIORITY AND SENIORLINK) VOLUNTEERS OF SENIORITY, WHICH PROVIDES CONTINUING EDUCATION FOR OLDER ADULTS AND THEIR FAMILIES, ASSISTED IN VARIOUS SPECIAL EVENTS/PROJECTS AS WELL AS PROVIDED OFFICE HELP SENIORLINK HELPS PEOPLE 55 AND OLDER WITH CHRONIC CARE NEEDS TO STAY HEALTHY AND INDEPENDENT AS LONG AS POSSIBLE BY PROVIDING PARTICIPANTS WITH MEDICAL AND SOCIAL SERVICES DELIVERED IN THEIR HOMES AND AT ONE OF THREE SENIORLINK DAY HEALTH CENTERS VOLUNTEERS ASSISTED IN VARIOUS SERVICES OFFERED BY SENIORLINK DAY HEALTH CENTERS VOLUNTEERS ASSISTED IN VARIOUS SERVICES OFFERED BY SENIORLINK

ldentifier	Return Reference	Explanation
EXECUTIVE COMMITTEE COMPOSITION AND AUTHORITY	FORM 990, PART VI, SECTION A, LINE 1A	THE BOARD OF TRUSTEES OF BETHESDA HOSPITAL, INC ("THE CORPORATION"), ESTABLISHED AN EXECUTIVE COMMITTEE WHICH MAY EXERCISE SUCH POWER AND AUTHORITY OF THE BOARD OF TRUSTEES IN INTERVALS BETWEEN MEETINGS OF THE BOARD AS AUTHORIZED BY THE BOARD THE EXECUTIVE COMMITTEE IS COMPOSED OF THE BOARD CHAIR, THE BOARD VICE CHAIR, THE PRESIDENT & CEO, THE SECRETARY AND TWO OTHER BOARD MEMBERS ALL IN ACCORDANCE WITH THE NETWORK AFFILIATION AGREEMENT

ldentifier	Return Reference	Explanation
CHANGE IN PROCESS OF AUDIT OVERSIGHT OR SELECTION OF INDEPENDENT AUDITOR	FORM 990, PART XI, LINE 2C	THE FINANCIAL STATEMENTS OF BETHESDA HOSPITAL, INC ("HOSPITAL") ARE AUDITED WITH ITS SUBSIDIARIES HOSPITAL HAS A COMMITTEE THAT ASSUMES THE RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF BOTH ITS AND ITS SUBSIDIARIES FINANCIAL STATEMENTS IN ADDITION, HOSPITAL'S FINANCIAL STATEMENTS ARE AUDITED WITH BETHESDA, INC, THE PARENT ORGANIZATION OF HOSPITAL BETHESDA, INC HAS A COMMITTEE THAT ASSUMES THE RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF BOTH ITS AND ITS SUBSIDIARIES FINANCIAL STATEMENTS AS WELL AS THE SELECTION OF THE INDEPENDENT AUDITOR DURING THE TAX YEAR, THERE WAS NOT A CHANGE IN THE PROCESS OF AUDIT OVERSIGHT AND/OR SELECTION OF AN INDEPENDENT AUDITOR BY EITHER HOSPITAL OR BETHESDA, INC

ldentifier	Return Reference	Explanation
ADOPTION OF WRITTEN POLICY AND PROCEDURES EVALUATING JV ARRANGEMENTS	FORM 990, PART VI, SECTION B, LINE 16B	DURING THE YEAR, BETHESDA HOSPITAL, INC PARTICIPATED IN A JOINT VENTURE WITH ONE OR MORE TAXABLE PERSONS AND/OR ORGANIZATIONS AS OF THE END OF THE FISCAL YEAR, BETHESDA HOSPITAL, INC HAD NOT ADOPTED A WRITTEN POLICY OR PROCEDURE THAT REQUIRES THE ORGANIZATION TO NEGOTIATE, IN ITS TRANSACTIONS AND ARRANGEMENTS WITH OTHER MEMBERS OF THE VENTURE OR ARRANGEMENT, SUCH TERMS AND SAFEGUARDS AS ARE ADEQUATE TO ENSURE THAT THE ORGANIZATION'S EXEMPT STATUS IS PROTECTED HOWEVER, ALL JOINT VENTURES, WHEN ENTERED INTO, HAVE OUTSIDE LEGAL COUNSEL REVIEW OF THE OPERATING AGREEMENT OR OTHER ORGANIZATIONAL DOCUMENTS TO ENSURE THAT THE ORGANIZATION'S EXEMPT STATUS IS PROTECTED PRIOR TO THE COMMENCEMENT OF THE JOINT VENTURE ONCE THE JOINT VENTURE COMMENCES, BETHESDA HOSPITAL, INC PERSONNEL MONITORS ITS ACTIVITITES TO ENSURE THE ORGANIZATION'S EXEMPT STATUS IS PROTECTED

ldentifier	Return Reference	Explanation
ESTIMATE OF HOURS DEVOTED TO RELATED ORGANIZATION	FORM 990, PART VII, SECTION A	DIRECTORS AND OFFICERS (AS NOTED WITH A "SCH O" REFERENCE) FOR BETHESDA HOSPITAL, INC PROVIDE SERVICES TO TRIHEALTH, INC (A RELATED ORGANIZATION WHO PAID THE INDIVIDUALS) AND ITS SUBSIDIARIES/AFFILIATES ("TRIHEALTH") HOURS WORKED ARE NOT TRACKED ON AN ENTITY BY ENTITY BASIS THE COMPENSATION REPORTED ON THE FORM 990, PART VII WAS PAID TO THESE INDIVIDUALS IN FULFILLMENT OF THEIR DUTIES AS FULL-TIME, 60 HOURS-PER-WEEK EMPLOYEES OF TRIHEALTH DIRECTORS (AS NOTED WITH A "SCH O-MED STAFF PRES" REFERENCE) FOR BETHESDA HOSPITAL, INC SERVE ON THE BOARD IN THEIR CAPACITY AS MEDICAL STAFF PRESIDENT FOR EITHER BETHESDA HOSPITAL, INC OR THE GOOD SAMARITAN HOSPITAL OF CINCINNATI, OHIO COMPENSATION SHOWN IS FOR HIS/HER DUTIES AS MEDICAL STAFF PRESIDENT OF THE RESPECTIVE HOSPITAL AND NOT FOR SERVING AS A DIRECTOR

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -

DLN: 93493131021522

2010

OMB No 1545-0047

Open to Public Inspection

Employer identification number

31-0537122

Related Organizations and Unrelated Partnerships

► Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.

Department of the Treasury Internal Revenue Service

BETHESDA HOSPITAL INC

Name of the organization

(Form 990)

SCHEDULE R

► Attach to Form 990. ► See separate instructions.

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.) Name, address, and EIN of disregarded entity Legal domicile (state Total income End-of-year assets Direct controlling Primary activity or foreign country) entity Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one Part II or more related tax-exempt organizations during the tax year.) (g) (a)
Name, address, and EIN of related organization Section 512(b)(13) Legal domicile (state Exempt Code section Public charity status Direct controlling Primary activity controlled or foreign country) (if section 501(c)(3)) entity organization See Additional Data Table For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. Cat No 50135Y Schedule R (Form 990) 2010

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 Disprop allocat	rtionate	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j Gener mana parti	ral or aging	(k) Percentage ownership
							Yes	No		Yes	No	
ACCOUNTING 3 WEST CINCINNATI, 0H45206 20-1297322	CARDIAC CARE	ОН	N/A	RELATED	205,440	538,244		No		Yes		57 954 %
	PROPERTY MANAGEMENT	ОН	N/A									
Part TV Identif	ication of Pelate	od Ora	anizatione Tava	hle as a Cornor	ation or Trust (Complete if the c	raani	zation	answered "Ves"	on Fo	rm 9	00 Dart IV

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
(1) TJ CUBEDMONTGOMERY INC 619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 26-1964885	HOLDING COMPANY	ОН	N/A	S			
(2) CONSOLIDATED HEALTH SERVICES INC 1700 EDISON DRIVE SUITE 300 MILFORD, 0H45150 31-1378212	HOLDING COMPANY	ОН	N/A	С			
(3) AMERICAN NURSING CARE INC 1700 EDISON DRIVE SUITE 300 MILFORD, OH45150 31-1085414	NURSING CARE	ОН	N/A	С			
(4) AMERIMED INC 1700 EDISON DRIVE SUITE 300 MILFORD, OH45150 31-1158699	MEDICAL SUPPLIES	ОН	N/A	С			
(5) PATIENT TRANSPORT SERVICES INC 1700 EDISON DRIVE SUITE 300 MILFORD, 0H45150 31-1100798	AMBULANCE SERVICES	ОН	N/A	С			

(6)

Part V Transactions With Related Organizations (Complete if the organization answered	"Yes" on Form 990, Pai	t IV, line 34, 35, 3	5A, 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 Part	s II-IV?						
a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity			1a	Yes				
b Gift, grant, or capital contribution to other organization(s)			1b	Yes				
c Gift, grant, or capital contribution from other organization(s)			1c	Yes				
d Loans or loan guarantees to or for other organization(s)								
e Loans or loan guarantees by other organization(s)			1 e		No			
f Sale of assets to other organization(s)			1f		No			
g Purchase of assets from other organization(s)			1g		No			
h Exchange of assets			1h		No			
i Lease of facilities, equipment, or other assets to other organization(s)			1i		No			
			1j	Yes				
j Lease of facilities, equipment, or other assets from other organization(s)								
k Performance of services or membership or fundraising solicitations for other organization(s)								
l Performance of services or membership or fundraising solicitations by other organization(s)								
m Sharing of facilities, equipment, mailing lists, or other assets	m Sharing of facilities, equipment, mailing lists, or other assets							
n Sharing of paid employees			1n	Yes				
• Reimbursement paid to other organization for expenses			10					
p Reimbursement paid by other organization for expenses			1p		No			
q Other transfer of cash or property to other organization(s)			1 q		No			
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 li		onships and transact	•					
(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determi involve		ount			
(1)								
See Additional Data Table								
(2)								
(3)								
(4)								
(5)								

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) Disproprtional allocations?		(g) nate Code V—UBI namount in box 20 of Schedule K-1 (Form 1065)	mana part	(h) General o managing partner?	
			Yes	No		Yes	No		Yes	N	
										+	
										-	
										t	
										+	
										\dagger	
										╀	
										+	
										L	
										+	
										t	
										ı	

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

I Identifier I Keturn Keterence I	Identifier Return Reference Explanation	
-----------------------------------	---	--

Schedule R (Form 990) 2010

Software ID: **Software Version:**

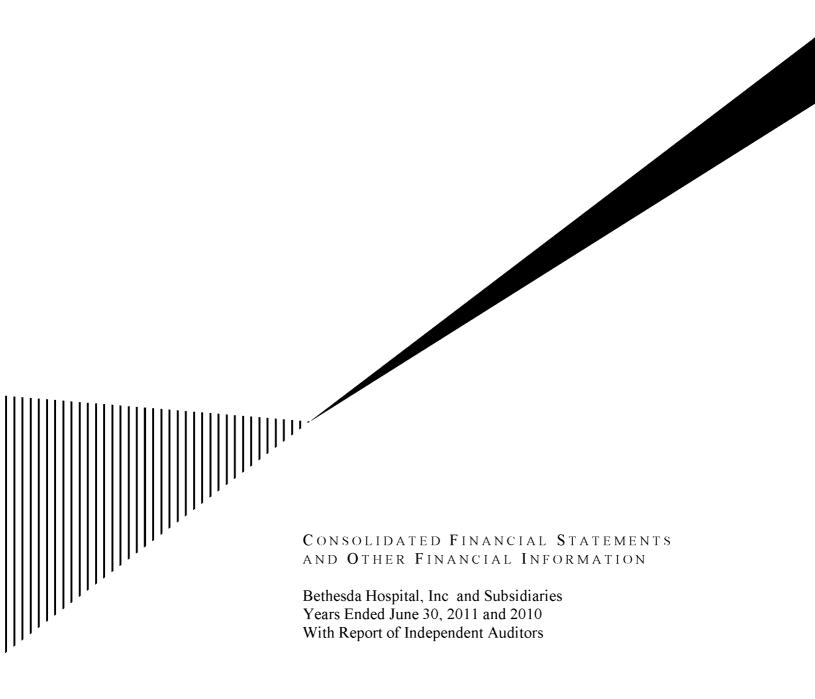
EIN: 31-0537122

Name: BETHESDA HOSPITAL INC

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations										
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c) (3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled organization				
						Yes	No			
BETHESDA INC										
619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 31-1108895	INVESTMENT MANAGEMENT	ОН	SECTION 501 (C)(3)	SCHEDULE A, LINE 11C	N/A		No			
BETHESDA FOUNDATION INC										
619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 23-7374129	FUNDRAISING	ОН	SECTION 501 (C)(3)	SCHEDULE A, LINE 7	BETHESDA INC	Yes				
BETHESDA HEALTHCARE INC										
619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 31-1027660	HEALTHCARE SERVICES	он	SECTION 501 (C)(3)	SCHEDULE A, LINE 11B	BETHESDA INC	Yes				
BETHESDA FAMILY PRACTICE CENTER										
619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 31-1242442	HEALTHCARE SERVICES	он	SECTION 501 (C)(3)	SCHEDULE A, LINE 11C	BETHESDA HOSPITAL INC	Yes				
BETHESDA PROPERTIES INC										
619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 31-1352694	PROPERTY MANAGEMENT	он	SECTION 501 (C)(2)		BETHESDA HOSPITAL INC	Yes				
HOSPICE OF CINCINNATI INCORPORATED										
619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 31-0917155	HOSPICE SERVICES	он	SECTION 501 (C)(3)	SCHEDULE A, LINE 7	BETHESDA HOSPITAL INC	Yes				
FERNSIDE INC A CENTER FOR GRIEVING CHILDREN					HOSPICE OF					
619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 31-1179234	COUNSELING TO GRIEVING CHILDREN	он	SECTION 501 (C)(3)	SCHEDULE A, LINE 7	CINCINNATI INCORPORATED	Yes				
TRIHEALTH INC										
619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 31-1438846	SUPPORT AFFILIATED HOSPITALS	ОН	SECTION 501 (C)(3)	SCHEDULE A, LINE 11B	N/A	Yes				
THE GOOD SAMARITAN HOSPITAL OF CINCINNATI OHIO 619 OAK STREET-ACCOUNTING 3 WEST CINCINNATI, OH45206 31-0537486	INPATIENT AND OUTPATIENT SERVICES	ОН	SECTION 501 (C)(3)	SCHEDULE A, LINE 3	TRIHEALTH INC	Yes				

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) A mount Involved (\$)	(d) Method of determining
		,, ,	(1)	amount involved
(1)	BETHESDA HEALTHCARE INC	А	39,519	FMV
(2)	HOSPICE OF CINCINNATI INCORPORATED	А	10,668	FMV
(3)	BETHESDA PROPERTIES INC	J	1,469,806	FMV
(4)	BETHESDA HEALTHCARE INC	J	450,474	FMV
(5)	TRIHEALTH INC	К	60,000	FMV
(6)	BETHESDA INC	В	10,000,000	CASH
(7)	BETHESDA FOUNDATION INC	В	6,019,110	CASH
(8)	TRIHEALTH INC	0	57,797,530	соѕт
(9)	HOSPICE OF CINCINNATI INCORPORATED	N	30,330,469	FMV
(10)	BETHESDA INC	N	78,475	FMV
(11)	FERNSIDE INC A CENTER FOR GRIEVING CHILDREN	N	375,426	FMV
(12)	GOOD SAMARITAN HOSPITAL OF CINCINNATI OHIO	С	117,082	CASH
(13)	AMERICAN NURSING CARE INC	L	1,104,504	FMV
(14)	PATIENT TRANSPORT SERVICES INC	L	1,227,814	FMV



Ernst & Young LLP



Bethesda Hospital, Inc. and Subsidiaries

Consolidated Financial Statements and Other Financial Information

Years Ended June 30, 2011 and 2010

Contents

Report of Independent Auditors	1
Consolidated Financial Statements	
Consolidated Balance Sheets	2
Consolidated Statements of Operations and Changes in Net Assets	4
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7
Other Financial Information	
Report of Independent Auditors on Other Financial Information	44
Consolidating Balance Sheets	45
Consolidating Statements of Operations and Changes in Net Assets	49



Ernst & Young LLP 1900 Scripps Center 312 Walnut Street Cincinnati OH 45202

Tel +1 513 612 1400 Fax +1 513 612 1730 www.ey.com

Report of Independent Auditors

The Board of Trustees of Bethesda Hospital, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of Bethesda Hospital, Inc and Subsidiaries (the Hospital), a subsidiary of Bethesda, Inc, as of June 30, 2011 and 2010, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended These consolidated financial statements are the responsibility of the Hospital's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. We were not engaged to perform an audit of the Hospital's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control over financial reporting Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Bethesda Hospital, Inc and Subsidiaries at June 30, 2011 and 2010, and the consolidated results of its operations and changes in net assets, and its cash flows for the years then ended in conformity with U S generally accepted accounting principles

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The unaudited community benefit information in Note B is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements, and, accordingly, we do not express any assurances on such information

September 15, 2011

1104-1250954

Ernst + Young LLP

Consolidated Balance Sheets

	June 30			
		2011	2010	
		(In Tho	usar	nds)
Assets				
Current assets				
Cash and cash equivalents	\$	18,635	\$	6,292
Net patient accounts receivable, less allowance of				
\$19,153 in 2011 and \$16,635 in 2010		36,498		34,584
Other accounts receivable		1,161		1,986
Current portion of assets limited as to use		22,143		26,502
Inventories		1,731		1,720
Prepaid and other current assets		2,417		2,442
Current portion of due from related organizations, net		3,284		17,817
Total current assets		85,869		91,343
Assets limited as to use and investments				
Assets limited as to use				
Internally designated for capital and other funds		329,903		269,060
Restricted by donors		2,992		2,823
Trustee held funds under professional liability		ŕ		
funding arrangement		24,041		19,828
Investments		30,419		33,012
Total assets limited as to use and investments		387,355		324,723
Property and equipment, net		253,297		265,045
Investments in unconsolidated organizations		4,563		1,417
Due from related organizations		22,635		28,892
Other long-term assets		100		298
Total assets	\$	753,819	\$	711,718

		June 30			
		2011		2010	
		(In Tho	แรตก	nds)	
Liabilities and net assets					
Current liabilities					
Compensation and benefits	\$	19,497	\$	18,613	
Third-party liabilities		6,982		6,404	
Accounts payable and accrued expenses		26,137		23,984	
Network affiliation payable		11,137		4,629	
Current portion of long-term debt		11,617		11,157	
Current portion of due to related organizations		_		7,969	
Total current liabilities		75,370		72,756	
Accrued professional liability expense		18,758		17,412	
Due to related organizations		_		11,210	
Pension liability		34,301		63,998	
Long-term compensation and benefits and					
other long-term liabilities		17,838		17,168	
Long-term debt		200,473		213,009	
Total liabilities		346,740		395,553	
Net assets					
Unrestricted		397,655		303,766	
Temporarily restricted		9,424		12,399	
Total net assets		407,079		316,165	
Total liabilities and not assets	<u>-</u>	752 010	<u> </u>	711 710	
Total liabilities and net assets		753,819	\$	711,718	

See accompanying notes.

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended June 30			
		2011	2010	
D.		(In Thous	ands)	
Revenue				
Net patient service revenue	Φ.	261,000	h 250.25	- 0
Acute inpatient	\$,	\$ 259,35	
Outpatient		238,907	216,58	
Other patient		31,369	32,48	
Total net patient service revenue		531,375	508,42	24
Nonpatient (loss) revenue				
Loss from unconsolidated organizations		(9,896)	(6,14	1 1)
Operating loss from network affiliation		(7,811)	(4,43	34)
Other revenue, net		18,431	16,88	32
Total revenue		532,099	514,73	31
Expenses				
Salaries and wages		168,509	163,66	58
Employee benefits		47,523	41,31	18
Medical professional fees		3,798	3,56	58
Purchased services		25,306	22,51	15
Supplies		100,927	104,56	56
Bad debts		39,582	33,27	78
Utilities		5,414	6.09	98
Insurance		3,673	4,46	55
Rental, leases, and maintenance		13,044	12,42	22
Depreciation and amortization		22,616	23,04	12
Interest		10,158	10,73	37
Shared service allocation		57,797	56,42	
Other, net		10,272	11,60	
Total operating expenses		508,619	493,70	
Income from operations		23,480	21,02	
Nonoperating (loss) income				
Nonoperating loss from network affiliation		(3,326)	(19	95)
Investment income		52,238	34.46	
Total nonoperating income		48,912	34,26	
Excess revenue over expenses	\$	72,392	\$ 55.29) 2

(Continued on next page)

Consolidated Statements of Operations and Changes in Net Assets (continued)

	Year Ended June 30				
	2011 201			2010	
	(In Thousands)				
Excess revenue over expenses	\$	72,392	\$	55,292	
Change in plan assets and benefit obligation					
of pension plan		22,192		(15,497)	
Change in funded status of TriHealth pension plan		3,489		(4,096)	
Transfer to Bethesda, Inc		(10,000)		(5,000)	
Other changes in net assets, net		2,841		2,279	
Increase in net assets		90,914		32,978	
Net assets at beginning of year		316,165		283,187	
Net assets at end of year		407,079	\$	316,165	

See accompanying notes.

Consolidated Statements of Cash Flows

	Year Ended June 30				
		2011		2010	
	(In Thousands)				
Operating activities					
Increase in net assets	\$	90,914	\$	32,978	
Adjustments to reconcile increase in net assets					
to net cash provided by (used in) operating activities					
Provision for bad debt		39,582		33,278	
Depreciation and amortization		22,616		23,042	
Loss from unconsolidated organizations		9,896		6,141	
Change in plan assets and benefit obligation of pension plan		(22,192)		15,497	
Change in funded status of TriHealth pension plan		(3,489)		4,096	
Transfer to Bethesda, Inc		10,000		5,000	
Net changes in current assets and liabilities					
Net patient and other accounts receivable		(40,671)		(34,432)	
Other current assets		14		2,628	
Current liabilities		9,437		8,474	
Change in due to/from related organizations		12,821		(35,761)	
Other changes, net		(5,291)		4,397	
Net cash provided by operating activities, before net					
change in assets limited as to use and investments		123,637		65,338	
Net increase in assets limited as to use and investments		(68,273)		(71,093)	
Net cash provided by (used in) operating activities		55,364		(5,755)	
Investing activities					
Additions to property and equipment, net		(10,182)		(13,645)	
Cash funding to TriHealth, Inc		(21,000)		_	
Change in investments in unconsolidated organizations		237		1,139	
Net cash used in investing activities		(30,945)		(12,506)	
Financing activities					
Repayment of long-term debt		(12,076)		(10,453)	
Net cash used in financing activities		(12,076)		(10,453)	
Increase (decrease) in cash and cash equivalents		12,343		(28,714)	
Cash and cash equivalents at beginning of year		6,292		35,006	
Cash and cash equivalents at end of year	\$	18,635	\$	6,292	

See accompanying notes

Notes to Consolidated Financial Statements

June 30, 2011 and 2010 (Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies

Organization

Bethesda Hospital, Inc and Subsidiaries (the Hospital), an Ohio nonprofit corporation, is a subsidiary of Bethesda, Inc, an Ohio non-profit corporation recognized by the Internal Revenue Service as exempt from federal income taxation under Section 501(a) of the Internal Revenue Code as a charitable organization described in section 501(c)(3) of the Internal Revenue Code The mission of the Hospital is to provide health care and related services through its inpatient, outpatient, and community-based facilities and programs The Hospital has a long-term commitment to medical education through its support of the physician residency program and healthcare training programs for technicians, as well as patient education in disease management and awareness

The Hospital is a part of a network affiliation agreement with The Good Samaritan Hospital of Cincinnati, Ohio (the Partner), an Ohio non-profit corporation recognized by the Internal Revenue Service as exempt from the federal income taxation under Section 501(a) of the Internal Revenue Code as a charitable organization described in section 501(c)(3) of the Internal Revenue Code The agreement provides for, among other things, joint management of the combined operations of the facilities of the Hospital and the Partner The Hospital and the Partner share the excess of revenue over expenses (expenses over revenue) as defined in the network affiliation agreement The Hospital and the Partner also own 50% each of a joint venture, TriHealth, Inc (Note M) The Hospital accounts for TriHealth, Inc using the equity method of accounting

Basis of Presentation

The consolidated financial statements of the Hospital include the accounts of Bethesda Hospital, Inc (including Bethesda Northeast Cardiac Center, LLC, a consolidated majority owned joint venture), Senior Services, a division of Bethesda Hospital, Inc, and Hospice of Cincinnati Inc and Subsidiary (Hospice) and Bethesda Properties, Inc, subsidiaries of Bethesda Hospital, Inc All significant intercompany accounts and transactions have been eliminated in consolidation

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies (continued)

Fair Value Measurements

The Hospital follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 820 Fair Value Measurements and Disclosure (ASC 820), which defines fair value as the price that would be reached to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a framework for measuring fair value ASC 820 defines a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date

ASC 820 emphasizes that fair value is a market-based measurement, not an entity specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing an asset or liability. As a basis for considering market participant assumption in fair value measurements, and as noted above, ASC 820 defines a three-level fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity and the reporting entity's own assumptions about market participants. The fair value hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows.

- Level 1 inputs utilize quoted market prices in active markets for identical assets or liabilities that the Hospital has the ability to access
- Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset and liability (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals
- Level 3 inputs are unobservable inputs for the asset or liability, which is typically based on an entity's own assumptions, as there is little, if any, related market activity

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies (continued)

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Hospital's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

In order to meet the requirements of ASC 820, the Hospital utilizes three basic valuation approaches to determine the fair value of its assets and liabilities required to be recorded at fair value. The first approach is the cost approach. The cost approach is generally the value a market participant would expect to replace the respective asset or liability. The second approach is the market approach. The market approach looks at what a market participant would consider an exact or similar asset or liability to that of the Hospital, including those traded on exchanges, to be valued at. The third approach is the income approach. The income approach uses estimation techniques to determine the estimated future cash flows of the Hospital's respective asset or liability expected by a market participant and discounts those cash flows back to present value (more typically referred to as a discounted cash flow approach)

Cash and Cash Equivalents

Cash and cash equivalents include all deposits with banks and investments in interest-bearing securities with maturity dates of 90 days or less from the date of purchase

Net Patient Accounts Receivable

Net patient accounts receivable and net patient service revenue have been adjusted to the estimated amounts expected to be collected. These estimated amounts are subject to further adjustments upon review by third-party payors

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies (continued)

The provision for bad debts is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverage, and other collection indicators Management periodically assesses the adequacy of the allowances for uncollectible accounts based upon historical write-off experience. The results of these reviews are used to modify as necessary the provisions for bad debts and to establish appropriate allowances for uncollectible net patient accounts receivable. After satisfaction of amounts due from insurance, the Hospital follows established guidelines for placing certain patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by the Hospital

Financial instruments that potentially subject the Hospital to concentrations of credit risk consist primarily of nongovernmental patient accounts receivable. The Hospital grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The percentages of gross patient accounts receivable from patients and third-party payors at June 30 approximated the following.

	2011	2010
Medicare	20%	20%
Medicaid	2	1
Managed care	19	17
Self pay	25	27
Commercial and other	34	35
	100%	100%

Inventories

Inventories, primarily consisting of pharmacy drugs and medical and surgical supplies, are stated at the lower of cost (first-in, first-out method) or market

Assets Limited as to Use and Investments

Assets limited as to use and investments include assets set aside for future long-term purposes, including capital improvements, amounts contributed by donors with stipulated restrictions, and trustee held funds under professional liability funding arrangement

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies (continued)

Substantially all of the Hospital's assets limited as to use are held in the Bethesda Master Trust (the Trust) which is professionally managed under the administration of Bethesda, Inc (and the Bethesda Investment Committee) The Hospital's investments are represented by percentage ownership rather than specific securities The Hospital accounts for its investments in the Trust similar to the equity method of accounting

Assets limited as to use and investments held outside the Trust include cash and cash equivalents, marketable debt and equity securities, and mutual funds

Investment income (including net realized gains on investments, interest and dividends, and change in net unrealized gains on investments designated as trading) is included in excess of revenue over expenses unless the income or loss is restricted by donor or by law

The global financial markets and banking system are subject to volatility which could adversely impact the Hospital Certain of the Hospital's assets and liabilities are exposed to various risks such as interest rate, market, and credit risks

Property and Equipment

Property and equipment are stated at historical cost or, if donated or impaired, at fair market value at the date of receipt or determination Depreciation is provided over the estimated useful life of each class of depreciable asset which range from 2 to 40 years, and is computed using the straight line method. For property and equipment under capital lease, amortization is determined over the shorter period of the lease term or the estimated useful life of the property and equipment and is included in depreciation and amortization expense. Interest cost incurred during the period of construction of major capital projects is capitalized as a component of the cost of acquiring those assets.

The cost and related accumulated depreciation of property and equipment that is sold or retired are removed from the respective accounts and the resulting gain or loss is recorded in other revenue, net Select property and equipment purchased prior to year-end are excluded from the additions to property and equipment, net in the consolidated statements of cash flows as cash payment was not made at the end of the year These excluded additions as of June 30, 2011 and 2010 were \$686 and \$111, respectively

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies (continued)

Investments in Unconsolidated Organizations

The Hospital maintains an ownership percentage of 50% or less in various joint ventures and other companies that do not require consolidation These investments are accounted for using the equity method of accounting

Net Assets

Unconditional promises to receive cash and other assets are reported at fair value at the date the promise is received Conditional promises and indications of donors' intentions to give are reported at fair value at the date the conditions are met or the gifts are received All unrestricted contributions are included in the excess of revenue over expenses (expenses over revenue) as other revenue, net Other gifts are reported as temporarily restricted if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as other revenue, net when restricted for operations or as unrestricted net assets when restricted for property and equipment Temporarily restricted net assets are primarily restricted for strategic capital projects and in support of the Hospital's mission

Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments at amounts different from its established rates. The basis for payment under these agreements includes prospectively determined rates, cost reimbursement, negotiated discounts from established rates, and per diem payments

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments due to future audits, review, and investigations. The differences between the estimated and actual adjustments are recorded as part of net patient service revenue in future periods, as the amounts become known, or as years are no longer subject to such audits, reviews, and investigations

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies (continued)

Charity Care

As an integral part of its mission, the Hospital accepts and treats all patients without regard to the ability to pay Services to patients are classified as charity care in accordance with established criteria Charity care represents services rendered for which partial or no payment is expected and, as such is not included in net patient service revenue in the consolidated statements of operations and changes in net assets The amount of charity care provided, as determined on the basis of charges, was \$44,715 and \$38,209 in 2011 and 2010, respectively

Other Revenue, Net

Other revenue, net includes, cafeteria revenue, rental income, auxiliary and gift shop revenue, program support from Bethesda Foundation, Inc., gains and losses on the sale or disposal of property and equipment, and revenue from other miscellaneous sources

Excess of Revenue over Expenses

The consolidated statements of operations and changes in net assets include the line excess of revenue over expenses which represents the operating indicator for the Hospital Consistent with industry practice, changes in net assets which are excluded from the excess of revenue over expenses include change in plan assets and benefit obligation of pension plan, change in funded status of TriHealth pension plan, transfers to Bethesda, Inc., and other changes in net assets

Federal Income Taxes

The Hospital, excluding Bethesda Northeast Cardiac Center, LLC and Bethesda Properties, Inc, are comprised of entities that have been recognized by the Internal Revenue Service as exempt from income taxation under Section 501(a) of the Internal Revenue Code as charitable organizations described in Section 501(c)(3) of the Internal Revenue Code Bethesda Properties, Inc is recognized by the Internal Revenue Service as exempt from income taxation under Section 501(a) of the Internal Revenue Code as a title-holding corporation described in Section 501(c)(2) of the Internal Revenue Code Bethesda Northeast Cardiac Center, LLC, is treated as a partnership for federal income tax purposes and thus is not directly subject to income taxation The Hospital completed an analysis of uncertain tax positions in accordance with applicable accounting guidance at June 30, 2011 and 2010, and determined no amounts were required to be recognized in the consolidated financial statements at June 30, 2011 and 2010

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies (continued)

Litigation

During the normal course of business, the Hospital may become involved in litigation Management assesses the probable outcome of unresolved litigation and records estimated settlements. After consultation with legal counsel, management believes that any such matters will be resolved without material adverse impact to the consolidated financial position or results of operations of the Hospital

Use of Estimates

The preparation of the consolidated financial statements in conformity with US generally accepted accounting principles requires management to make estimates and assumptions that affect the reported and discussed amounts of assets, liabilities, revenue, and expenses Actual results could vary from those estimates

Reclassifications

Certain reclassifications were made to the 2010 consolidated financial statement presentation to conform to the 2011 presentation

Recent Accounting Pronouncements

In January 2010, the FASB issued authoritative guidance regarding improving fair value disclosures. The guidance requires a number of additional disclosures regarding fair value measurements. The guidance is effective for interim and annual reporting periods beginning after December 15, 2009. The Hospital adopted the new authoritative guidance as required in the current year. Adoption of the new guidance had no impact on the consolidated financial results.

The FASB has issued Accounting Standards Update (ASU) No 2010-24, Health Care Entities (Topic 954): Presentation of Insurance Claims and Related Insurance Recoveries. The amendments in the ASU clarify that a health care entity may not net insurance recoveries against related claim liabilities. In addition, the amount of the claim liability must be determined without consideration of insurance recoveries. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2010. The Hospital is currently evaluating the impact of adoption and will make disclosure as required upon adoption.

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

A. Summary of Significant Accounting Policies (continued)

The FASB has issued ASU No 2010-23, *Health Care Entities (Topic 954): Measuring Charity Care for Disclosure* ASU 2010-23 is intended to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care ASU 2010-23 requires that cost, identified as the direct and indirect costs of providing the charity care, be used as the measurement basis for disclosure purposes ASU 2010-23 also requires disclosure of the method used to identify such costs. This ASU is effective for fiscal years beginning after December 15, 2010. The Hospital will make disclosures as required upon adoption.

The FASB issued ASU No 2011-07, Health Care Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities ASU 2011-07 is intended to provide financial statement users with greater transparency about a health care entity's net patient service revenue and the related allowance for doubtful receivables ASU 2011-07 requires certain health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue Additionally, those health care entities are required to provide enhanced disclosure about their policies for recognizing revenue and assessing bad debts. The amendments also require disclosures of net patient service revenue as well as qualitative and quantitative information about changes in the allowance for doubtful receivables. The Hospital will make the change in the presentation of the provision for bad debts and disclosures as required upon adoption

Healthcare Regulatory Environment

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not limited to, matters such as licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse Management believes the Hospital is in compliance with all applicable laws and regulations of the Medicare and Medicaid programs. Compliance with such laws and regulations is complex and can be subject to future governmental interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

B. Community Benefit (Unaudited)

In accordance with its mission and philosophy, the Hospital commits substantial resources to sponsor a broad range of services to both the poor as well as the broader community Community benefit provided to the poor includes the cost of providing services to persons who cannot afford health care due to inadequate resources and/or who are uninsured or underinsured. This type of community benefit includes the costs of traditional charity care, unpaid costs of care provided to beneficiaries of Medicaid and other indigent public programs, services such as free clinics and meal programs for which a patient is not billed or for which a nominal fee has been assessed, and cash and in-kind donations of equipment, supplies or staff time volunteered on behalf of the community

Community benefit provided to the broader community includes the costs of providing services to other populations who may not qualify as poor but may need special services and support This type of community benefit includes the costs of services such as health promotion and education, health clinics and screenings, all of which are not billed or can be operated only on a deficit basis, unpaid portions of training health professionals such as medical residents, nursing students and students in allied health professions, and the unpaid portions of testing medical equipment and controlled studies of therapeutic protocols

A summary of the cost of community benefit provided for both the poor and the broader community for the year ended June 30 is as follows

	 2011	2010		
Cost of community benefit provided to the poor				
Cost of charity care provided	\$ 13,128	\$	11,850	
Unpaid cost of public programs, Medicaid,				
and other indigent care programs	8,068		10,239	
Nonbilled services for the poor	28		18	
	21,224		22,107	
Cost of community benefit provided to the broader community				
Nonbilled services for the community	626		609	
Education and research provided for the community	3,866		3,610	
Other benefit provided to the community	 4,101		3,156	
	 8,593		7,375	
Total cost of community benefit	\$ 29,817	\$	29,482	

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

B. Community Benefit (Unaudited) (continued)

The above summary has been prepared in accordance with the policy document of the Catholic Health Association of the United States (CHA), Community Benefit Program – A Revised Resource for Social Accountability Community benefit is measured on the basis of total cost, net of any offsetting revenue, donations or other funds used to defray cost

C. Net Patient Service Revenue

Net patient service revenue is derived from services provided to patients who are directly responsible for payment or are covered by various insurance or managed care programs. The Hospital receives payments from the federal government on behalf of patients covered by the Medicare program, from state governments for Medicaid and other state-sponsored programs, from certain private insurance companies and managed care programs and from patients themselves. A summary of payment arrangements with major third-party payors follows

Medicare – Inpatient acute care and certain outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge or procedure. These rates vary according to patient classification systems based on clinical, diagnostic, and other factors

Medicaid – Inpatient services rendered to Medicaid program beneficiaries are primarily paid under the traditional Medicaid plan, and are paid at prospectively determined rates per discharge Certain outpatient services are reimbursed based on a cost reimbursement methodology, fee schedules, or discounts from established charges

Other – The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

C. Net Patient Service Revenue (continued)

The Hospital's Medicare, Medicaid, and other payor utilization percentages, based upon net patient service revenue, are summarized for the year ended June 30 as follows

	2011	2010
Medicare	27%	29%
Medicaid	2	2
Managed care	56	54
Self pay	4	3
Commercial and other	11	12
	100%	100%

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretations. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Net patient service revenue has increased for the years ended June 30, 2011 and 2010 by \$884 and \$1,413, respectively, due to favorable changes in estimates related to prior-years' cost report settlements and other third-party payor activity

D. Cash and Cash Equivalents, Assets Limited as to Use and Investments

The following is a summary of the carrying value of cash and cash equivalents, assets limited as to use, and investments as of June 30

	 2011	2010
Bethesda Master Trust	\$ 372,970 \$	312,979
Other Cash and cash equivalents Marketable debt securities	21,259	6,522
U S government agency Corporate	30,866 2,426	32,880 2,746
Marketable equity securities Mutual funds	612	578 1,812
Total other	55,163	44,538
	\$ 428,133 \$	357,517

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

D. Cash and Cash Equivalents, Assets Limited as to Use and Investments (continued)

Substantially all of the Hospital's assets limited as to use are held in the Trust. The carrying value of the assets held by participants is an allocation of the underlying carrying value of the assets in the Trust, based on the asset allocation specific to each participant and its relative percentage ownership. The asset allocation specific to the Hospital at June 30 is as follows

	2011	2010
Cash and cash equivalents	4%	2%
Marketable equity securities	28	28
Marketable debt securities	1	15
Mutual funds	20	16
Alternative investments		
Hedge funds	14	15
Limited liability companies	16	13
Private equity funds	5	4
Real estate investment trusts	3	3
Other limited partnerships	9	4
	100%	100%

The carrying value of cash equivalents, marketable equity securities, marketable debt securities, and mutual funds included in the Trust, substantially all of which are traded on national exchanges and over-the-counter markets, is based on the last reported sales price on the last business day of the fiscal year

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

D. Cash and Cash Equivalents, Assets Limited as to Use and Investments (continued)

The carrying value of hedge funds, limited liability companies, private equity funds, real estate investment trusts, and other limited partnerships, collectively, alternative investments, are based on valuations provided by the administrators of the specific financial instruments. Alternative investments are accounted for similar to the equity method of accounting based on the net asset value (NAV) provided by the administration. The underlying investments in these financial instruments are unknown and could include marketable debt and equity securities, commodities, foreign currencies, derivatives, and private equity instruments. The underlying investments themselves are subject to various risks including market, credit, liquidity, and foreign exchange risk. The Hospital believes the value of these financial instruments in the consolidated balance sheets is a reasonable estimate of its ownership interest in the alternative investment. Because these financial instruments are not readily marketable, the carrying value is subject to uncertainty and, therefore, may differ from the value that would have been used had a market for such financial instruments existed. Such differences could be material. The Hospital's risk related to alternative investments is limited to its carrying value.

Investment income from the Trust, including dividend and interest income (net of expense), net realized gains on investments, and the net change in unrealized gains on investments, is distributed to participants based on their relative percentage ownership. The following is a summary of total investment income for the year ended June 30

2010

2011

				2010
Dividend and interest income (net of expenses) Net realized gains on investments Net change in unrealized gains on investments	\$	4,889 28,639 18,710	\$	5,566 11,983 16,915
	\$	52,238	\$	34,464

The Hospital's relative ownership, based on the carrying value of the underlying assets of the entire Trust was approximately 69% and 75% at June 30, 2011 and 2010, respectively

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

E. Fair Value Measurements

The carrying amount reported in the consolidated balance sheets for current assets and current liabilities are reasonable estimates of fair value due to the short-term nature of these financial instruments. These financial instruments are not required to be marked to fair value on a recurring basis and therefore are not disclosed in the accompanying table. The Trust is accounted for similar to the equity method of accounting and therefore also not disclosed in the accompanying table. Bethesda, Inc. believes the carrying amount of the Trust approximates fair value based on the nature of the underlying assets.

The following table represents the financial instruments measured at fair value on a recurring basis, outside of the Trust, based on the fair value hierarchy as of June 30

	2011					20)10	
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets Cash and cash equivalents	\$ 18,635	s –	s –	\$ 18,635	\$ 6.292	\$ -	\$ -	\$ 6.292
Investments								
Cash equivalents	2,624	_	_	2,624	230	_	_	230
Mutual funds	_	_	_	_	1.812	_	_	1.812
Marketable debt securities								
US government agency	_	30,866	_	30,866	_	32,880	_	32,880
Corporate	_	2,426	_	2,426	_	2,746	_	2,746
Marketable equity securities	612	_	_	612	578	_	_	578
Total investments	3,236	33,292	_	36,528	2,620	35,626	_	38,246
Total assets at fair value	\$ 21,871	\$ 33,292	S –	\$ 55,163	\$ 8,912	\$ 35,626	S –	\$ 44,538

The Hospital's cash and cash equivalents and investments are generally classified within Level 1 or Level 2 of the fair value hierarchy because they are valued using quoted market prices, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. The types of financial instruments based on quoted market prices in active markets include most U S government agency and corporate marketable debt securities, marketable equity securities, mutual funds, and cash equivalents (money market securities). Such instruments are generally classified within Level 1 of the fair value hierarchy. The Hospital does not adjust the quoted market price for such financial instruments.

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

E. Fair Value Measurements (continued)

The types of financial instruments valued based on quoted market prices in markets that are not active, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency include corporate, and U S government agency marketable debt securities Such financial instruments are generally classified within Level 2 for the fair market value hierarchy Primarily all of the Hospital's marketable debt securities are actively traded and the recorded fair value reflects current market conditions. However, due to the inherent volatility in the investment market there is at least a possibility that recorded investment values may change by a material amount in the near term

Following is the summary of the inputs and valuation techniques as of June 30, 2011 and 2010 used for valuing Level 2 securities in the portfolio

Securities	Input	Valuation Technique
U S government agency	Broker/Dealer	Market
Corporate	Broker/Dealer	Market

The methods described above may produce a fair value that may not be indicative of net realizable value or reflective of future fair values Furthermore, while the Hospital believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the consolidated balance sheet date

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

F. Property and Equipment

The following is a summary of property and equipment as of June 30

	 2011	2010
Land and improvements	\$ 15,423	\$ 15,379
Buildings and improvements	324,324	322,886
Equipment	 197,735	188,062
	 537,482	526,327
Less accumulated depreciation	285,367	265,573
	 252,115	260,754
Construction-in-progress	1,182	4,291
	\$ 253,297	\$ 265,045

Accounting guidance for asset retirement obligation requires the recognition of a liability for the fair value of asset retirement obligations in instances where there is a legal liability and the amount can be reasonably estimated Management has recorded asset retirement obligations of \$3,902 and \$3,915 at June 30, 2011 and 2010, respectively

The Hospital evaluates whether events and circumstances have occurred that indicate the remaining useful life of property, and equipment may not be recoverable Management determined there were no impairment issues in 2011 or 2010

Included in property and equipment, net at June 30, 2011 and 2010 are \$1,431 and \$2,945 of net property and equipment owned by the Hospital and used by TriHealth, Inc The depreciation associated with this property and equipment is recorded by the Hospital and allocated back to TriHealth, Inc based on estimated usage.

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

G. Long-Term Debt

Substantially all of the Hospital's long-term debt is in the form of notes payable to Catholic Health Initiatives (CHI) CHI is the parent of the Partner and a tax-exempt Colorado corporation sponsored by a lay-religious partnership, calling on other Catholic sponsors and systems to unite to ensure the future of Catholic health care. The Hospital participates in a unified CHI credit governed agreement under a Capital Obligation Document (COD). Under the COD, CHI is the sole obligor on all debt. Debt under the COD is evidenced by a promissory note between the Hospital and CHI, which include monthly installments of interest and may be repaid in advance without penalty. The Hospital is defined as a participant under the COD and has agreed to certain financial and nonfinancial covenants. The Hospital was in compliance with all covenants at June 30, 2011 and 2010.

The following is a summary of long-term debt as of June 30

	2011	2010
Note payable to CHI (Phase II), due 2029 Note payable to CHI (Project Fund) due 2017 Note payable to CHI (Phase I) due 2026 Note payable to CHI (2001 Refinance) due 2022	\$ 130,110 14,125 7,415 60,440	16,314 7,758
Note payable to bank due 2018, fixed-rate debt, annual interest rate of 6 10%	<u>-</u>	1,012
Less current portion of long-term debt	212,090 11,617 \$ 200,473	11,157

All of the notes payable to CHI are variable-rate debt with historical interest rates of 4 33% to 5 00% in 2011 (4 33% at June 30, 2011) 5 00% to 5 75% in 2010 (5 00% at June 30, 2010) The variable-rate associated with the notes payable to CHI is based on a blended rate of the underlying fixed and variable-rate debt held by CHI

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

G. Long-Term Debt (continued)

A summary of scheduled principal payments on long-term debt for the next five years and thereafter is as follows

	Amounts Due	
Year Ending June 30		
2012	\$	11,617
2013		12,198
2014		12,808
2015		13,449
2016		14,121
Thereafter		147,897
	\$	212,090

Interest paid on all long-term debt was \$10,158 and \$11,332 for the years ended June 30, 2011 and 2010, respectively Total rental expense under all operating leases for the years ended June 30, 2011 and 2010 was \$6,456 and \$6,068, respectively

The Hospital maintains a line of credit with Fifth Third Bank with available credit of \$10,000 renewed annually No draws were made on the line of credit during fiscal year 2011 or 2010 and no amounts are outstanding as of June 30, 2011 or 2010

1104-1250954 25

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

H. Functional Expenses

The Hospital provides health care services to individuals within the tri-state area including inpatient, outpatient, ambulatory, long-term care, and community-based services Support services include administration, finance and accounting, information technology, public relations, human resources, legal, mission services, and other functions that are supported centrally for all of the Hospital The following summarizes the expenses related to providing those services for the year ended June 30

	 2011	2010
Health care services Support services	\$ 450,822 57,797	\$ 437,281 56,427
oupport ser meet	 508,619	\$

I. Retirement Plan

The Hospital has a qualified noncontributory defined benefit retirement plan (the Plan) covering substantially all Bethesda Hospital, Inc employees and those of certain other subsidiaries of Bethesda Hospital, Inc and Bethesda, Inc Under the Plan, employee benefits are based on employees' years of service, retirement age, and compensation Vesting occurs over a three-year period Annual contributions are made to the Plan sufficient to satisfy legal funding requirements

The Hospital recognizes the funded status (that is, the difference between the fair value of plan assets and the projected benefit obligations) of the Plan in the consolidated balance sheets, with a corresponding adjustment to unrestricted net assets. Actuarial gains and losses that arise and are not recognized as net periodic pension expense in the same periods will be recognized as a component of unrestricted net assets. Those amounts will be subsequently recognized as a component of net periodic pension expense on the same basis as the amounts recognized in unrestricted net assets.

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

Several amendments to the defined benefit pension plan went into effect on January 1, 2011 The Plan now requires each new employee to complete 1,000 hours during the first Plan year in which he or she is hired in order to become a participant in the Plan effective as of their hire date. The previous requirement was 800 hours. This same increase from 800 to 1,000 hours worked per year is also now required in order to receive a year of service credit towards vesting and to accumulate any credits to be used in calculating an annual accrual under the Plan

The calculation of the number of credits earned each year was amended as well. The calculation is still based on a combination of the employees' age and years of service, but the number of credits earned at each level was reduced. However, employees are now eligible to participate in a new TriHealth, Inc. 401(k) Plan (the 401(k) Plan) where employees that are paid at least 1,000 hours in the calendar year are eligible for an employer match in the 401(k) Plan equal to 1.8% of their contributions.

A summary of the changes in the benefit obligation, fair value of plan assets and funded status of the Plan for the year ended June 30 is as follows

	 2011	2010
Accumulated benefit obligation	 223,430	\$ 219,240
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 232,382	\$ 195,222
Service cost	8,990	9,336
Interest cost	11,229	11,269
Actuanal (gains) losses	(1,750)	23,514
Benefits paid	 (10,875)	(6,959)
Benefit obligation at end of year	239,976	232,382
Change in plan assets		
Fair value of plan assets at beginning of year	168,384	146,924
Actual return on plan assets	30,066	19,919
Hospital contributions	18,100	8,500
Benefits paid	 (10,875)	(6,959)
Fair value of plan assets at end of year	 205,675	168,384
Under funded status	 (34,301)	\$ (63,998)

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

Included in unrestricted net assets are the following amounts that have not yet been recognized in net periodic pension expense as of June 30

	 2011	2010
Net prior service cost Net actuarial loss	\$ 786 94,232	\$ 1,228 115,975
	\$ 95,018	\$ 117,203

The net prior service cost and net actuarial loss included in unrestricted net assets that is expected to be recognized in net periodic pension expense during the fiscal year ended June 30, 2012 is \$121 and \$6,186, respectively

The following amounts related to plan activity have been recognized as increase (decrease) in unrestricted net assets for the year ended June 30

2011

2010

 2011		2010
\$ 440 15,811 5,941	\$	274 (19,234) 3,463
\$ 22,192	\$	(15,497)
\$ 	\$ 440 15,811 5,941	\$ 440 \$ 15,811 5,941

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

A summary of the components of net periodic pension expense for the Plan, which is included in employee benefits expense in the consolidated statements of operations and changes in net assets for the year ended June 30, is as follows

	2011		2010
Service cost	\$	8,990	\$ 9,336
Interest cost		11,229	11,269
Expected return on plan assets		(16,005)	(15,647)
Amortization of net prior service cost		195	274
Settlement/curtailment expense		245	_
Amortization of net actuarial loss		5,941	3,463
	\$	10,595	\$ 8,695

The following weighted-average assumptions were used to determine the benefit obligation as of June 30

	2011	2010
Discount rate	5.15%	5 00%
Rate of compensation increase	3.50% to 6.50%	3 50% to 6 50%

The following weighted-average assumptions were used to determine net periodic pension expense for the year ended June 30

	2011	2010
Discount rate	5.00%	6 00%
Expected return on plan assets	8.25%	8 25%
Rate of compensation increase	3.50% to 6.50%	3 50% to 6 50%

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

In selecting the expected return on plan assets, the Hospital considered historical returns as well as adherence to future asset allocations set forth in the Plan's investment policies. This basis is consistent with prior year

The target and range asset allocations for the plan assets set forth in the Plan's investment policies, based on underlying investment securities, are as follows

	<u> </u>	Range
	_	_
Marketable debt securities	17 5%	12 5 – 22 5%
Marketable equity securities	50 0	45 - 550
Alternative investments	32 5	175 - 475

A summary of the fair value of plan assets as of June 30 is as follows

Cash and cash equivalents \$ 20,286 \$ 2,547 Marketable equity securities 14,540 36,203 Foreign 5,662 6,793 Marketable debt securities – 443 Mutual funds 29,496 17,330 Fixed income 9,889 4,343 Alternative investments 50,976 34,105 Limited liability companies 20,469 28,587 Private equity funds 15,536 12,731 Comingled funds 3,347 –		2011	2010		
Domestic 14,540 36,203 Foreign 5,662 6,793 Marketable debt securities – 443 Mutual funds 29,496 17,330 Fixed income 9,889 4,343 Alternative investments 50,976 34,105 Limited liability companies 20,469 28,587 Private equity funds 15,536 12,731	•	\$ 20,286	\$	2,547	
Marketable debt securities – 443 Mutual funds 29,496 17,330 Equity 29,889 4,343 Alternative investments 50,976 34,105 Limited liability companies 20,469 28,587 Private equity funds 15,536 12,731	Domestic	*			
Equity 29,496 17,330 Fixed income 9,889 4,343 Alternative investments 50,976 34,105 Limited liability companies 20,469 28,587 Private equity funds 15,536 12,731	Marketable debt securities	5,002		•	
Alternative investments Hedge funds Limited liability companies Private equity funds 50,976 20,469 28,587 15,536 12,731	Equity	29,496		17,330	
Limited liability companies 20,469 28,587 Private equity funds 15,536 12,731		9,889		4,343	
Private equity funds 15,536 12,731	E	•		•	
Connigled funds	Private equity funds	15,536			
Real estate investment trusts 10,330 7,351	Real estate investment trusts	10,330		•	
Other limited partnerships 25,144 17,951 \$ 205,675 \$ 168,384	Other limited partnerships	\$ 	\$		

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

The plan assets are invested in a portfolio designed to preserve principal and obtain competitive investment returns with long-term investment growth, consistent with actuarial assumptions, while minimizing unnecessary investment risk Diversification is achieved by allocating assets to various asset classes and investment styles, retaining multiple investment managers with complementary philosophies, styles, and approaches The use of leverage is prohibited except as specifically directed in the alternative investment allocation

The following is a summary of plan assets as of June 30, 2011 measured at fair value on a recurring basis based on the fair value hierarchy

	Level 1		Level 2		Level 3		Total	
Plan assets								
Cash and cash equivalents	\$	20,286	\$	_	\$ -	\$	20,286	
Marketable equity securities								
Domestic		14,540		_	_		14,540	
Foreign		5,662		_	_		5,662	
Mutual funds								
Equity		29,496		_	_		29,496	
Fixed income		9,889		_	_		9,889	
Alternative investments								
Hedge funds		_		41,863	9,113		50,976	
Limited liability companies		_		20,469	_		20,469	
Private equity funds		_		_	15,536		15,536	
Comingled funds		_		3,347	_		3,347	
Real estate investment trusts		_		_	10,330		10,330	
Other limited partnerships		_		20,769	4,375		25,144	
Total plan assets at fair value	\$	79,873	\$	86,448	\$ 39,354	\$	205,675	

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

The following is a summary of plan assets as of June 30, 2010 measured at fair value on a recurring basis based on the fair value hierarchy

	Level 1		Level 2		Level 3	Total
Plan assets						
Cash and cash equivalents	\$	2,547	\$ _	\$	- \$	2,547
Marketable equity securities						
Domestic		36,203	_		_	36,203
Foreign		6,793	_		_	6,793
Marketable debt securities		443	_		_	443
Mutual funds						
Equity		17,330	_		_	17,330
Fixed income		4,343	_		_	4,343
Alternative investments						
Hedge funds		_	32,126		1,979	34,105
Limited liability companies		_	28,587		_	28,587
Private equity funds		_	_		12,731	12,731
Real estate investment trusts		_	_		7,351	7,351
Other limited partnerships		_	17,951		_	17,951
Total plan assets at fair value	\$	67,659	\$ 78,664	\$	22,061 \$	168,384

Fair value methodologies for cash and cash equivalents, marketable equity securities, marketable equity securities, and mutual funds included Level 1 and Level 2 are consistent with the inputs described in Note E

Alternative investments are not necessarily readily marketable and may include short sales on securities and trading in future contracts, options, foreign currency contracts, other derivative instruments and private equity investments. However, management has determined that the net asset value (NAV) is an appropriate estimate of the fair value of these investments at June 30, 2011 and 2010 based on the fact that the alternative investments are audited and accounted for at fair value by the administrators of the respective alternative investments. If the Hospital has the ability to redeem its investment in the respective alternative investment at the NAV with no significant restrictions on the redemption at the consolidated balance, the Hospital has categorized the alternative investment as a Level 2 measurement in the fair value hierarchy. If the Hospital does not have the ability to redeem the alternative investment at NAV due to significant restrictions, the Hospital has categorized the alternative investment as a Level 3 measurement.

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

Following is the summary of the inputs and valuation techniques as of June 30, 2011 and 2010 used for valuing Level 2 securities in the plan assets

Securities	Valuation Technique	
Hedge funds	NAV	Market/Income
Limited liability companies	NAV	Market/Income
Comingled funds	NAV	Market/Income
Other limited partnerships	NAV	Market/Income

Following is the summary of the inputs and valuation techniques as of June 30, 2011 and 2010 used for valuing Level 3 securities in the plan assets

Securities	Valuation Technique	
Hedge funds	NAV	Income
Private equity funds	NAV	Income
Real estate investment trust	NAV	Income
Other limited partnerships	NAV	Income

For Level 3 securities, when observable prices are not available, the investment manager might use one or more valuation techniques such as the market approach or the income approach for which sufficient and reliable data is available Within Level 3, the use of the market approach generally consists of using either the guideline company method or similar transaction method while the income approach generally consists of the net present value of estimated future cash flows, adjusted as appropriate for liquidity, credit, market and/or other risk factors

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

The following table summarizes the activity related to plan assets having fair value measurements based on significant unobservable inputs (Level 3)

						Real		
				Private		Estate		
		Hedge		Equity	I	nvestment	Other	Limited
		Funds		Funds		Trusts	Partr	<u>ierships</u>
Fair value at July 1, 2009	\$	1.809	\$	9.097	\$	5.209	\$	_
Purchases	-	_	-	3,051	-	1,380	-	_
Sales/settlement		_		(270)		(17)		_
Net unrealized gains		170		853		779		
Fair value at June 30, 2010		1,979		12,731		7,351		
Purchases		7,000		2,449		4,043		4,078
Sales/settlement		_		(1,209)		(453)		(105)
Net realized gains		_		_		_		179
Net unrealized gains (losses)		134		1,565		(611)		223
Fair value at June 30, 2011	\$	9,113	\$	15,536	\$	10,330	\$	4,375

The Plan participates in securities lending arrangements with its custodian whereby the Plan lends a portion of its marketable securities to various brokers or financial institutions in exchange for cash or non-cash collateral for the marketable securities loaned Cash collateral received in connection with the securities lending arrangements is invested in a short-term pooled fund (Pooled Fund) maintained by the Plan's custodian (US Bank) The Pooled Fund, which is structured similar to that of a money market financial instrument, consists primarily of short-term marketable debt securities and cash equivalents, which are stated at fair value, as determined by the administrator of the Pooled Fund, based on readily determinable market values of the underlying securities The fair value of cash collateral held for loaned marketable securities and the obligation to return the collateral is shown net in plan assets The Hospital is required to fund any decline in the underlying market value of invested collateral below the initial amount provided by the various brokers or financial institutions At June 30, 2011 and 2010 the fair value of the collateral was \$1,083 and \$7,832, respectively At June 30, 2011 and 2010, the obligation to return the collateral was \$1,563 and \$8,464, respectively

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

I. Retirement Plan (continued)

The expected benefits to be paid to the plan participants and beneficiaries are as follows

Year Ending June 30	Estimated Payments
Year Ending June 30	
2012	\$ 17,831
2013	17,122
2014	19,118
2015	19,742
2016	19,906
2017 - 2021	115,114

The Hospital expects to contribute \$10,200 to the Plan in 2012

J. Self-Insured Liabilities

Bethesda, Inc has a self-insurance program for the primary layer of professional liability coverage Self-insurance limits with respect to the primary layer of professional liability coverage are \$3,000 per occurrence and \$12,000 in the annual aggregate Insurance in excess of the primary layer, including excess liability coverage, is provided by commercial insurance carriers on a claims-made basis In addition, management maintains current claims-made insurance coverage to cover any known incidents that may be asserted

The consolidated financial statements include an actuarially determined accrual for asserted and reported claims and other claims which may result from past services provided to patients discounted at a rate of 2 5% for both of the years ended June 30, 2011 and 2010. The actuarially determined accrual for the Hospital's professional liability coverage is an estimate. The possibility exists that the estimate will change by a material amount in the future. The expense for the Hospital's professional liability coverage amounted to \$4,248 and \$3,188 for the years ended June 30, 2011 and 2010, respectively

Bethesda, Inc and subsidiaries contribute amounts to a trust fund to provide for the actuarially determined liability under the primary layer of professional liability coverage. The contributed assets are held in an irrevocable trust for future professional liability claims

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

J. Self-Insured Liabilities (continued)

Certain Hospital entities are self-insured for employee health benefits Employee health benefits are paid through a local claims processor based on plan coverage determined by the Hospital An estimated liability of \$3,437 and \$3,138 for outstanding and incurred but not reported claims has been included in compensation and benefits as of June 30, 2011 and 2010, respectively, and is believed by management to be adequate for the cost of potential losses

Certain Hospital entities are self-insured for workers' compensation coverage An estimated liability for outstanding and incurred but not reported workers' compensation claims of \$3,769 and \$3,034 has been included in other long-term liabilities as of June 30, 2011 and 2010, respectively The discount rate used to compute the workers' compensation liability as of June 30, 2011 and 2010 was 2 5% Management believes this amount to be adequate for the cost of potential losses

K. Related-Party Transactions

The Hospital enters into various related party transactions in the ordinary course of business with Bethesda, Inc and its subsidiaries, and the Partner Information related to the annual settlement with the Partner under the network affiliation agreement is disclosed in Note L All other significant activity that occurs in the normal course of business with Bethesda, Inc and its subsidiaries and the Partner are disclosed in this note

The following is a summary of the net amounts due from/(to) related organizations as of June 30

	 2011	2010		
Bethesda Foundation, Inc The Good Samaritan Hospital of Cincinnati, Ohio Bethesda Healthcare, Inc	\$ 6,982 2,532 15,738	\$	10,325 17,817 15,522	
TriHealth, Inc	753		(19,179)	
Bethesda, Inc	(86)		3,045	
	 25,919		27,530	
Less current portion of due from related organizations	3,284		9,848	
•	\$ 22,635	\$	17,682	

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

K. Related-Party Transactions (continued)

Bethesda Foundation, Inc (the Foundation) is a wholly owned subsidiary of Bethesda, Inc, which engages in fundraising activities and invests the resulting assets to support the operations of the Hospital, as well as other related entities. The receivable from the Foundation represents amounts held by the Foundation on behalf of the Hospital. The Foundation also charges an administrative fee to Hospice for fundraising services. The amount recognized as other revenue in the consolidated statements of operations and changes in net assets by the Hospital related to these services was \$382 and \$700 for the years ended June 30, 2011 and 2010, respectively

The amount due from the Partner represents an accumulation of overhead costs, payroll, accounts payable, and other centrally managed processes creating a corresponding receivable that is received periodically by a transfer of cash, and is short term in nature

The amount due from Bethesda Healthcare, Inc represents an accumulation of operating losses and capital investments as well as notes payable paid by the Hospital on behalf of Bethesda Healthcare, Inc to the Partner Bethesda, Inc has guaranteed the payment of the amounts due to the Hospital from Bethesda Healthcare, Inc

The amount due from/to TriHealth, Inc is a result of the timing of the Hospital's reimbursement to TriHealth, as the Hospital's payroll and accounts payable are processed by TriHealth, Inc administrative support services

The amount due to Bethesda, Inc is a result of the timing of the Hospital's disbursement to Bethesda Inc for other operating expenses A \$10,000 capital transfer was made from the Hospital to Bethesda, Inc for the period ending June 30, 2011

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

K. Related-Party Transactions (continued)

Due to the Hospital's relationship with the Foundation, the Hospital is the principal beneficiary of the Foundation, summary financial information has been included. The following is a summary of the Foundation's assets, liabilities, and net assets as of June 30

		2010		
Investments	\$	95,018	\$	86,284
Other assets		1,036		2,420
Total assets	\$	96,054	\$	88,704
Liabilities	\$	7,899	\$	11,209
Net assets		88,155		77,495
Total liabilities and net assets	\$	96,054	\$	88,704

The following is a summary of the Foundation's results of operations and changes in net assets for the year ended June 30

	2011			2010
Unrestricted revenue	\$	16,045	\$	11,368
Expenses Support to related parties		2 002		1 124
Support to related parties Other		2,003 2,508		1,124 2,623
Total expenses		4,511		3,747
Excess of unrestricted revenue over expenses		10,548		7,621
Other changes in net assets, net		112		79
Increase in net assets		10,660		7,700
Net assets at beginning of year		77,495		69,795
Net assets at end of year	\$	88,155	\$	77,495

Liabilities of the Foundation, at June 30, 2011 and 2010 include \$6,982 and \$10,325, respectively, due to the Hospital

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

L. Network Affiliation Agreement

Under the agreement described in Note A, the Hospital recognized expense related to the sharing of the excess of revenue over expenses of the Hospital and the Partner for the years ended June 30, 2011 and 2010 The revenue share is computed on patient and nonpatient revenue, only for entities defined in the network affiliation agreement and the resulting impact is recorded by the Hospital The network affiliation agreement excludes changes in net unrealized losses and gains on investments designated as trading

Expense from network affiliation and the network affiliation payable related to the sharing of excess of revenue over expenses between the Hospital and the Partner for the year ended June 30 are as follows

	 2011	2010
Operating loss from network affiliation Nonoperating loss from network affiliation	\$ (7,811) (3,326)	\$ (4,434) (195)
	\$ (11,137)	\$ (4,629)

The network affiliation agreement requires the network affiliation payable or receivable be settled within 90 days after the close of the year During 2011, \$4,629 was paid to the Partner from the Hospital related to the 2010 network affiliation agreement During 2010, \$3,029 was received by the Hospital from the Partner related to the 2009 network affiliation agreement

M. Investments in Unconsolidated Organizations

The Hospital maintains an ownership percentage of 50% or less in various joint ventures and other companies that do not require consolidation. These investments are accounted for using the equity method of accounting. The following is a summary of the investments in unconsolidated organizations as of June 30.

TriHealth, Inc Other	\$	3,005 1,558	\$	_ 1,417	
	\$	4,563	\$	1,417	

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

M. Investments in Unconsolidated Organizations (continued)

The following is a summary of the (loss) income from unconsolidated organizations as of June 30

	 2011	2010
TriHealth, Inc Other	\$ (10,275) 379	\$ (7,168) 1,027
	\$ (9,896)	\$ (6,141)

TriHealth, Inc (TriHealth) is a joint venture equally owned by the Hospital and the Partner TriHealth was formed to provide a comprehensive and integrated provider base to optimize the health status of the community TriHealth operates various health care related businesses, including physician practices, property management, and other physician support services companies In addition, TriHealth provides administrative support services for both the Hospital and the Partner Administrative support services include general administration, information systems, finance, human resources, and other general support services TriHealth cash flows are funded equally by the Hospital and the Partner The Hospital and the Partner each contributed cash of \$21,000 and \$0 for the years ended June 30, 2011 and 2010, respectively, to TriHealth

The following administrative support services costs were allocated by TriHealth to the Hospital and recorded as expense for the years ended June 30

2011

				2010
Salaries and wages	\$	25,381	\$	23,990
Employee benefits		9,621		8,625
Purchased services		11,892		11,904
Depreciation and amortization		3,404		3,694
Supplies and other		7,499		8,214
	\$	57,797	\$	56,427

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

M. Investments in Unconsolidated Organizations (continued)

The following is a summary of TriHealth's assets, liabilities, and net assets as of June 30 (from its unaudited consolidated financial statements)

	 2011		
Assets			
Cash and cash equivalents	\$ 7,908	\$	1,986
Net patient accounts receivable	14,154		10,813
Property and equipment, net	36,191		24,896
Due from related organizations	22,389		34,079
Goodwill and other intangible assets, net	11,648		11,149
Other assets	3,201		4,338
Total assets	\$ 95,491	\$	87,261
Liabilities and net assets			
Compensation and benefits	\$ 41,747	\$	31,978
Accounts payable and accrued expenses	18,006		16,485
Pension liability	20,855		30,898
Other liabilities	8,109		7,900
Total liabilities	88,717		87,261
Net assets	6,774		_
Total liabilities and net assets	\$ 95,491	\$	87,261

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

M. Investments in Unconsolidated Organizations (continued)

The following is a summary of TriHealth's results of operations and changes in net assets for the year ended June 30 (from its unaudited consolidated financial statements)

	 2011	2010
Revenue		
Net patient service revenue	\$ 166,302	\$ 139,972
Other revenue, net	 31,525	28,219
Total revenue	197,827	168,191
Expenses		
Salaries and wages	183,849	157,351
Employee benefits	38,177	32,089
Purchased services	30,159	30,534
Supplies	32,810	30,332
Depreciation and amortization	9,493	10,514
Rental and maintenance	22,464	19,144
Utılıtıes	7,325	6,604
Insurance	2,546	3,802
Other	9,510	7.318
Shared service allocation	 (117,954)	(115, 157)
Total expenses	218,379	182,531
Loss from operations	(20,552)	(14,340)
Nonoperating income		
Investment income	3	_
Total nonoperating income	3	_
Excess of expenses over revenue	(20,549)	(14,340)
Equity contributions	19,580	22,420
Change in plan assets and benefit obligation	,	
of pension plan	6,977	(8,192)
Other changes in net assets, net	766	(0,1)2)
Decrease in net assets	 6,774	(112)
Net assets at beginning of year	 _	112
Net assets at end of year	 6,774	\$

Notes to Consolidated Financial Statements (continued)

(Dollar Amounts in Thousands)

M. Investments in Unconsolidated Organizations (continued)

The Hospital funds the TriHealth noncontributory defined benefit retirement plan (the TriHealth Plan) and certain associated TriHealth Plan expense is recorded by the Hospital The following is a summary of the funded status of the TriHealth Plan at June 30

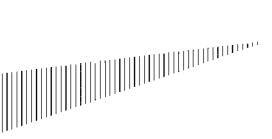
	2011			2010
Benefit obligation Fair value of plan assets	\$	104,662 83,807	\$	94,473 63,574
Under funded status	\$	(20,855)	\$	(30,899)

The Board of Trustees of TriHealth approved a revocable commitment for up to \$9,670 nonrecourse loan over seven years to Uptown Consortium, Inc , unrelated entity of the Hospital The Uptown Consortium, Inc is a nonprofit community development corporation dedicated to the human, social, economic, and physical improvement of Uptown Cincinnati These funds will be used to invest in commercial and residential projects in the uptown area TriHealth has provided \$4,975 and \$4,975 as of June 30, 2011 and 2010, respectively, of funding in relation to this commitment

N. Subsequent Events

The Hospital has evaluated and disclosed subsequent events through September 15, 2011, which is the date the consolidated financial statements were issued and made available

Other Financial Information





Ernst & Young LLP 1900 Scripps Center 312 Walnut Street Cincinnati, OH 45202

Tel +1 513 612 1400 Fax +1 513 612 1730 www.ey.com

Ernst + Young LLP

Report of Independent Auditors on Other Financial Information

The Board of Trustees of Bethesda Hospital, Inc. and Subsidiaries

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The following financial information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has been subject to the auditing procedures applied in our audits of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole

September 15, 2011

Consolidating Balance Sheet

June 30, 2011 (In Thousands)

	Bethesda Propertie Inc.	ı a s,	Senior Services, Division of Bethesda ospital, Inc.	Cin In	ic. and	Bethesda Hospital, Inc.	Reclass- ifications/ Eliminations	Bethesda Hospital, Inc. and Subsidiaries Consolidated	;
Assets									
Current assets	4D	4D	(110)	(D	10.015	Ø 0.500	(D	0 10 (35	
Cash and cash equivalents	\$ -	- \$	(110)	\$	10,217	\$ 8,528	s –	\$ 18,635	
Net patient accounts receivable, less			4=0			20.040		2< 100	
allowance of \$19.153	_		173		5,506	30,819	_	36,498	
Other accounts receivable	7	,	_		_	1,308	(154)		
Current portion of assets limited as to use	-	•	_		_	22,143	_	22,143	
Inventories	_	-	_		_	1,731	_	1,731	
Prepaid and other current assets	_	•	_		27	2,390	_	2,417	
Current portion of due (to) from related									
organizations, net	(2,188	_	47,536		(6,098)	(35,966)	_	3,284	
Total current assets	(2,181)	47,599		9,652	30,953	(154)	85,869	
Assets limited as to use and investments Assets limited as to use Internally designated for capital									
and other funds	_		_		9,333	320,570	_	329,903	
Restricted by donors	_		_		_	2,992	_	2,992	
Trustee held funds under professional						_ 7 _		-,	
liability funding arrangement	_	_	_		_	24,041	_	24,041	
Investments	_	_	_		_	30,419	_	30,419	
Total assets limited as to use and investments	_		_		9,333	378,022	_	387,355	
Property and equipment, net	23,315		37		8,368	221,577	_ /5.205\	253,297	
Investments in unconsolidated organizations	-	•	_		-	9,848	(5,285)	•	
Due from related organizations	-	-	_		1,169	21,466	_	22,635	
Other long-term assets	-				_	100		100	_
Total assets	\$ 21,134	<u> </u>	47,636	\$	28,522	\$ 661,966	\$ (5,439)	\$ 753,819	=

Consolidating Balance Sheet

June 30, 2011 (In Thousands)

	Bethesda Properties, Inc.	Senior Services, a Division of Bethesda Hospital, Inc.	Hospice of Cincinnati, Inc. and Subsidiary	Bethesda Hospital, Inc.	Reclass- ifications/ Eliminations	Bethesda Hospital, Inc. and Subsidiaries Consolidated
Liabilities and net assets			•			
Current liabilities						
Compensation and benefits	s –	\$ -	\$ 1,355	\$ 18,142	s –	\$ 19,497
Third-party liabilities	_	_	_	6,982	_	6,982
Accounts payable and accrued expenses	924	5,878	2,023	17,312	_	26,137
Network affiliation payable	_	_	_	11,137	_	11,137
Current portion of long-term debt		_	_	11,617	_	11,617
Total current liabilities	924	5,878	3,378	65,190	_	75,370
Accrued professional liability expense	_	_	_	18,758	_	18,758
Due to related organizations	_	_	_	_	_	_
Pension liability	_	_	_	34,301	_	34,301
Long-term compensation and benefits						
and other long-term liabilities	2,176	2,111	_	13,706	(155)	17,838
Long-term debt		_	_	200,473	_	200,473
Total liabilities	3,100	7,989	3,378	332,428	(155)	346,740
Net assets						
Unrestricted	18,034	39,647	23,854	321,283	(5,163)	397,655
Temporarily restricted			1,290	8,255	(121)	9,424
Total net assets	18,034	39,647	25,144	329,538	(5,284)	407,079
Total liabilities and net assets	\$ 21,134	\$ 47,636	\$ 28,522	\$ 661,966	\$ (5,439)	\$ 753,819

Consolidating Balance Sheet

June 30, 2010 (In Thousands)

	Bethesda Properties Inc.	a D	Senior Services, Division of Sethesda spital, Inc.	Cir Ir	ospice of ncinnati, nc. and bsidiary	Bethesda Hospital, Inc.	Reclass- ifications/ Eliminations	Ho Su	dethesda spital, Inc. and bsidiaries nsolidated
Assets									
Current assets									
Cash and cash equivalents	\$ -	\$	(85)	\$	759	\$ 5.618	\$ -	\$	6.292
Net patient accounts receivable, less									
allowance of \$16.635	_		89		4.950	29,545	_		34,584
Other accounts receivable	12		_		_	2,209	(235)		1,986
Current portion of assets limited as to use	_		_		_	26,502	_		26,502
Inventories	_		_		_	1.720	_		1,720
Prepaid and other current assets	_		_		19	2,423	_		2,442
Current portion of due (to) from related									
organizations, net	(3,502))	40,411		744	(19.836)	_		17.817
Total current assets	(3,490))	40,415		6,472	48,181	(235)		91,343
Assets limited as to use and investments									
Assets limited as to use									
Internally designated for capital									
and other funds	_		_		7,904	261,156	_		269,060
Restricted by donors	_		_		_	2,823	_		2,823
Trustee held funds under professional									
liability funding arrangement	_		_		_	19,828	_		19.828
Investments	_		_		_	33,012	_		33,012
Total assets limited as to use and investments	_		_		7,904	316,819	-		324,723
Property and equipment, net	24,097		71		8,509	232,368	_		265,045
Investments in unconsolidated organizations	_		_		_	6,712	(5,295)		1.417
Due from related organizations	_		_		950	27,931	11		28,892
Other long-term assets	_		_		_	698	(400)		298
Total assets	\$ 20,607	\$	40,486	\$	23,835	\$ 632,709	\$ (5,919)		711,718

Consolidating Balance Sheet

June 30, 2010 (In Thousands)

	Bethesda Properties. Inc.	Senior Services, a Division of Bethesda Hospital, Inc.	Hospice of Cincinnati, Inc. and Subsidiary	Bethesda Hospital, Inc.	Reclass- ifications/ Eliminations	Bethesda Hospital, Inc. and Subsidiaries Consolidated
Liabilities and net assets						_
Current liabilities						
Compensation and benefits	\$ 35	\$ -	\$ 1.296	\$ 17.282	\$ -	\$ 18.613
Third-party liabilities	_	_	_	6,404	_	6,404
Accounts payable and accrued expenses	1,012	5,436	1,411	16,125	_	23,984
Network affiliation payable	_	_	_	4,629	_	4,629
Current portion of long-term debt	93	_	_	11.064	_	11,157
Current portion of due to related						
organizations		_	_	7,969	_	7,969
Total current liabilities	1,140	5,436	2.707	63,473	-	72.756
Accrued professional liability expense	_	_	_	17.412	_	17.412
Due to related organizations	-	_	_	11.210	_	11.210
Pension liability	-	_	_	63,998	_	63,998
Long-term compensation and benefits						
and other long-term liabilities	2,281	1,866	_	13,256	(235)	17,168
Long-term debt	919	_	400	212,090	(400)	213,009
Total liabilities	4,340	7.302	3,107	381,439	(635)	395,553
Net assets						
Unrestricted	16,267	33,184	19,778	239,700	(5,163)	303,766
Temporarily restricted	_	_	950	11,570	(121)	12,399
Total net assets	16,267	33,184	20,728	251,270	(5.284)	316,165
Total liabilities and net assets	\$ 20,607	\$ 40,486	\$ 23,835	\$ 632,709	\$ (5,919)	\$ 711,718

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2011 (In Thousands)

Revenue	Bethesda Properties, Inc.	Senior Services, a Division of Bethesda Hospital, Inc.	Inc. and	Bethesda Hospital, Inc.	Reclass- ifications/ Elimination	Bethesda Hospital, Inc. and Subsidiaries Consolidated
Net patient service revenue						
Acute inpatient	s –	s –	\$ 9,243	\$ 256,843	\$ (4,987)	\$ 261,099
Outpatient	_	3,068	30,029	205,043	767	238,907
Other patient	_	31,968	_		(599)	31,369
Total net patient service revenue		35,036	39,272	461,886	(4,819)	531,375
				,	()	,
Nonpatient (loss) revenue						
Loss from unconsolidated organizations	_	_	_	(9,896)	_	(9,896)
Operating loss from network affiliation	_	_	_	(7,811)	_	(7,811)
Other revenue, net	5,906	1,393	7,662	11,066	(7,596)	18,431
Total revenue	5,906	36,429	46,934	455,245	(12,415)	532,099
Expenses Salary and years	378	9.350	24,711	140,127	(1066)	169 500
Salaries and wages Employee benefits		8,259			(4,966)	168,509
•	96	2,142	5,996	40,690	(1,401)	47,523
Medical professional fees		2,062	316	1,532	(112)	3,798
Purchased services	354	9,766	2,823	12,959	(596)	25,306
Supplies	462	4,265	3,964	95,211	(2,975)	100,927
Bad debts	-	123	46	39,413	_	39,582
Utilities	724	218	629	3,843	_	5,414
Insurance	_	58	8	3,607	- (1.005)	3,673
Rental, leases, and maintenance	3	721	3,428	10,877	(1,985)	13,044
Depreciation and amortization	1,599	147	695	20,175	_	22,616
Interest	179	_	11	9,979	(11)	10,158
Shared service allocation	-	-	-	57,797	-	57,797
Other, net	355	2,205	1,540	6,541	(369)	10,272
Total operating expenses	4,150	29,966	44,167	442,751	(12,415)	508,619
Income from operations	1,756	6,463	2,767	12,494	-	23,480
Nonoperating (loss) income						
Loss from network affiliation	_	-	_	(3,326)	-	(3,326)
Investment income	1	_	1,429	50,899	(91)	52,238
Total nonoperating income	1	_	1,429	47,573	(91)	48,912
Excess revenue over expenses	1,757	6,463	4,196	60,067	(91)	72,392
Change in plan assets and benefit obligation						
of pension plan	_	_	_	22,192	_	22,192
Change in funded status of TriHealth pension plan	_	_	_	3,489	_	3,489
Transfer to Bethesda, Inc	_	_	_	(10,000)		(10,000)
Other changes in net assets, net	10	_	220	2,520	91	2,841
Increase in net assets	1,767	6,463	4,416	78,268	-	90,914
No. 1	, ,	22.40	40 -4 -		,= ao :	34
Net assets at beginning of year	16,267	33,184	20,728	251,270	(5,284)	316,165
Net assets at end of year	\$ 18,034	\$ 39,647	\$ 25,144	\$ 329,538	\$ (5,284)	\$ 407,079

Consolidating Statement of Operations and Changes in Net Assets

Year Ended June 30, 2010 (In Thousands)

	Bethesda Properties, Inc.	Senior Services, a Division of Bethesda Hospital, Inc.	Hospice of Cincinnati, Inc. and Subsidiary	Bethesda Hospital, Inc.	Reclass- ifications/ Eliminations	Bethesda Hospital, Inc. and Subsidiaries Consolidated
Revenue			•			
Net patient service revenue						
Acute inpatient	\$ -	\$ -	\$ 8,144	\$ 256,116	\$ (4,902)	\$ 259,358
Outpatient	_	2,958	28,291	184,950	386	216,585
Other patient	_	30,792	_	2,255	(566)	32,481
Total net patient service revenue	_	33.750	36,435	443,321	(5.082)	508,424
No. 1 and 1						
Nonpatient (loss) revenue						
Loss from unconsolidated organizations	_	_	_	(6,141)	_	(6,141)
Operating loss from network affiliation	_	_	_	(4,434)	_	(4,434)
Other revenue, net	5,809	1,083	5,898	10,532	(6,440)	16,882
Total revenue	5.809	34,833	42,333	443,278	(11.522)	514,731
Expenses						
Salaries and wages	371	7,600	22,984	137,615	(4.902)	163,668
Employee benefits	86	1.872	5,237	35,160	(1.037)	41.318
Medical professional fees	_	2,106	320	1,236	(94)	3,568
Purchased services	333	7.854	2,653	12,241	(566)	22,515
Supplies	542	3,869	3,407	99,576	(2,828)	104,566
Bad debts	_	146	66	33,066	_	33,278
Utilities	737	192	570	4,599	_	6,098
Insurance	_	54	_	4,411	_	4,465
Rental, leases, and maintenance	9	708	3,227	10,226	(1.748)	12,422
Depreciation and amortization	1,721	160	679	20,482		23,042
Interest	230	_	32	10,507	(32)	10,737
Shared service allocation	_	_	_	56,427	_	56,427
Other, net	331	1,991	1,434	8,163	(315)	11,604
Total operating expenses	4,360	26,552	40,609	433,709	(11,522)	493,708
	1.110	0.201	1.724	0.540		21.022
Income from operations	1.449	8.281	1,724	9.569	_	21.023
Nonoperating (loss) income						
Loss from network affiliation	_	_	_	(195)	_	(195)
Investment income		_	936	34,355	(827)	34,464
Total nonoperating income		_	936	34,160	(827)	34,269
Excess revenue over expenses	1.449	8.281	2,660	43,729	(827)	55.292
Change in plan assets and benefit obligation						
of pension plan	_	_	_	(15.497)	_	(15.497)
Change in funded status of TriHealth pension plan	_	_	_	(4.096)	_	(4.096)
Transfer to Bethesda, Inc	_	_	_	(5,000)	_	(5.000)
Other changes in net assets, net	62	_	61	1.537	619	2,279
Increase in net assets	1.511	8.281	2,721	20,673	(208)	32,978
Net assets at beginning of year	14,756	24,903	18,007	230,597	(5.076)	283,187
Net assets at end of year	\$ 16,267	\$ 33,184	\$ 20,728	\$ 251,270	\$ (5,284)	
					,- ; /	

Ernst & Young LLP

Assurance | Tax | Transactions | Advisory

About Ernst & Young

Ernst & Young is a global leader in assurance, tax, transaction and advisory services Worldwide, our 141,000 people are united by our shared values and an unwavering commitment to quality We make a difference by helping our people, our clients and our wider communities achieve their potential

For more information, please visit www ey com

Ernst & Young refers to the global organization of member firms of Ernst & Young Global Limited, each of which is a separate legal entity Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. This Report has been prepared by Ernst & Young LLP, a client serving member firm located in the United States.

