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Form

**990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code, except black lung  
benefit trust or private foundation

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

OMB No. 1545-0047

**2010****Open to Public  
Inspection****A** For the 2010 calendar year, or tax year beginning 07/01/10, and ending 06/30/11Check if applicable:  
☐ Address change☐ Name change☐ Initial return☐ Terminated☐ Amended return☐ Application pending**C** Name of organization

TANNER MEDICAL CENTER

## Doing Business As

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

705 DIXIE STREET

Room/suite

City or town, state or country, and ZIP + 4

CARROLLTON

GA 30117

**F** Name and address of principal officer

LOY M. HOWARD, CEO

705 DIXIE STREET

CARROLLTON

GA 30117

**D** Employer identification number

58-1790149

**E** Telephone number

770-836-9580

**G** Gross receipts \$ 224,919,735**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list (see instructions)

**I** Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) ( ) (insert no ) ☐ 4947(a)(1) or ☐ 527**J** Website: WWW.TANNER.ORG**H(c)** Group exemption number 9705**K** Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other**L** Year of formation 1988 **M** State of legal domicile GA**Part I Summary****1** Briefly describe the organization's mission or most significant activities:

TO PROVIDE A CONTINUUM OF QUALITY HEALTHCARE SERVICES. TO SERVE AS A LEADER IN A COLLABORATIVE EFFORT WITH THE COMMUNITY TO PROVIDE HEALTH EDUCATION, SUPPORT SERVICES, AND CARE FOR THE COUNTY AND SURROUNDING AREA.

**2** Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.**3** Number of voting members of the governing body (Part VI, line 1a)

3 11

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

4 8

**5** Total number of individuals employed in calendar year 2010 (Part V, line 2a)

5 1499

**6** Total number of volunteers (estimate if necessary)

6 167

**7a** Total unrelated business revenue from Part VIII, column (C), line 12

7a 394,055

**b** Net unrelated business taxable income from Form 990-T, line 34

7b

**8** Contributions and grants (Part VIII, line 1h)

Prior Year

Current Year

176,025

1,023,963

**9** Program service revenue (Part VIII, line 2g)

179,377,647

179,288,294

**10** Investment income (Part VIII, column (A), lines 3, 4, and 7d)

1,646,566

3,690,485

**11** Other revenue (Part VIII, column (A), lines 5, 6d-8c-9c, 10c, and 11e)

38,475,885

38,612,973

**12** Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)

219,676,123

222,615,715

**13** Grants and similar amounts paid (Part IX, column (A), lines 1-3)

53,867

**14** Benefits paid to or for members (Part IX, column (A), line 4)**15** Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)

101,305,351

99,786,125

**16a** Professional fundraising fees (Part IX, column (A), line 11e)**b** Total fundraising expenses (Part IX, column (D), line 25)**17** Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)

90,783,666

91,167,659

**18** Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)

192,089,017

191,007,651

**19** Revenue less expenses. Subtract line 18 from line 12

27,587,106

31,608,064

**20** Total assets (Part X, line 16)

Beginning of Current Year

End of Year

288,420,957

361,709,831

**21** Total liabilities (Part X, line 26)

118,915,433

152,898,983

**22** Net assets or fund balances Subtract line 21 from line 20

169,505,524

208,810,848

**Part II Signature Block**

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

**Sign  
Here**

Signature of officer

LEE SHERSETH

CFO

Date

Type or print name and title

Print/Type preparer's name

WILSON E. JOINER III

Preparer's signature

Date

5/15/12

Check ☒ if PTIN

self-employed

P00533968

Firm's name

DRAFFIN &amp; TUCKER, LLP

Firm's EIN

58-0914992

Firm's address

PO BOX 3701-0006  
ALBANY, GA 31701-0006

Phone

229-883-7878

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

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2010)

DAA

2010 Filed

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**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response to any question in this Part III ☐**1** Briefly describe the organization's mission:

TO PROVIDE A CONTINUUM OF QUALITY HEALTHCARE SERVICES. TO SERVE AS A LEADER IN A COLLABORATIVE EFFORT WITH THE COMMUNITY TO PROVIDE HEALTH EDUCATION, SUPPORT SERVICES, AND CARE FOR THE COUNTY AND SURROUNDING AREA.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

**4** Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

**4a** (Code: ) (Expenses \$ 143,324,934 including grants of \$ 53,867 ) (Revenue \$ 216,553,529 )

TANNER MEDICAL CENTER PROVIDES HEALTHCARE TO THE POPULATION OF NORTHWEST GEORGIA AND EAST ALABAMA. MEDICAL SERVICES INCLUDE INPATIENT, OUTPATIENT, AND ANCILLARY SERVICES. AS A NOT FOR PROFIT CORPORATION, TANNER PROVIDES SERVICES TO PATIENTS REGARDLESS OF THEIR ABILITY TO PAY FOR THESE SERVICES.

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

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

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

**4e** Total program service expenses ▶ 143,324,934

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**Part IV Checklist of Required Schedules**

- 1** Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A
- 2** Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)
- 3** Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I
- 4** **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II
- 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
- 6** Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I
- 7** Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II
- 8** Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III
- 9** Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV
- 10** Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V
- 11** 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
  - a** Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI
  - 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
  - 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
  - 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
  - e** Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X
  - 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
- 12a** Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII
- 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
- 13** Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E
- 14a** Did the organization maintain an office, employees, or agents outside of the United States?
  - b** Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV
- 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 United States? If "Yes," complete Schedule F, Parts II and IV
- 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 United States? If "Yes," complete Schedule F, Parts III and IV
- 17** Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)
- 18** Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II
- 19** Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III
- 20a** Did the organization operate one or more hospitals? If "Yes," complete Schedule H
- b** If "Yes" to line 20a, did the organization attach its audited financial statements to this return? (Note: Some Form 990 filers that operate one or more hospitals must attach audited financial statements. See instructions.)

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

**FOR PUBLIC INSPECTION**

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

	Yes	No
<b>21</b> 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	<input checked="" type="checkbox"/>	
<b>22</b> 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		<input checked="" type="checkbox"/>
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 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	<input checked="" type="checkbox"/>	
<b>24a</b> 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 through 24d and complete Schedule K. If "No," go to line 25	<input checked="" type="checkbox"/>	
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		<input checked="" type="checkbox"/>
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		<input checked="" type="checkbox"/>
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		<input checked="" type="checkbox"/>
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		<input checked="" type="checkbox"/>
<b>b</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		<input checked="" type="checkbox"/>
<b>26</b> 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	<input checked="" type="checkbox"/>	
<b>27</b> 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		<input checked="" type="checkbox"/>
<b>28</b> 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):		
<b>a</b> A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	<input checked="" type="checkbox"/>	
A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		<input checked="" type="checkbox"/>
<b>c</b> 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		<input checked="" type="checkbox"/>
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		<input checked="" type="checkbox"/>
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		<input checked="" type="checkbox"/>
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		<input checked="" type="checkbox"/>
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		<input checked="" type="checkbox"/>
<b>33</b> 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		<input checked="" type="checkbox"/>
<b>34</b> Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	<input checked="" type="checkbox"/>	
<b>35</b> Is any related organization a controlled entity within the meaning of section 512(b)(13)?	<input checked="" type="checkbox"/>	
<b>a</b> 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		
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		<input checked="" type="checkbox"/>
<b>37</b> 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		<input checked="" type="checkbox"/>
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	<input checked="" type="checkbox"/>	

☐ Yes ☒ No

Form 990 (2010)

FOR PUBLIC INSPECTION

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response to any question in this Part V ☐

	Yes	No
Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1a 168		
1b 0		
2a 1499		
2b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
3b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	X	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
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?		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
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?		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d If "Yes," indicate the number of Forms 8282 filed during the year		
7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
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.		
a Did the organization make any taxable distributions under section 4966?		
9a		
b Did the organization make a distribution to a donor, donor advisor, or related person?		
9b		
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12		
10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
10b		
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders		
11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.		
a 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		
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		
13b		
c Enter the amount of reserves on hand		
13c		
14a Did the organization receive any payments for information technology services during the tax year?		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		
14b		

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 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 ☒

**Section A. Governing Body and Management**

- 1a Enter the number of voting members of the governing body at the end of the tax year
- 1b Enter the number of voting members included in line 1a, above, who are independent
- 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?
- 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?
- 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?
- 5 Did the organization become aware during the year of a significant diversion of the organization's assets?
- 6 Does the organization have members or stockholders?
- 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?
- b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?
- 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:
- a The governing body?
- b Each committee with authority to act on behalf of the governing body?
- 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O

	Yes	No
1a	11	
1b	8	
2		X
3		X
4		X
5		X
6		X
7a		X
7b		X
8a	X	
8b	X	
9		X

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

- 10a Does the organization have local chapters, branches, or affiliates?
- b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?
- 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
- b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?
- c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done
- 13 Does the organization have a written whistleblower policy?
- 14 Does the organization have a written document retention and destruction policy?
- 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?
- a The organization's CEO, Executive Director, or top management official
- b Other officers or key employees of the organization
- 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 arrangement with a taxable entity during the year?
- b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

	Yes	No
10a	X	
10b	X	
11a		X
12a	X	
12b	X	
12c	X	
13	X	
14	X	
15a	X	
15b	X	
16a		X
16b		

**Section C. Disclosure**

- 17 List the states with which a copy of this Form 990 is required to be filed GA
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply
- ☐ Own website ☐ Another's website ☒ Upon request

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

- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

CARROLLTON

GA 30117

770-836-9580

**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**

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. 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 organizations compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JEFFREY LINDSEY, TREASURER	DMD 1.00	X		X				0	0	0
(2) JOHN H. BURSON III, M.D. CHAIRMAN	1.00	X		X				0	0	0
(3) MARY COVINGTON SECRETARY	1.00	X		X				0	0	0
(4) DANIEL JACKSON VICE CHAIR	1.00	X		X				0	0	0
(5) JERRY CLAYTON DIRECTOR	1.00	X						0	0	0
(6) LARRY BOGGS DIRECTOR	1.00	X						0	0	0
(7) NITA PRICE DIRECTOR	1.00	X						0	0	0
(8) NORMAN BANKS DIRECTOR	1.00	X						0	0	0
(9) ROBERT B. PITTS, M.D. DIRECTOR	1.00	X						0	0	0
(10) STEPHEN KAHLER, MD DIRECTOR	1.00	X						0	0	0
(11) STEVE ADAMS DIRECTOR	1.00	X						0	0	0
(12) LOY HOWARD CEO	23.00			X				832,053	0	66,249
(13) WILLIAM WATERS CMO	23.00			X				537,792	0	0
(14) LARRY STEED	23.00			X				425,294	0	0
(15) JEFF JENNINGS SENIOR VP	23.00			X				390,313	0	0
(16) LEE SHIRSETH CFO	23.00			X				390,663	0	0

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) DALE DREILING SENIOR VP TMG	23.00			X				308,622	0	0
(18) DENISE TAYLOR CDO	12.00			X				301,007	0	0
(19) MIKE ALEXANDER ADMINISTRATOR	40.00				X			223,350	0	0
(20) DEBORAH MATTHEWS ADMINISTRATOR	40.00				X			212,180	0	0
(21) WAYNE SENFELD ADMINISTRATOR	40.00				X			210,992	0	0
(22) DEBBIE HOLLENSTEIN VP MARKETING	40.00				X			184,367	0	0
(23) CYNTHIA MASTERS VP PHYS SVC	40.00				X			181,236	0	0
(24) LINDA CONNER DON	40.00				X			162,081	0	0
(25) CAROL CREWS VP FINANCE	40.00				X			154,993	0	0
(26) STEPHANIE YATES VP COMPLIANCE	40.00				X			150,055	0	0
JADA REESE, M.D. PHYSICIAN	40.00					X		449,995	0	0
(28) ALYSSIA HOWARD, M.D. PHYSICIAN	40.00					X		437,737	0	0
<b>1b Sub-total</b>								5,554,730		66,249
<b>c Total from continuation sheets to Part VII, Section A</b>								1,284,315		
<b>d Total (add lines 1b and 1c)</b>								6,839,045		66,249

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **62**

- 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 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 J for such person

	Yes	No
3		X
4	X	
5		X

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
THE ROBINS & MORTON GROUP BIRMINGHAM AL 35209	400 SHADES CREEK PKWY CONSTRUCTION	8,789,282
J SMITH LANIER & CO. ALBANY GA 31721	611 POINTE NORTH BLVD CONSULTING	2,903,947
ARAMARK CHARLOTTE NC 28269	10510 TWIN LAKES PARKWAY ENGINEERING	2,091,290
SOUTHERN THERAPY CARROLLTON GA 30117	120 EAST CENTER STREET THERAPY	1,728,802
WEST GA HOSPITALIST, LLC DOUGLASVILLE GA 30154	P.O. BOX 604 HOSPITALIST	1,302,916

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 **61**

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17) BRYAN KIRBY, M.D. PHYSICIAN	40.00					X		430,100	0	0
(18) PRENTICE MCCULLOUGH, M.D. PHYSICIAN	40.00					X		428,207	0	0
(19) RYAN CORTEZ, M.D. PHYSICIAN	40.00					X		426,008	0	0
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
(26)										
(27)										
(28)										
<b>1b Sub-total</b>								1,284,315		
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>										

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

- 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 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 J for such person

	Yes	No
3		
4		
5		

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation

# FOR PUBLIC INSPECTION

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

**Part VIII Statement of Revenue**

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>Contributions, gifts, grants and other similar amounts</b>	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	1,019,143			
	e Government grants (contributions)	1e	4,820			
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f	\$				
	h <b>Total.</b> Add lines 1a-1f		1,023,963			
<b>Program Service Revenue</b>	2a NET PATIENT SERVICE REVENUE	Busn. Code 623000	178,894,239	178,894,239		
	b REFERENCE LAB	621500	376,055		376,055	
	c PHYSICIAN BILLING SERVICES	541200	18,000		18,000	
	d					
	e					
	f All other program service revenue					
	g <b>Total.</b> Add lines 2a-2f		179,288,294			
	<b>Other Revenue</b>	3 Investment income (including dividends, interest, and other similar amounts)		4,275,424	131,210	
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
6a Gross Rents		(i) Real (ii) Personal				
b Less: rental exps						
c Rental inc. or (loss)						
d Net rental income or (loss)						
7a Gross amount from sales of assets other than inventory		(i) Securities (ii) Other	1,423,773 19,750			
b Less: cost or other basis & sales exps			113,546 1,914,916			
c Gain or (loss)			1,310,227 -1,895,166			
d Net gain or (loss)			-584,939			-584,939
8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18		a				
b Less: direct expenses	b					
c Net income or (loss) from fundraising events						
9a Gross income from gaming activities. See Part IV, line 19	a					
b Less: direct expenses	b					
c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances	a	338,688				
b Less: cost of goods sold	b	275,558				
c Net income or (loss) from sales of inventory		63,130	63,130			
<b>Miscellaneous Revenue</b>			Busn. Code			
11a SHARED SERVICE REVENUE	621990	36,750,556	36,750,556			
b CAFETERIA	624200	917,633		917,633		
c WELLNESS	623990	206,216		206,216		
d All other revenue	621990	675,438	320,339		355,099	
e <b>Total.</b> Add lines 11a-11d		38,549,843				
12 <b>Total revenue.</b> See instructions		222,615,711	316,150,474	898,055	5,038,223	

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**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.  
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	53,867	53,867		
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	4,666,998		4,666,998	
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	63,604,402	51,660,319	11,944,083	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,870,525	2,147,172	723,353	
9 Other employee benefits	24,007,826	18,166,494	5,841,332	
10 Payroll taxes	4,636,374	3,562,299	1,074,075	
11 Fees for services (non-employees)				
a Management				
b Legal	456,949		456,949	
c Accounting	187,240		187,240	
d Lobbying	89,411		89,411	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	7,283		7,283	
g Other	13,781,633	9,429,165	4,352,468	
12 Advertising and promotion	2,238,067	352,179	1,885,888	
13 Office expenses	32,489,217	29,221,755	3,267,462	
14 Information technology				
15 Royalties				
16 Occupancy	2,235,813	1,752,675	483,138	
17 Travel	202,887	164,652	38,235	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	305,133	102,017	203,116	
20 Interest	3,355,817		3,355,817	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	12,644,939	10,043,979	2,600,960	
23 Insurance	1,807,569	62	1,807,507	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a BAD DEBTS	9,689,874	9,689,874		
b REPAIRS & MAINTENANCE	7,635,386	3,804,550	3,830,836	
c MISCELLANEOUS	3,210,202	2,621,558	588,644	
d OTHER - FOUNDATION EXP	552,317	552,317		
e DUES & SUBSCRIPTIONS	216,567		216,567	
f All other expenses	61,355		61,355	
<b>Total functional expenses. Add lines 1 through 24f</b>	<b>191,007,651</b>	<b>143,324,934</b>	<b>47,682,717</b>	<b>0</b>
<b>Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (Rev. 9-98-729). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation</b>				

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**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>Assets</b>	1 Cash—non-interest bearing	2,441,682	1	656,336
	2 Savings and temporary cash investments	33,485,977	2	71,953,305
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	18,718,020	4	19,231,242
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), 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)		6	
	7 Notes and loans receivable, net	3,989,907	7	3,166,146
	8 Inventories for sale or use	3,392,285	8	3,090,940
	9 Prepaid expenses and deferred charges	3,007,067	9	4,631,125
	10a Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a 223,113,487		
	b Less accumulated depreciation	10b 125,600,256	10c	97,513,231
	11 Investments—publicly traded securities	118,294,846	11	149,329,739
	12 Investments—other securities See Part IV, line 11		12	
	13 Investments—program-related See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets See Part IV, line 11	13,575,930	15	12,137,767
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	288,420,957	16	361,709,831	
<b>Liabilities</b>	17 Accounts payable and accrued expenses	20,239,995	17	24,683,496
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	68,519,600	20	112,947,580
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	652,303	22	587,797
	23 Secured mortgages and notes payable to unrelated third parties	32,450	23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities Complete Part X of Schedule D	29,471,085	25	14,680,110
	26 <b>Total liabilities.</b> Add lines 17 through 25	118,915,433	26	152,898,983
	<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
27 Unrestricted net assets		164,281,638	27	203,311,068
28 Temporarily restricted net assets		3,864,778	28	3,909,507
29 Permanently restricted net assets		1,359,108	29	1,590,273
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
30 Capital stock or trust principal, or current funds			30	
31 Paid-in or capital surplus, or land, building, or equipment fund			31	
32 Retained earnings, endowment, accumulated income, or other funds			32	
33 Total net assets or fund balances		169,505,524	33	208,810,848
34 <b>Total liabilities and net assets/fund balances</b>		288,420,957	34	361,709,831

Form 990 (2010)

FOR PUBLIC INSPECTION

**Part XI Reconciliation of Net Assets**

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)	222,615,715
2	Total expenses (must equal Part IX, column (A), line 25)	191,007,651
3	Revenue less expenses Subtract line 2 from line 1	31,608,064
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	169,505,524
5	Other changes in net assets or fund balances (explain in Schedule O)	7,697,260
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	208,810,848

**Part XII Financial Statements and Reporting**

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

☐

- 1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:  
☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2010)

FOR PUBLIC INSPECTION

**SCHEDULE A**  
**(Form 990 or 990-EZ)**
**'Public' Charity Status and Public Support**

OMB No. 1545-0047

**2010**
**Open to Public  
Inspection**

 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.

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

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

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

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

- 1 ☐ A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 ☐ A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 ☒ A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 ☐ A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state.
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 ☐ A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
- a ☐ Type I      b ☐ Type II      c ☐ Type III—Functionally integrated      d ☐ Type III—Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f ☐ If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box.
- g ☐ Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? ☐
- (ii) A family member of a person described in (i) above? ☐
- (iii) A 35% controlled entity of a person described in (i) or (ii) above? ☐
- h ☐ Provide the following information about the supported organization(s).

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

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

 For Paperwork Reduction Act Notice, see the Instructions for  
 Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2010

**FOR PUBLIC INSPECTION**

**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.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4</b> <b>Total.</b> Add lines 1 through 3						
<b>5</b> 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)						
<b>6</b> <b>Public support.</b> Subtract line 5 from line 4						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>7</b> Amounts from line 4						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>11</b> <b>Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions)						<b>12</b>
<b>13</b> <b>First five years.</b> 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 <b>stop here</b> ► <input type="checkbox"/>						

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

<b>14</b> Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	<b>14</b>	%
<b>15</b> Public support percentage from 2009 Schedule A, Part II, line 14	<b>15</b>	%
<b>16a</b> <b>33 1/3% support test—2010.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization. ► <input type="checkbox"/>		
<b>b</b> <b>33 1/3% support test—2009.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization. ► <input type="checkbox"/>		
<b>17a</b> <b>10%-facts-and-circumstances test—2010.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. ► <input type="checkbox"/>		
<b>b</b> <b>10%-facts-and-circumstances test—2009.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization. ► <input type="checkbox"/>		
<b>18</b> <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions. ► <input type="checkbox"/>		

FOR PUBLIC INSPECTION



**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 in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6</b> Total. Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8</b> Public support (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13</b> Total support. (Add lines 9, 10c, 11, and 12.)						
<b>14</b> 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 <input type="checkbox"/>						

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

<b>15</b> Public support percentage for 2010 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	%
<b>16</b> Public support percentage from 2009 Schedule A, Part III, line 15	<b>16</b>	%

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

<b>17</b> Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	%
<b>18</b> Investment income percentage from 2009 Schedule A, Part III, line 17	<b>18</b>	%

**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 ☐

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

**FOR PUBLIC INSPECTION**

**Part IV**

**Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

**FOR PUBLIC INSPECTION**

**SCHEDULE C**  
**(Form 990 or 990-EZ)**
**Political Campaign and Lobbying Activities**

OMB No 1545-0047

**2010**
**Open to Public  
Inspection**

 Department of the Treasury  
 Internal Revenue Service

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.

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.

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

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

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

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

Name of organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

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

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ▶ \$ \_\_\_\_\_
- 3 Volunteer hours \_\_\_\_\_

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

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ \_\_\_\_\_
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ \_\_\_\_\_
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- b If "Yes," describe in Part IV.

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ \_\_\_\_\_
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ \_\_\_\_\_
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ \_\_\_\_\_
- 4 Did the filing organization file Form 1120-POL for this year? ☐ Yes ☐ No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2010

**FOR PUBLIC INSPECTION**

**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**A Check ☐ if the filing organization belongs to an affiliated group.Check ☐ if the filing organization checked box A and "limited control" provisions apply.**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

1a Total lobbying expenditures to influence public opinion (grass roots lobbying)

b Total lobbying expenditures to influence a legislative body (direct lobbying)

c Total lobbying expenditures (add lines 1a and 1b)

d Other exempt purpose expenditures

e Total exempt purpose expenditures (add lines 1c and 1d)

f Lobbying nontaxable amount. Enter the amount from the following table in both columns

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

g Grassroots nontaxable amount (enter 25% of line 1f)

h Subtract line 1g from line 1a. If zero or less, enter -0-

i Subtract line 1f from line 1c. If zero or less, enter -0-

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?

☐ Yes ☐ No**4-Year Averaging Period Under Section 501(h)**

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

**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2010

FOR PUBLIC INSPECTION

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

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		75,000
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities? If "Yes," describe in Part IV	X		14,411
j Total Add lines 1c through 1i			89,411
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

**Part IV Supplemental Information**

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

SCHEDULE C, PART II-B, LINE 1I

INDIRECT CONTRIBUTIONS TO AMERICAN HOSPITAL ASSOCIATION AND GEORGIA

HOSPITAL ASSOCIATION THROUGH DUES. ALSO ENGAGED THE GARNER GROUP TO

FACILITATE AN ONGOING RELATIONSHIP WITH MEMBERS OF THE LEGISLATIVE BODY TO

SUPPORT OR OPPOSE VARIOUS LEGISLATIVE ISSUES CONCERNING THE HEALTHCARE

INDUSTRY

**FOR PUBLIC INSPECTION**

**Part IV Supplemental Information (continued)**

~~FOR PUBLIC INSPECTION~~

Schedule C (Form 990 or 990-EZ) 2010

**SCHEDULE D  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2010****Open to Public  
Inspection**

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

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

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

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

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

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

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

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

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

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

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

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

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

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts relating to be reported under SFAS 116 (ASC 958) relating to these items:

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

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

**FOR PUBLIC INSPECTION**

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

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

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

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes ☐ No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes ☐ No

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

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

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes ☐ No

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	5,223,886	3,755,205	3,997,873		
b Contributions	44,729	1,218,318			
c Net investment earnings, gains, and losses	231,165	250,363	-241,917		
d Grants or scholarships			751		
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	5,499,780	5,223,886	3,755,205		

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

- a Board designated or quasi-endowment ☐ %  
 b Permanent endowment ☒ 29.00 %  
 c Term endowment ☒ 71.00 %

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

- (i) unrelated organizations  
 (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)	X	
3b	X	

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		2,465,041		2,465,041
b Buildings		120,432,372	57,559,114	62,873,258
c Leasehold improvements		1,471,901	1,214,950	256,951
d Equipment		87,233,225	66,826,192	20,407,033
e Other		11,510,948		11,510,948
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				97,513,231

Schedule D (Form 990) 2010

FOR PUBLIC INSPECTION



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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives		
(1) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.)		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.)		

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

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

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) OTHER LIAB - DUE TO RELATED PARTIES	14,680,110
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	14,680,110

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

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

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

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

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

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

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

**PART X - LIABILITY UNDER FIN 48 FOOTNOTE**

THE MEDICAL CENTER IS A NOT-FOR-PROFIT CORPORATION THAT HAS BEEN RECOGNIZED AS TAX-EXEMPT PURSUANT TO SECTION 501(C)3 OF THE INTERNAL REVENUE CODE.

THE MEDICAL CENTER APPLIES ACCOUNTING POLICIES THAT PRESCRIBE WHEN TO RECOGNIZE AND HOW TO MEASURE THE FINANCIAL STATEMENT EFFECTS OF INCOME TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN ON ITS INCOME TAX RETURNS. THESE

# FOR PUBLIC INSPECTION

**Part XIV Supplemental Information (continued)**

RULES REQUIRE MANAGEMENT TO EVALUATE THE LIKELIHOOD THAT, UPON EXAMINATION BY THE RELEVANT TAXING JURISDICTIONS, THOSE INCOME TAX POSITIONS WOULD BE SUSTAINED. BASED ON THAT EVALUATION, THE MEDICAL CENTER ONLY RECOGNIZES THE MAXIMUM BENEFIT OF EACH INCOME TAX POSITION THAT IS MORE THAN 50% LIKELY OF BEING SUSTAINED. TO THE EXTENT THAT ALL OR A PORTION OF THE BENEFITS OF AN INCOME TAX POSITION ARE NOT RECOGNIZED, A LIABILITY WOULD BE RECOGNIZED FOR THE UNRECOGNIZED BENEFITS, ALONG WITH ANY INTEREST AND PENALTIES THAT WOULD RESULT FROM DISALLOWANCE OF THE POSITION. SHOULD ANY SUCH PENALTIES AND INTEREST BE INCURRED, THEY WOULD BE RECOGNIZED AS OPERATING EXPENSES.

BASED ON THE RESULTS OF MANAGEMENT'S EVALUATION, NO LIABILITY IS RECOGNIZED IN THE ACCOMPANYING BALANCE SHEET FOR UNRECOGNIZED INCOME TAX POSITIONS. FURTHER, NO INTEREST OR PENALTIES HAVE BEEN ACCRUED OR CHARGED TO EXPENSE AS OF JUNE 30, 2011 AND 2010 OR FOR THE YEARS THEN ENDED. THE MEDICAL CENTER'S OPEN AUDIT PERIODS ARE FOR TAX YEARS ENDED 2008-2010.

TANNER MEDICAL GROUP IS PART OF A TAX-EXEMPT ORGANIZATION PURSUANT TO SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. THE AFFILIATED BUSINESS SERVICES PROVIDED ARE, HOWEVER, SUBJECT TO UNRELATED BUSINESS INCOME TAXES AND A FORM 990-T, EXEMPT ORGANIZATION BUSINESS INCOME TAX RETURN IS FILED FOR THESE SERVICES. AS OF 2011 AND 2010, TANNER MEDICAL GROUP HAS NOT RECORDED INCOME TAX EXPENSE DUE TO NET OPERATING LOSSES.

**FOR PUBLIC INSPECTION**

Schedule D (Form 990) 2010

**SCHEDULE H  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Hospitals**

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

OMB No 1545-0047

**2010**Open to Public  
Inspection

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

- 1a** Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a
- b** If "Yes," is it a written policy?
- 2** If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year
- ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities
- ☐ Generally tailored to individual hospital facilities
- 3** Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year
- a** Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:
- ☐ 100% ☐ 150% ☐ 200% ☒ Other 125%
- b** Did the organization use FPG to determine eligibility for providing discounted care to low income individuals? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:
- ☒ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other \_\_\_\_\_%
- c** If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.
- 4** Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?
- 5a** Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?
- b** If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?
- c** If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?
- 6a** Did the organization prepare a community benefit report during the tax year?
- b** If "Yes," does the organization make it available to the public?

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

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

**7 Financial Assistance and Certain Other Community Benefits at Cost**

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 benefit expense	(f) Percent of total expense
<b>a</b> Financial Assistance at cost (from Worksheets 1 and 2)			12,849,710		12,849,710	7.08
<b>b</b> Unreimbursed Medicaid (from Worksheet 3, column a)			21,122,508	18,584,294	2,538,214	1.40
<b>c</b> Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
<b>d</b> Total Financial Assistance and Means-Tested Government Programs			33,972,218	18,584,294	15,387,924	8.48
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4)			437,015		437,015	0.24
<b>f</b> Health professions education (from Worksheet 5)			21,443		21,443	0.01
<b>g</b> Subsidized health services (from Worksheet 6)						
<b>h</b> Research (from Worksheet 7)			78,171		78,171	0.04
<b>i</b> Cash and in-kind contributions to community groups (from Worksheet 8)			111,167		111,167	0.06
<b>j</b> Total. Other Benefits			617,796		617,796	0.35
<b>k</b> Total. Add lines 7d and 7j			34,589,914	18,584,294	16,005,620	8.83

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

Schedule H (Form 990) 2010

DAA

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**Part II Community Building Activities** Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing			7,240		7,240	0.00
2 Economic development			6,173		6,173	0.00
3 Community support			19,160		19,160	0.01
4 Environmental improvements						
5 Leadership development and training for community members			16,662		16,662	0.01
6 Coalition building			21,430		21,430	0.01
7 Community health improvement advocacy			18,316		18,316	0.01
8 Workforce development			809,669		809,669	0.45
9 Other						
10 Total			898,650		898,650	0.49

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

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

	Yes	No
1	X	
2	3,632,792	
3		

**Section B. Medicare**

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

5	45,678,179
6	47,822,914
7	-2,144,735

**Section C. Collection Practices**

- 9a Did the organization have a written debt collection policy during the tax year? . . . . .
- b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI . . . . .

9a	X	
9b	X	

**Part IV Management Companies and Joint Ventures**

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

FOR PUBLIC INSPECTION

**Part V Facility Information****Section A. Hospital Facilities**(list in order of size, measured by total revenue per facility,  
from largest to smallest)How many hospital facilities did the organization operate  
during the tax year? 1

Name and address

1 TANNER MEDICAL CENTER

705 DIXIE STREET  
CARROLLTON

GA 30117

Licensed hospital

General medical &amp; surgical

Children's hospital

Teaching hospital

Critical access hospital

Research facility

ER-24 hours

ER-other

Other (describe)

SNF

**FOR PUBLIC INSPECTION**

**Part V Facility Information (continued)****Section B. Facility Policies and Practices**

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: TANNER MEDICAL CENTERLine Number of Hospital Facility (from Schedule H, Part V, Section A): 1**Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)**

- 1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8  
If "Yes," indicate what the Needs Assessment describes (check all that apply)
- a ☐ A definition of the community served by the hospital facility
- b ☐ Demographics of the community
- c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community
- d ☐ How data was obtained
- e ☐ The health needs of the community
- f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups
- g ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs
- h ☐ The process for consulting with persons representing the community's interests
- i ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs
- j ☐ Other (describe in Part VI)
- 2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 \_\_\_\_\_
- 3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted
- 4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI
- 5 Did the hospital facility make its Needs Assessment widely available to the public?  
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):
- a ☐ Hospital facility's website
- b ☐ Available upon request from the hospital facility
- c ☐ Other (describe in Part VI)
- 6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply).
- a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community
- b ☐ Execution of the implementation strategy
- c ☐ Participation in the development of a community-wide community benefit plan
- d ☐ Participation in the execution of a community-wide community benefit plan
- e ☐ Inclusion of a community benefit section in operational plans
- f ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment
- g ☐ Prioritization of health needs in its community
- h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community
- i ☐ Other (describe in Part VI)
- 7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment?  
If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs

**Financial Assistance Policy**

- Did the hospital facility have in place during the tax year a written financial assistance policy that:
- 8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?
- 9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals?
- If "Yes," indicate the FPG family income limit for eligibility for free care \_\_\_\_\_ %

Yes No

1

3

4

5

7

8

9

**FOR PUBLIC INSPECTION**

**Part V Facility Information (continued)**

10 Used FPG to determine eligibility for providing discounted care to low income individuals?

If "Yes," indicate the FPG family income limit for eligibility for discounted care \_\_\_\_\_ %

11 Explained the basis for calculating amounts charged to patients?

If "Yes," indicate the factors used in determining such amounts (check all that apply)

- a ☐ Income level  
 b ☐ Asset level  
 c ☐ Medical indigency  
 d ☐ Insurance status  
 e ☐ Uninsured discount  
 f ☐ Medicaid/Medicare  
 g ☐ State regulation  
 h ☐ Other (describe in Part VI)

12 Explained the method for applying for financial assistance?

13 Included measures to publicize the policy within the community served by the hospital facility?

If "Yes," indicate how the hospital facility publicized the policy (check all that apply):

- a ☐ The policy was posted on the hospital facility's website  
 b ☐ The policy was attached to billing invoices  
 c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms  
 d ☐ The policy was posted in the hospital facility's admissions offices  
 e ☐ The policy was provided, in writing, to patients on admission to the hospital facility  
 f ☐ The policy was available on request  
 g ☐ Other (describe in Part VI)

**Billing and Collections**

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?

15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year

- a ☐ Reporting to credit agency  
 b ☐ Lawsuits  
 c ☐ Liens on residences  
 d ☐ Body attachments  
 e ☐ Other actions (describe in Part VI)

16 Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?

If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):

- a ☐ Reporting to credit agency  
 b ☐ Lawsuits  
 c ☐ Liens on residences  
 d ☐ Body attachments  
 e ☐ Other actions (describe in Part VI)

17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):

- a ☐ Notified patients of the financial assistance policy on admission  
 b ☐ Notified patients of the financial assistance policy prior to discharge  
 c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills  
 d ☐ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance  
 e ☐ Other (describe in Part VI)

FOR PUBLIC INSPECTION



**Part V Facility Information (continued)****Policy Relating to Emergency Medical Care**

- 18** Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?

	Yes	No
18		

If "No," indicate the reasons why (check all that apply):

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility did not have a policy relating to emergency medical care
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

**Charges for Medical Care**

- 19** Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply)

- a ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility
- b ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility
- c ☐ The hospital facility used the Medicare rate for those services
- d ☐ Other (describe in Part VI)

- 20** Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?

20		
21		

If "Yes," explain in Part VI.

- 21** Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?

If "Yes," explain in Part VI

Schedule H (Form 990) 2010

# FOR PUBLIC INSPECTION

(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? 1

[illegible]

FOR PUBLIC INSPECTION

2010 Filed

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 **Required descriptions.** Provide the descriptions 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.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **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.).
- 6 **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.

PART I, LINE 7, COLUMN (F) - EXCLUSIONS FROM PERCENT OF TOTAL EXPENSEIN DERIVING THE DENOMINATOR TO BE USED FOR COLUMN (F), THE FOLLOWINGADJUSTMENTS WERE MADE TO THE TOTAL EXPENSES REPORTED ON FORM 990, PART IX,LINE 25:FORM 990, PART IX, LINE 25 \$191,007,651LESS: BAD DEBTS IN PART IX ( 9,689,874)PLUS: EXPENSES INCLUDED IN VIII 275,558DENOMINATOR FOR COLUMN (F) \$181,593,335PART I, LINE 7 - COSTING METHODOLOGY EXPLANATION

THE DATA REPORTED IN THIS AREA IS REPORTED AS INSTRUCTED BY CATHOLIC HEALTH  
ASSOCIATION'S "A GUIDE FOR PLANNING AND REPORTING COMMUNITY BENEFITS,  
2008". SEE ALSO THE DESCRIPTION FOR PART III, LINE 4.

PART II - COMMUNITY BUILDING ACTIVITIES

TANNER PROVIDES THE FUNDING FOR A 24-HOUR INFORMATION HOTLINE, PROVIDED  
FREE TO CALLERS. THE HOTLINE - 770.214.2273 - PROVIDES CALLERS WITH

INFORMATION ON PHYSICIANS AND SPECIALISTS, AND PROVIDES REFERRALS TOMEDICAL STATE BASED ON CALLER'S NEEDS, LOCATION AND INSURANCE**FOR PUBLIC INSPECTION**

Schedule (Form 990) 2010

**Part VI Supplemental Information**

Complete this part to provide the following information

- 1 **Required descriptions.** Provide the descriptions 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
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 **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.).
- 6 **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.

INFORMATION. THE LINE ALSO PROVIDES CALLERS WITH INFORMATION ON A WIDE RANGE OF FREE HEALTH EDUCATION CLASSES AND HEALTH SCREENINGS PROVIDED BY TANNER, AND ALLOWS CALLERS TO REGISTER FOR CLASSES AND EVENTS OVER THE PHONE. IN ADDITION TO THE 24-HOUR HOTLINE, TANNER ALSO PROVIDES A WEB SITE, WWW.TANNER.ORG, WITH A FREE, EXTENSIVE HEALTH LIBRARY WITH ARTICLES COVERING A RANGE OF SUBJECTS, FROM MEDICAL TESTS AND PROCEDURES TO SYMPTOMS, CONDITIONS AND MORE. VISITORS CAN ALSO ACCESS FREE ONLINE HEALTH ASSESSMENTS, HEALTH NEWS, HEALTHY RECIPES AND MORE.

TANNER CONTINUED TO PARTNER WITH THE CARROLL COUNTY HEALTH DEPARTMENT, PROVIDING FUNDING FOR THE DEPARTMENT TO STUDY THE EFFECTS OF HOUSEHOLD MOLD AND MOSQUITO POPULATIONS ON COUNTY RESIDENTS FOLLOWING RECORD-BREAKING FLOODS A FEW MONTHS EARLIER. THAT FUNDING HELPED SUPPORT THE TANNER MYCOLOGY AND VECTOR LAB AT THE CARROLL COUNTY ENVIRONMENTAL HEALTH OFFICE, ALLOWING THE OFFICE TO PROVIDE FREE MOLD INSPECTIONS AND MOSQUITO TESTING FOR COUNTY RESIDENTS.

TO IMPROVE ACCESS TO MEDICAL CARE IN THE REGION, TANNER CONTINUED ITS WORK TO RECRUIT MORE PHYSICIANS TO PRACTICE IN THE AREA, ENABLING PATIENTS TO CHOOSE FROM A GREATER NUMBER OF PROVIDERS IN AN EXPANDED FIELD OF

SPECIALTIES

**FOR PUBLIC INSPECTION**

Schedule H (Form 990) 2010

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions 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
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 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.).
- 6 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

PART III, LINE 4 - BAD DEBT EXPENSE EXPLANATIONEXCERPT FROM FINANCIAL STATEMENTS - ALLOWANCE FOR DOUBTFUL ACCOUNTSMANAGEMENT PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS BASED ON ANEVALUATION OF THE OVERALL COLLECTIBILITY OF THE ACCOUNTS RECEIVABLE. ASACCOUNTS ARE KNOWN TO BE UNCOLLECTIBLE, THEY ARE CHARGED AGAINST THEALLOWANCE.AMOUNTS ON PART III, LINES 2 AND 3 WERE CALCULATED USING THE RCC AS DEFINEDIN WORKSHEET 2.PART III, LINE 8 - MEDICARE EXPLANATIONCOSTS FOR PART I, LINE 7A AND 7B AND PART III, SECTION A, LINE 2 WERECALCULATED USING THE RCC CALCULATED IN WORKSHEET 2. OTHER COSTS WEREOBTAINED FROM THE ORGANIZATION'S ACCOUNTING RECORDS.PART III, LINE 9B - COLLECTION PRACTICES EXPLANATIONPATIENTS THAT QUALIFY FOR A CHARITY WRITE OFF ARE ONLYHELD RESPONSIBLE FOR THE PORTION REMAINING AFTER WRITEOFF. PATIENTS THAT QUALIFY AS INDIGENT RECEIVE A 100%**FOR PUBLIC INSPECTION**

Schedule H (Form 990) 2010

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 **Required descriptions.** Provide the descriptions 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.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **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.)
- 6 **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.

WRITE OFF AND ARE NOT RESPONSIBLE. PATIENTS APPROVED FOR  
 FINANCIAL ASSISTANCE RECEIVE A LETTER OF NOTIFICATION THAT  
 IS GOOD FOR ONE YEAR FROM THE DETERMINATION DATE. INTEREST  
 FREE INSTALLMENT PLANS ARE AVAILABLE TO ALL PATIENTS AND  
 PAYMENT AMOUNTS ARE DETERMINED BY THE PATIENT'S DISPOSABLE  
 WAGES AND ABILITY TO PAY.

**NEEDS ASSESSMENT**

TANNER MEDICAL CENTER, INC. CONDUCTS A STUDY OF ITS SERVICE AREA TO  
 DETERMINE LOCATIONS WHERE ACCESS TO MEDICAL CARE IS LIMITED, AS WELL AS TO  
 DETERMINE THE APPROPRIATE NUMBER OF PRIMARY CARE AND SPECIALTY PROVIDERS  
 BASED ON THE NEEDS OF THE COMMUNITIES THAT TANNER SERVES. THE ORGANIZATION  
 ALSO WORKS CLOSELY WITH COMMUNITY PARTNERS WITH SIMILARLY-ALIGNED  
 MISSIONS, INCLUDING PARTNERING WITH THE CARROLL COUNTY HEALTH DEPARTMENT IN  
 COMMUNITY-WIDE VACCINATION PROGRAMS AND PROVIDING FINANCIAL ASSISTANCE TO  
 SPONSOR FURTHER RESEARCH INTO SPECIFIC COMMUNITY NEEDS. TANNER ALSO WORKS  
 CLOSELY WITH TWO LOCAL CLINICS THAT PROVIDE LOW-COST AND FREE MEDICAL  
 SERVICES TO AREA RESIDENTS WHO COULD NOT OTHERWISE AFFORD CARE.

**FOR PUBLIC INSPECTION**

Schedule H (Form 990) 2010

**Part VI Supplemental Information**

Complete this part to provide the following information

- Required descriptions.** Provide the descriptions 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
  - 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
  - 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
  - 5 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.).
  - 6 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.

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

TANNER PATIENTS ARE PROVIDED WITH INFORMATION PERTAINING TO THE ORGANIZATION'S CHARITY/INDIGENT PROGRAM AT THE TIME OF REGISTRATION. ANY SELF-PAY OR UNDER-INSURED PATIENTS MUST MEET CRITERIA FOR INDIGENT CARE IN ORDER TO HAVE THE COST OF THEIR CARE WRITTEN OFF BY THE SYSTEM. PATIENTS ARE INTERVIEWED AND FINANCIAL STATEMENTS ARE PREPARED. PATIENTS WHO MEET THE CRITERIA FOR MEDICAID ELIGIBILITY ARE REFERRED TO AN OUTSIDE VENDOR FOR ASSISTANCE. CHARITY PATIENTS ARE DEFINED AS FALLING BETWEEN 125 TO 200 PERCENT OF THE FEDERAL POVERTY GUIDELINES; INDIGENT PATIENTS ARE DEFINED AS FALLING BELOW THE 125 PERCENT FEDERAL POVERTY GUIDELINES AND RECEIVE A 100 PERCENT WRITE OFF. TRANSLATION ASSISTANCE IS PROVIDED FOR PATIENTS AS NEEDED.

COMMUNITY INFORMATION

CARROLL COUNTY IS LOCATED IN THE WEST CENTRAL SECTION OF GEORGIA, ALONG THE GEORGIA-ALABAMA STATE LINE. IT IS HOME TO A GROWING STATE UNIVERSITY WITH AN ENROLLMENT OF MORE THAN 11,000 STUDENTS/ THE COUNTY HAS A POPULATION OF JUST MORE THAN 110,000 RESIDENTS. MOST RECENTLY, GROWTH IN THE AREA HAS BEEN HAMPERED BY THE ECONOMIC IMPACT FROM THE LINGERING

**FOR PUBLIC INSPECTION**

200 Filed

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions 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.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 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.).
- 6 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.

RECESSION, AND HOUSING PRICES HAVE FALLEN MORE THAN 20 PERCENT. THE COUNTY'S UNEMPLOYMENT RATE IS AT 8.2 PERCENT, HIGHER THAN THE STATE OR NATIONAL RATES. REGIONALLY, CARROLL COUNTY IS AN ECONOMIC CENTER WITH SEVEN INCORPORATED MUNICIPALITIES.

#### HEALTH OF COMMUNITY IN RELATION TO EXEMPT PURPOSE

TANNER MEDICAL CENTER, INC. IS COMMITTED TO PROVIDING CARE FOR EVERY MEMBER OF THE COMMUNITY IT SERVES, REGARDLESS OF ABILITY TO PAY. THAT CARE WILL BE PROVIDED IN ADVANCED FACILITIES WITH A FOCUS ON PATIENT SATISFACTION AND ACHIEVEMENT OF BEST POSSIBLE OUTCOMES. DURING THE YEAR, TANNER PROVIDED FREE HEALTH SCREENINGS AND/OR EDUCATION TO ALMOST 14,500 RESIDENTS. MORE HEALTH EDUCATION WAS PROVIDED THROUGH TANNER'S SPONSORSHIP OF THE "COMMUNITY VOICE" RADIO PROGRAM ON A LOCAL STATION, WHICH FEATURED A NUMBER OF PHYSICIANS AND HEALTH PROFESSIONALS DISCUSSING AND TAKING CALLS ON A WIDE RANGE OF SUBJECTS. TANNER HOSTED EDUCATIONAL EVENTS FOCUSING ON CANCER, HEART DISEASE AND OTHER DISEASES, AND PROVIDED INSTRUCTIONAL CLASSES TO TEACH CPR, SAFE BABYSITTING AND MORE. TANNER STAFF PROVIDED FREE VISION SCREENINGS TO MORE THAN 200 PRE-K STUDENTS AND MORE THAN 500

PEOPLE RECEIVED FREE SCREENINGS FOR PERIPHERAL ARTERY DISEASE (PAD) OVER

**FOR PUBLIC INSPECTION**

(Form 990) 2010



**Part VI Supplemental Information**

Complete this part to provide the following information.

- Required descriptions.** Provide the descriptions 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.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 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.).
- 6 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.

5,800 PEOPLE ATTENDED PROGRAMS ON HEALTH AND WELLNESS TOPICS THROUGH  
TANNER'S SPEAKERS PROGRAM. 1,200 PEOPLE PARTICIPATED IN WALKING GROUPS  
EARNING INCENTIVES WHILE IMPROVING THEIR HEALTH.

FOR PUBLIC INSPECTION

Schedule H (Form 990) 2010

**SCHEDULE I**  
**(Form 990)**
**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

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

OMB No 1545-0047

**2010**
**Open to Public  
Inspection**
Department of the Treasury  
Internal Revenue Service

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

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

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

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

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section, if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	TANNER MEDICAL FOUNDATION, INC. 30 AMBULANCE DRIVE CARROLLTON GA 30117	58-1790152	3	53,867				OPERATIONS
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								

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

3 Enter total number of other organizations

 1  
0

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2010)

2010 Filed

**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.  
Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						
<b>Part IV</b> Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.						

PART I, LINE 2 - PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS

THE RELATED ORGANIZATIONS ARE ALL OPERATED UNDER THE SAME MANAGEMENT TEAM

AS THE FILING ORGANIZATION WITH COMMON GOALS AND MISSIONS.

FOR PUBLIC INSPECTION

2010 Filed

**SCHEDULE J**  
**(Form 990)**Department of the Treasury  
Internal Revenue Service

Name of the organization

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

OMB No. 1545-0047

**2010****Open To Public  
Inspection**

Employer identification number

58-1790149

**Part I Questions Regarding Compensation****1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

- |  |   |
|--|---|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use          |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence          |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)          |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?**3** Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input checked="" type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization

- a** Receive a severance payment or change-of-control payment from the organization or a related organization?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.****5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

- a** The organization?
- b** Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?

If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b	X	
2	X	
4a	X	
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2010

**FOR PUBLIC INSPECTION**

**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)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 LOY HOWARD	(i) 523,166	(ii) 232,763	(iii) 76,124	66,249	0	898,302	0
2 WILLIAM WATERS	(i) 443,340	(ii) 90,500	(iii) 3,952	0	0	537,792	0
3 LARRY STEED	(i) 326,628	(ii) 91,406	(iii) 7,260	0	0	425,294	0
4 JEFF JENNINGS	(i) 280,575	(ii) 79,875	(iii) 31,863	0	0	392,313	0
5 LEE SHERSETH	(i) 305,857	(ii) 77,546	(iii) 7,260	0	0	390,663	0
6 DALE DREILING	(i) 266,993	(ii) 34,562	(iii) 7,067	0	0	308,622	0
7 DENISE TAYLOR	(i) 242,872	(ii) 50,875	(iii) 7,260	0	0	301,007	0
8 MIKE ALEXANDER	(i) 192,477	(ii) 24,873	(iii) 6,000	0	0	223,350	0
9 DEBORAH MATTHEWS	(i) 183,217	(ii) 22,963	(iii) 6,000	0	0	212,180	0
10 WAYNE SENFELD	(i) 179,255	(ii) 25,737	(iii) 6,000	0	0	210,992	0
11 DEBBIE HOLLENSTEIN	(i) 162,648	(ii) 21,719	(iii) 0	0	0	184,367	0
12 CYNTHIA MASTERS	(i) 154,439	(ii) 26,797	(iii) 0	0	0	181,236	0
13 LINDA CONNER	(i) 149,213	(ii) 12,868	(iii) 0	0	0	162,081	0
14 CAROL CREWS	(i) 137,687	(ii) 17,306	(iii) 0	0	0	154,993	0
15 STEPHANIE YATES	(i) 145,055	(ii) 5,000	(iii) 0	0	0	150,055	0
16 JADA REESE, M.D.	(i) 349,081	(ii) 88,414	(iii) 12,500	0	0	449,995	0

Schedule J (Form 990) 2010

**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)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

	(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	ALYSSIA HOWARD, M.D.	(i) 408,285	(ii) 16,952	(iii) 12,500	0	0	437,737	0
2	BRYAN KIRBY, M.D.	(i) 395,549	(ii) 16,952	(iii) 17,599	0	0	430,100	0
3	PRENTICE MCCULLOUGH, M.D.	(i) 398,755	(ii) 16,952	(iii) 12,500	0	0	428,207	0
4	RYAN CORTES, M.D.	(i) 396,556	(ii) 16,952	(iii) 12,500	0	0	426,008	0
5		(i) .	(ii) .	(iii) .	0	0	0	0
6		(i) .	(ii) .	(iii) .	0	0	0	0
7		(i) .	(ii) .	(iii) .	0	0	0	0
8		(i) .	(ii) .	(iii) .	0	0	0	0
9		(i) .	(ii) .	(iii) .	0	0	0	0
10		(i) .	(ii) .	(iii) .	0	0	0	0
11		(i) .	(ii) .	(iii) .	0	0	0	0
12		(i) .	(ii) .	(iii) .	0	0	0	0
13		(i) .	(ii) .	(iii) .	0	0	0	0
14		(i) .	(ii) .	(iii) .	0	0	0	0
15		(i) .	(ii) .	(iii) .	0	0	0	0
16		(i) .	(ii) .	(iii) .	0	0	0	0

Schedule J (Form 990) 2010

58-1790149

TANNER MEDICAL CENTER

Schedule J (Form 990) 2010

**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.

**PART I, LINE 1A - FRINGE OR EXPENSE EXPLANATION**

SOCIAL CLUB DUES ARE PAID ON BEHALF OF SEVERAL EXECUTIVES, BUT ARE APPROVED BY THE CEO AND ACTUAL INVOICES MUST BE SUBMITTED PRIOR TO REIMBURSEMENT. THESE REIMBURSEMENTS ARE INCLUDED IN THE INDIVIDUALS' TAXABLE INCOME.

**PART I, LINE 4 - SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS****SEVERANCE... NONQUALIFIED EQUITY-BASED**

LOY HOWARD	0	66,249	0
JEFF JENNINGS	25,384	0	0

**PART I, LINE 7 - NON-FIXED PAYMENTS PROVIDED**

THE CEO OF THE ORGANIZATION IS ELIGIBLE TO RECEIVE INCENTIVE COMPENSATION IN SUCH AMOUNT, IF ANY, AS DETERMINED BY THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD IN ITS SOLE DISCRETION, BASED ON, AMONG OTHER THINGS, THE ATTAINMENT OF ANNUAL OBJECTIVES ESTABLISHED BY THE BOARD.

**PART III - OTHER ADDITIONAL INFORMATION**

LOY HOWARD, CEO PARTICIPATES IN AN INELIGIBLE UNFUNDED 457(F) PLAN PROVIDED

**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.

TO SENIOR EXECUTIVES AS SET BY HIS EMPLOYMENT CONTRACT. THE PLAN PAYMENTS ARE SUBJECT TO SUBSTANTIAL RISK OF FORFEITURE AND ARE CONDITIONED UPON THE FUTURE PERFORMANCE OF SERVICES. TANNER MEDICAL CENTER, INC LONG TERM RETENTION PLAN IS AN UNFUNDED TOP-HAT PLAN THAT IS PROVIDED TO MR. HOWARD. VESTING OCCURS IN 10% INCREMENTS YEARLY AND FULLY VESTS JUNE 30, 2021. PLAN PAYMENTS ARE SUBJECT TO SUBSTANTIAL RISK OF FORFEITURE AND ARE CONDITIONED UPON THE FUTURE PERFORMANCE OF SERVICES. MR. HOWARD IS ALSO ELIGIBLE FOR THE TANNER ADVANTAGE DEFERRED COMPENSATION PLAN WHICH IS AN ELIGIBLE UNFUNDED 457(B) TOP-HAT PLAN AVAILABLE TO SENIOR EXECUTIVES AND PHYSICIANS. A CONTRIBUTION EQUAL TO THE IRS MAXIMUM CONTRIBUTION LIMIT FOR THE YEAR IS MADE ON MR HOWARD'S BEHALF EACH YEAR. CONTRIBUTIONS FOR ALL THREE PLANS REMAIN THE SOLE PROPERTY OF TANNER AND ARE SUBJECT TO THE CLAIMS OF GENERAL CREDITORS UNTIL DISTRIBUTED TO THE PARTICIPANT.

**FOR PUBLIC INSPECTION**

2010 Filed



**SCHEDULE K**  
**(Form 990)**
**Supplemental Information on Tax-Exempt Bonds**

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part V.

 Department of the Treasury  
 Internal Revenue Service

OMB No 1545-0047

**2010**

▶ Attach to Form 990. ▶ See separate instructions.

 Open to Public  
 Inspection

Name of the organization

TANNER MEDICAL CENTER

 Employer identification number  
 58-1790149

**Part I Bond Issues**

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A CARROLL CITY-COUNTY HOSPITAL AUTH	58-1790149	144709FK3	03/13/08	32,970,000	CONSTRUCTION		X		X		X
B CARROLL CITY-COUNTY HOSPITAL AUTH	58-1790149	144709GC0	08/31/10	81,569,188	CONSTRUCTION & DEFEA		X		X		X
C											
D											

**Part II Proceeds**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue								
4 Gross proceeds in reserve funds								
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds								
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds								
11 Other spent proceeds								
12 Other unspent proceeds								
13 Years of substantial completion								
14 Were the bonds issued as part of a current refunding issue?								
15 Were the bonds issued as part of an advance refunding issue?								
16 Has the final allocation of proceeds been made?								
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?								

**Part III Private Business Use**

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2010

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

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

**Part IV Arbitrage**

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

**Part V Supplemental Information.** Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

2010 Filed

**SCHEDULE L**  
**(Form 990 or 990-EZ)**

 Department of the Treasury  
 Internal Revenue Service

**Transactions With Interested Persons**

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

OMB No 1545-0047

**2010**

 Open To Public  
 Inspection

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

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

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

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

▶ \$

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

▶ \$

**Part II Loans to and/or From Interested Persons.**

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

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
DR. BURSON JHB PROPERTIES										
(1) PURCHASE OF PROPERTY	X		1,000,000	587,797		X	X		X	
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
<b>Total</b>				▶ \$ 587,797						

**Part III Grants or Assistance Benefiting Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

**FOR PUBLIC INSPECTION**

**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of org revenues?	
				Yes	No
(1) STEVE ADAMS	BOARD MEMBER	158,406	AMBULANCE SERVICE		X
(2) ROBERT PITTS, MD	BOARD MEMBER	334,914	BUILDING LEASE		X
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

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

**SCHEDULE L, PART V - ADDITIONAL INFORMATION**

THE ORGANIZATION PURCHASED PROPERTY FROM DR. BURSON AT FAIR MARKET VALUE FOR \$1,000,000 IN MAY 2007. THE TRANSACTION WAS AT ARMS LENGTH AND AN APPRAISAL OF THE PROPERTY WAS OBTAINED. THE CURRENT BALANCE OF THE LOAN AS OF 6/30/2011 IS \$587,797.

STEVE ADAMS, BOARD MEMBER, OWNS WEST GEORGIA AMBULANCE SERVICE. THE ORGANIZATION UTILIZES WEST GEORGIA AMBULANCE FOR PATIENT TRANSPORTATION.

ROBERT PITTS, M.D., BOARD MEMBER, LEASES A BUILDING TO THE ORGANIZATION.

**FOR PUBLIC INSPECTION**

Schedule L (Form 990 or 990-EZ) 2010

**SCHEDULE O**  
(Form 990 or 990-EZ)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 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2010**Open to Public  
Inspection

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

## FORM 990 - ADDITIONAL INFORMATION

AS OF JUNE 30, 2011, TANNER MEDICAL CENTER, INC. IS A REGIONAL HEALTHCARE PROVIDER WITH ALMOST 300 PHYSICIANS REPRESENTING 46 MEDICAL SPECIALTIES. TANNER PROVIDES A WIDE RANGE OF COMPREHENSIVE MEDICAL SERVICES FOR RESIDENTS IN A REGION OF WEST GEORGIA AND EAST ALABAMA. TANNER'S FACILITIES INCLUDE THE 202-BED ACUTE CARE TANNER MEDICAL CENTER/CARROLLTON; THE ROY RICHARDS, SR. CANCER CENTER, TANNER HEART AND VASCULAR CENTER, TANNER BREAST HEALTH, THE TANNER ADVANCED WOUND CENTER, EMPLOYEE ASSISTANCE PROGRAM (TANNER EAP) AND MORE.

MORE INFORMATION ON TANNER MEDICAL CENTER, INC. IS AVAILABLE IN THE HEALTH SYSTEM'S ANNUAL COMMUNITY BENEFIT REPORT, WHICH CAN BE DOWNLOADED AT [HTTP://WWW.TANNER.ORG/MAIN/HEALTHYLIVINGMAGAZINE.ASPX](http://www.tanner.org/main/healthylivingmagazine.aspx).

TANNER MEDICAL CENTER, INC. IS A NOT-FOR-PROFIT HEALTHCARE SYSTEM. THE MEDICAL CENTER PROVIDES INPATIENT, OUTPATIENT AND EMERGENCY CARE SERVICES TO RESIDENTS OF WEST GEORGIA AND SURROUNDING AREAS. ADMITTING PHYSICIANS ARE PRIMARILY PRACTITIONERS IN THE LOCAL AREA AND EMPLOYED PHYSICIANS.

TANNER MEDICAL CENTER, INC. INCLUDES THE FOLLOWING:

TANNER MEDICAL CENTER/CARROLLTON, ESTABLISHED TO PROVIDE COMPREHENSIVE HEALTH CARE SERVICES THROUGH THE OPERATION OF A 180-BED ACUTE CARE

HOSPITAL AND A 21-BED SKILLED NURSING FACILITY IN CARROLLTON, GEORGIA.

**FOR PUBLIC INSPECTION**

2010 Filed

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

TANNER MEDICAL CENTER/VILLA RICA, ESTABLISHED TO PROVIDE COMPREHENSIVE HEALTH CARE SERVICES THROUGH THE OPERATION OF A 40-BED ACUTE CARE HOSPITAL AND WILLOWBROOK AT TANNER/VILLA RICA, A 52 BED PSYCHIATRIC FACILITY IN VILLA RICA, GEORGIA.

TANNER MEDICAL CENTER/HIGGINS GENERAL HOSPITAL, ESTABLISHED TO PROVIDE COMPREHENSIVE HEALTH CARE SERVICES THROUGH THE OPERATION OF A 25-BED CRITICAL ACCESS HOSPITAL IN BREMEN, GEORGIA.

TANNER MEDICAL GROUP, ESTABLISHED TO OPERATE PHYSICIAN PRACTICES IN WEST GEORGIA AND EASTERN ALABAMA.

TANNER MEDICAL CENTER, INC. IS RESPONSIBLE FOR ALLOCATING RESOURCES AND FOR APPROVING BUDGETS, MAJOR CONTRACTS AND DEBT FINANCING FOR ALL ENTITIES.

FORM 990, PART VI, LINE 11B - ORGANIZATION'S PROCESS TO REVIEW FORM 990

THE ORGANIZATION'S VP OF FINANCE GATHERS INFORMATION FOR THE FORM 990 AND

CONSULTS WITH THE CFO AND COMPLIANCE OFFICER ON CERTAIN MATTERS. A DRAFT

COPY IS REVIEWED BY THE VP OF FINANCE AND CFO FOR ACCURACY. THE FINAL

VERSION IS PRESENTED TO THE EXECUTIVE COMMITTEE FOR REVIEW AND QUESTIONS.

THE CHAIRMAN OF THE EXECUTIVE COMMITTEE THEN PRESENTS THIS AT THE NEXT

BOARD MEETING TO THE FULL BOARD. THE 2010 FORM 990 (FYE JUNE 30, 2011) WAS

PRESENTED TO THE BOARD AFTER FILING DUE TO TIME CONSTRAINTS.

FORM 990, PART VI, LINE 12C - ENFORCEMENT OF CONFLICTS POLICY

THE POLICY COVERS ALL EMPLOYEES, SUPPLIERS, MEDICAL STAFF AND VOLUNTEERS.

CONFLICTS ARE REVIEWED BY THE COMPLIANCE OFFICER FOR RESOLUTION. THE

COMPLIANCE OFFICER THEN CONSULTS WITH THE EXECUTIVE TEAM AND THE CEO FOR

FINAL RESOLUTION. PER THE POLICY, ANY PERSON WITH A CONFLICT WILL EXCUSE

THEMSELVES FROM THE DECISION MAKING PROCESS COMPLETELY. BOARD MEMBERS

**FOR PUBLIC INSPECTION**

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

PHYSICALLY LEAVE THE ROOM WHEN DISCUSSIONS OCCUR THAT ARE POTENTIAL CONFLICTS.

TANNER BIDS OUT SERVICES AND IF A COMPANY OWNED BY A BOARD MEMBER CHOOSES TO BID, THERE ARE ADDITIONAL STEPS FOR TRANSPARENCY SUCH AS ADVERTISING THE BIDDING PROCESS IN THE NEWSPAPER. ALL SERVICES ARE COMPARED TO FAIR MARKET VALUE.

FORM 990, PART VI, LINE 15A - COMPENSATION PROCESS FOR TOP OFFICIAL THE ORGANIZATION'S COMPENSATION COMMITTEE REVIEWS RECOMMENDATIONS AND APPROVES COMPENSATION PACKAGES FOR ALL SENIOR MANAGEMENT. TMC USES AN OUTSIDE, NATIONALLY KNOWN COMPENSATION AND BENEFITS FIRM THAT USES SURVEY INFORMATION; REVIEWS JOB STANDARDS; ETC. FOR ALL SENIOR MANAGEMENT.

THE OUTSIDE FIRM ANALYZES COMPARABLE COMPENSATION DATA FOR SIMILARLY QUALIFIED PERSONS IN FUNCTIONALLY COMPARABLE POSITIONS AT SIMILARLY SITUATED ORGANIZATIONS; AND PRESENTS THE DATA TO THE COMPENSATION COMMITTEE. WITH RESPECT TO DELIBERATIONS AND DECISIONS REGARDING THE COMPENSATION ARRANGEMENT, OFFICIAL MINUTES ARE KEPT. THE EXECUTIVE ASSISTANT TO THE CEO MAINTAINS THE MINUTES. THIS PROCESS LAST COMPLETED IN 2011.

FORM 990, PART VI, LINE 15B - COMPENSATION PROCESS FOR OFFICERS  
SEE LINE 15A NARRATIVE.

THE PROCESS IS COMPLETED FOR ALL SENIOR EXECUTIVE LEVEL POSITIONS AND ABOVE.

**FOR PUBLIC INSPECTION**

Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

## FORM 990, PART VI, LINE 19 - GOVERNING DOCUMENTS DISCLOSURE EXPLANATION

THE ORGANIZATION MAKES AVAILABLE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS TO MEMBERS OF THE PUBLIC WHO MAKE THEIR REQUEST AT THE ADMINISTRATIVE OFFICE OF THE ORGANIZATION.

## FORM 990, PART VII - RELATED ORGANIZATIONS

JEFFREY LINDSEY, DMD 1 HOUR

JOHN BURSON III, MD 1 HOUR

MARY COVINGTON 1 HOUR

DANIEL JACKSON 1 HOUR

JERRY CLAYTON 1 HOUR

LARRY BOGGS 1 HOUR

NITA PRICE 1 HOUR

NORMAN BANKS 1 HOUR

ROBERT PITTS, MD 1 HOUR

STEPHEN KAHLER, MD 1 HOUR

STEVE ADAMS 1 HOUR

LOY HOWARD 17 HOURS

WILLIAM WATERS 17 HOURS

LARRY STEED 17 HOURS

JEFF JENNINGS 17 HOURS

LEE SHERSETH 17 HOURS

DALE DREILING 17 HOURS

DENISE TAYLOR 28 HOURS

## FORM 990, PART XI, LINE 5 - OTHER CHANGES IN NET ASSETS EXPLANATION

UNREALIZED GAINS/LOSSES \$8,362,044

**FOR PUBLIC INSPECTION**



Name of the organization

TANNER MEDICAL CENTER

Employer identification number

58-1790149

CHANGE IN INTEREST OF FOUNDATION \$32,600

OTHER NET ASSET ADJUSTMENTS ( 697,384)

TOTAL NET \$7,697,260

**FOR PUBLIC INSPECTION**

Schedule O (Form 990 or 990-EZ) (2010)

**SCHEDULE R**  
**(Form 990)**
**Related Organizations and Unrelated Partnerships**

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2010**
**Open to Public Inspection**

 Department of the Treasury  
 Internal Revenue Service

Name of the organization

TANNER MEDICAL CENTER

 Employer identification number  
 58-1790149

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

(1)	(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)	.....					
(2)	.....					
(3)	.....					
(4)	.....					
(5)	.....					

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

(1)	(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 entity?	
							Yes	No
(1)	TANNER MEDICAL FOUNDATION, INC. 105 DIXIE STREET CARROLLTON GA 30117 58-1790152	FOUNDATION	GA	501C3	11B	N/A		X
(2)	TMC/VILLA RICA HOSPITAL, INC. 105 DIXIE STREET CARROLLTON GA 30117 58-2453303	HEALTHCARE	GA	501C3	3	TMC	X	
(3)	TMC HOSPICE CARE, INC. 705 DIXIE STREET CARROLLTON GA 30117 58-2453302	HEALTHCARE	GA	501C3	7	TMC	X	
(4)	TMC HOME HEALTH, INC. 105 DIXIE STREET CARROLLTON GA 30117 58-2453296	HEALTHCARE	GA	501C3	7	TMC	X	
(5)	TANNER MEDICAL CENTER, INC. GROUP 705 DIXIE STREET CARROLLTON GA 30117 80-0785570	HEALTHCARE	GA	501C3	3	TMC	X	

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2010

2010 Filed

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

Name of the organization

TANNER MEDICAL CENTER

▶ Attach to Form 990. ▶ See separate instructions.

Employer identification number  
58-1790149

OMB No 1545-0047

**2010**

**Open to Public Inspection**

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

(1)	(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)	...					
(2)	...					
(3)	...					
(4)	...					
(5)	...					

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

(1)	(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 entity?	
							Yes	No
(1)	TMC OCCUPATIONAL HEALTH, INC. 705 DIXIE STREET CARROLLTON GA 30117 58-2362404	HEALTHCARE	GA	501C3	9	TMC		X
(2)	TANNER HEALTH SERVICES 705 DIXIE STREET CARROLLTON GA 30117 58-1790151	HEALTHCARE	GA	501C3	9	TMC		X
(3)	TMC TANNER PAIN MANAGEMENT, INC. 705 DIXIE STREET CARROLLTON GA 30117 26-2774343	HEALTHCARE	GA	501C3	9	TMC		X
(4)	TMC HARALSON FAMILY HEALTHCARE 705 DIXIE STREET CARROLLTON GA 30117 58-2378722	HEALTHCARE	GA	501C3	9	TMC		X
(5)	TMC/TALLAPOOSA FAMILY HEALTHCARE 705 DIXIE STREET CARROLLTON GA 30117 58-2378724	HEALTHCARE	GA	501C3	9	TMC		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2010

2010 Filed

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

OMB No 1545-0047

**2010**
**Open to Public Inspection**

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization

TANNER MEDICAL CENTER

Employer identification number  
58-1790149
**Part III Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

	(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)						
(2)						
(3)						
(4)						
(5)						

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

	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?
							Yes
(1)	TMC WEST GEORGIA ANESTHESIA 705 DIXIE STREET CARROLLTON GA 30117 20-3604642	HEALTHCARE	GA	501C3	9	TMC	X
(2)	TANNER INTENSIVE MEDICAL SERVICES 705 DIXIE STREET CARROLLTON GA 30117 20-0336940	HEALTHCARE	GA	501C3	9	TMC	X
(3)	TMC WEST CARROLL FAMILY HEALTHCARE 705 DIXIE STREET CARROLLTON GA 30117 58-2504393	HEALTHCARE	GA	501C3	9	TMC	X
(4)	TANNER FAMILY HEALTHCARE OF 705 DIXIE STREET CARROLLTON GA 30117 26-0585684	HEALTHCARE	GA	501C3	9	TMC	X
(5)	TMC/IMMEDIATE CARE 705 DIXIE STREET CARROLLTON GA 30117 20-0379196	HEALTHCARE	GA	501C3	9	TMC	X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2010

2010 Filed

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

(1)	(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) Dispro- portionate alloc ?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
								Yes	No			
(2)												
(3)												
(4)												

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

(1)	(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)TMC/TEST GEORGIA CARDIOLOGY, INC. 705 DIXIE STREET CARROLLTON GA 30117 58-551827		HEALTHCARE	GA	N/A	C	-524,357	427,659	100.000000
(2)TMC/INTERNAL MEDICINE ASSOCIATES 705 DIXIE STREET CARROLLTON GA 30117 58-1451300		HEALTHCARE	GA	N/A	C	219,820		100.000000
(3)TMC/FAMILY CARE FAMILY MEDICINE, INC 705 DIXIE STREET CARROLLTON GA 30117 20-5661679		HEALTHCARE	GA	N/A	C			100.000000
(4)TMC/BUCHANAN FAMILY HEALTHCARE 705 DIXIE STREET CARROLLTON GA 30117 58-2502339		HEALTHCARE	GA	N/A	C			100.000000
		HEALTHCARE	GA	N/A	C			100.000000

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

(1)	(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) Dispro- portionate alloc?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
								Yes	No			
(2)	.....											
(3)	.....											
(4)	.....											

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

(1)	(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
(2)	(1)TMC/TANNER GYNECOLOGY, INC. 705 DEXIE STREET CARROLLTON GA 30117 58-2637357	HEALTHCARE	GA	N/A	C			100.000000
(3)	(2)TMC/WEST GEORGIA PEDIATRICS, INC 705 DEXIE STREET CARROLLTON ..... GA 30117 58-2362405	HEALTHCARE	GA	N/A	C			100.000000
(4)	.....							

200 Filed

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

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

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

**a** Request of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

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

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

**d** Loan or loan guarantees to or for other organization(s)

**e** Loans or loan guarantees by other organization(s)

**f** Sale of assets to other organization(s)

**g** Purchase of assets from other organization(s)

**h** Exchange of assets

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

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

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

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

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

**n** Sharing of paid employees

**o** Reimbursement paid to other organization for expenses

**p** Reimbursement paid by other organization for expenses

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

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

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

(a)	(b)	(c)	(d)
Name of other organization	Transaction type (a-r)	Amount involved	Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

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

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

	(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
				Yes	No		Yes	No		Yes	No
(1)	.....										
(2)	.....										
(3)	.....										
(4)	.....										
(5)	.....										
(6)	.....										
(7)	.....										
(8)	.....										
(9)	.....										
(10)	.....										
(11)	.....										



**Part VII****Supplemental Information**

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

FOR PUBLIC INSPECTION

Forms  
**990 / 990-PF****Other Notes and Loans Receivable****2010**

For calendar year 2010, or tax year beginning 07/01/10, and ending 06/30/11

Name

Employer Identification Number

TANNER MEDICAL CENTER

58-1790149

## FORM 990, PART X, LINE 7 - ADDITIONAL INFORMATION

Name of borrower	Relationship to disqualified person
(1) PHYSICIAN NOTES RECEIVABLE	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year	Fair market value (990-PF only)
(1)	3,989,907	3,166,146	
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
Totals	3,989,907	3,166,146	

**FOR PUBLIC INSPECTION**

2010 Filed

Forms  
**990 / 990-PF****Loans from Officers, Directors, Trustees, and  
Key Employees or Other Disqualified Persons****2010**

For calendar year 2010, or tax year beginning 07/01/10, and ending 06/30/11

Name

Employer Identification Number

TANNER MEDICAL CENTER

58-1790149

## FORM 990, PART X, LINE 22 - ADDITIONAL INFORMATION

Name of lender	Title
(1) DR. BURSON JHB PROPERTIES	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 1,000,000	04/01/03	03/01/18	MONTHLY	7.500
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1) PROPERTY	PURCHASE OF PROPERTY
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	652,303	587,797
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	652,303	587,797

**FOR PUBLIC INSPECTION**

2010 Filed

Forms  
**990 / 990-PF****Mortgages and Other Notes Payable****2010**

For calendar year 2010, or tax year beginning 07/01/10, and ending 06/30/11

Name

Employer Identification Number

TANNER MEDICAL CENTER

58-1790149

## FORM 990, PART X, LINE 23 - ADDITIONAL INFORMATION

Name of lender	Relationship to disqualified person
(1) PREMIER PURCHASING PARTNERS, L.P.	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 82,616	06/01/05		SEMI ANNUALLY	4.760
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1) PARTNERSHIP SHARES	PURCHASE GROUP CAPITAL INVESTMENT
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	32,450	
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	32,450	

**FOR PUBLIC INSPECTION****2010 Filed**

## Tax-Exempt Bond Liabilities

Form **990****2010**

For calendar year 2010, or tax year beginning 07/01/10, and ending 06/30/11

Name

Employer Identification Number

TANNER MEDICAL CENTER

58-1790149

## FORM 990, PART X, LINE 20 - ADDITIONAL INFORMATION

Name of lender	Purpose of issue
(1) CARROLL CITY-COUNTY HOSPITAL AUTH	ADDITIONS, EXTENSIONS & IMPRO TO TM
(2) SERIES 2001 BONDS	ADDITIONS, EXTENSIONS & IMPROV TMC
(3) SERIES 1998A BONDS	REFUNDING 1986, 1991 & 1994 CERT
(4) CARROLL CITY-COUNTY HOSPITAL AUTH	REFUNDING OF SERIES 1998 & 2001 CER
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Issue date	Original amount of issue	Form 8038 filed Y/N	Date filed	Date retired	Completion date of project	Unexpended bond proceeds
(1) 03/13/08	32,970,000	Y	03/13/08	07/01/38		
(2) 11/01/01	32,175,000	Y	11/21/01	07/01/28		
(3) 12/01/98	13,000,000	Y	01/06/99	07/01/18		
(4) 08/31/10	81,569,188	N		07/01/40		
(5)						
(6)						
(7)						
(8)						
(9)						
(10)						

Third party use percent	Maturity date	Repayment terms	Interest rate
(1)	07/01/38	ANNUAL PRINCIPAL PAYMENTS	5.000
(2)	07/01/28	ANNUALLY	5.250
(3)	07/01/18	ANNUALLY	5.375
(4)	07/01/40	ANNUALLY	4.196
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			

Security provided by borrower	Amount outstanding at beginning of year	Amount outstanding at end of year
(1) REVENUE RECEIPTS	32,394,600	31,799,600
(2) REVENUE RECEIPTS	26,550,000	
(3) REVENUE RECEIPTS	9,575,000	
(4) REVENUE RECEIPTS		81,147,980
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	68,519,600	112,947,580

FOR PUBLIC INSPECTION

2010 Filed