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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 10-01-2010 and ending 09-30-2011

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

C Name of organization
CABELL HUNTINGTON HOSPITAL INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1340 HAL GREER BOULEVARD

City or town, state or country, and ZIP + 4
HUNTINGTON, WV 25701

D Employer identification number
55-0675666

E Telephone number
(304) 526-2167

G Gross receipts $ 427,318,133

F Name and address of principal officer
BRENT MARSTELLER
1340 HAL GREER BLVD
HUNTINGTON, WV 25701

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW CABELLHUNTINGTON ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1986

M State of legal domicile WV

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO MEET LIFETIME HEALTHCARE NEEDS OF THOSE SERVED

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**	17
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	16
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	2,476
6	Total number of volunteers (estimate if necessary)	**6**	302
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	64,909
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	19,409

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	71,520	89,024
	9 Program service revenue (Part VIII, line 2g)	358,696,787	380,687,573
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	4,584,972	5,658,041
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,214,806	1,985,502
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	365,568,085	388,420,140
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	11,053,506	11,527,889
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	166,016,926	169,545,555
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	182,435,197	200,188,471
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	359,505,629	381,261,915
	19 Revenue less expenses Subtract line 18 from line 12	6,062,456	7,158,225

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	414,291,810	418,415,802
	21 Total liabilities (Part X, line 26)	310,345,510	326,831,402
	22 Net assets or fund balances Subtract line 21 from line 20	103,946,300	91,584,400

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

****** | 2012-08-14
Signature of officer | Date

DAVID M WARD SENIOR VP/CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶☐	PTIN
SUSAN S DULL	SUSAN S DULL			

Firm's name ▶ DIXON HUGHES GOODMAN LLP — Firm's EIN ▶

Firm's address ▶ PO BOX 1556
MORGANTOWN, WV 265071556 — Phone no ▶ (304) 292-7343

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

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 MEET THE LIFETIME HEALTHCARE NEEDS OF THOSE SERVED TO PROVIDE THE HIGHEST LEVEL OF SERVICE, QUALITY AND EFFICIENCY TO ADVANCE HEALTHCARE THROUGH EDUCATION

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 $ 349,262,717 including grants of $ 11,527,889) (Revenue $ 381,142,313)

IT IS THE MISSION OF CABELL HUNTINGTON HOSPITAL TO PROMOTE HEALTH IN THE REGION THROUGH DEVELOPMENT AND DELIVERY OF A FULL SPECTRUM OF SERVICES THAT IMPROVE THE PHYSICAL, MENTAL AND SPIRITUAL DIMENSIONS OF LIVES OF THOSE SERVED CABELL HUNTINGTON HOSPITAL IS LICENSED FOR 313 BEDS AND STAFFED 2476 INDIVIDUALS DURING FISCAL YEAR 2011 IN ADDITION TO ITS ADULT AND PEDIATRIC UNITS, IT OPERATES A PEDIATRIC INTENSIVE CARE UNIT, A NEONATAL INTENSIVE CARE UNIT, A BURN INTENSIVE CARE UNIT, A SURGICAL INTENSIVE CARE UNIT, A MEDICAL INTENSIVE CARE UNIT, AND A CORONARY CARE UNIT IN THE VERY NEAR FUTURE, IT WILL HAVE A FULL CHILDREN'S HOSPITAL UNIT CABELL HUNTINGTON HOSPITAL IS GOVERNED BY A VOLUNTARY BOARD OF INDEPENDENT CITIZENS OF THE COMMUNITY ALL EXPENSES FOR PROGRAM SERVICES RELATE TO PROVIDING HEALTHCARE SERVICES TO THE PATIENTS OF CABELL HUNTINGTON HOSPITAL DURING FISCAL YEAR 2011, THE ORGANIZATION PROVIDED SERVICES TO 18,770 INPATIENTS, WHICH RESULTED IN PROVIDING 81,373 DAYS OF CARE THE ORGANIZATION ALSO PROVIDED CARE TO 447,316 OUTPATIENTS THIS INCLUDED 59,247 PATIENT VISITS TO THE ORGANIZATION'S EMERGENCY ROOM, WHICH IS OPERATED 24 HOURS AND IS OPEN TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY IT ALSO PROVIDED AN ADDITIONAL 15,871 OUTPATIENT SURGICAL PROCEDURES AND 17,254 HOME HEALTH VISITS ALTHOUGH REIMBURSEMENT FOR THE SERVICES INDICATED ABOVE IS VITAL TO THE CONTINUING FINANCIAL STABILITY OF THE ORGANIZATION, IT IS RECOGNIZED THAT NOT ALL INDIVIDUALS POSSESS THE ABILITY TO PAY FOR THEIR CARE ACCORDINGLY, THE ORGANIZATION PROVIDES CARE TO PATIENTS WHO MEET ITS CHARITY ESTABLISHED RATES IN FISCAL YEAR 2011, THE ORGANIZATION PROVIDES $25,083,295 OF UNCOMPENSATED CARE, WHICH REPRESENTS 2 9% OF ITS TOTAL PATIENT REVENUE THE ESTIMATED COST OF PROVIDING THIS UNCOMPENSATED CARE WAS $11,358,294 THE ORGANIZATION ALSO PROVIDES SERVICES TO PATIENTS WITH SPECIAL NEEDS AND LOW INCOME THROUGH ITS OBSTETRIC CLINIC THIS CLINIC PROVIDES EDUCATION AND SUPPORT TO EXPECTANT MOTHERS WHO MIGHT OTHERWISE HAVE INSUFFICIENT OR NO PRENATAL CARE THE ORGANIZATION CONTRIBUTED $50,004 TO THE EBENEZER OUTREACH CENTER FOR COMMUNITY PHARMACY SUPPLIES WHICH PROVIDES FREE MEDICATION FOR THOSE WHO QUALIFY THE ORGANIZATION ALSO PARTNERS WITH THE EBENEZER MEDICAL OUTREACH CENTER TO PROVIDE FREE MEDICAL TESTING FOR THE LOCAL INDIGENT POPULATION DURING THE FISCAL YEAR 2011, THE ORGANIZATION PROVIDED $258,608 IN FREE MEDICAL TESTS, WHICH IS INCLUDED IN THE UNCOMPENSATED CARE NOTE ABOVE AS A CONTINUED SUPPORT TO A PROGRAM ESTABLISHED THE PRIOR YEAR, THE ORGANIZATION CONTRIBUTED $65,087 TO HUNTINGOTN'S KITCHEN WHICH IS OPERATED BY EBENEZER OUTREACH CENTER AND PURPOSE IS TO OFFER FREE AND LOW COST HEALTHY COOKING LESSONS TO ANYONE IN THE COMMUNITY THIS PROJECT IS INTENDED TO PROMOTE HEALTHY EATING HABITS TO THE COMMUNITY THE ORGANIZATION OFFERS A VARIETY OF EDUCATION CLASSES, HEALTH FAIRS, AND HEALTH SCREENINGS TO THE PUBLIC THROUGHOUT THE YEAR AT NO CHARGE SERVICES OFFERED AND COSTS TO THE ORGANIZATION FOR FISCAL YEAR 2011 TOTALED AS FOLLOWS EDUCATION $182,660, SCREENINGS $16,685, HEALTH FAIRS $11,271 AND ADDITIONAL COMMUNITY OUTREACH $14,889 THE ORGANIZATION'S SOCIAL WORK DEPARTMENT PROVIDED MEDICATIONS FOR THOSE UNABLE TO AFFORD THE MEDICINES PRESCRIBED BY THE ORGANIZATIONS EMERGENCY ROOM PHYSICIANS ADDITIONALLY, THE DEPARTMENT PROVIDES CAR SEATS FOR INFANTS WHOSE FAMILIES CANNOT AFFORD THEM THE DEPARTMENT ALSO DONATED INFANT CAR SEATS FOR NEONATES WHO WERE TOO SMALL FOR NORMAL CAR SEATS THE ORGANIZATION'S DIETITIANS PROVIDED FREE DIETARY INSTRUCTIONS FOR OUTPATIENTS WHO COULD NOT AFFORD THE NOMINAL COST THE ORGANIZATION PROVIDED FREE MEALS TO FAMILY MEMBERS OF PATIENTS THAT WERE UNABLE TO RETURN HOME FOR MEALS OR FAMILY MEMBERS OF PATIENTS WHO LIVED OUTSIDE A 30 MILE RADIUS OF THE HOSPITAL AND WERE UNABLE TO PAY FOR THESE MEALS THE ORGANIZATION'S VOLUNTEER DEPARTMENT PROVIDED FREE WIGS TO INDIGENT CANCER PATIENTS

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** ▶ $ 349,262,717

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	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, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	56		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	2,476		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			7f		No
g	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?			12a		
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 indoor tanning services during the tax year?			14a		No
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 lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	17		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	16		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . .		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Does the organization have members or stockholders?		6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . .		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

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

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

Section C. Disclosure

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

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

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

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

DAVID M WARD SENIOR VPCFO
1340 HAL GREER BOULEVARD
HUNTINGTON, WV 25701
(304) 526-2000

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

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

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

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

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

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours 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			
See Additional Data Table										

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			
See Additional Data Table										
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								4,270,462	0	918,862

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 ▶ 121

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
UNIVERSITY PHYSICIANS & SURGEONS INC 1600 MEDICAL CENTER DRIVE HUNTINGTON, WV 25701	MEDICAL SCHOOL	20,030,059
BAILES CRAIG & YON PO BOX 1926 HUNTINGTON, WV 25720	LEGAL FEES	1,218,076
RADIOLOGY INC PO BOX 910 HUNTINGTON, WV 25712	RADIOLOGY SERVICES	999,822
WEATHERBY LOCUMS PO BOX 972633 DALLAS, TX 75397	MEDICAL SERVICES	613,775
HOSPITAL HOUSEKEEPING SYSTEMS PO BOX 826 SAN ANTONIO, TX 78293	CONSULTING SERVICES	595,382

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 ▶ 20

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . . 1a					
	b Membership dues 1b					
	c Fundraising events 1c					
	d Related organizations . . . 1d	89,024				
	e Government grants (contributions) 1e					
	f All other contributions, gifts, grants, and similar amounts not included above 1f					
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		89,024			
Program Service Revenue		Business Code				
	2a NET PATIENT REVENUE	621990	369,697,431	369,697,431		
	b LABORATORY INCOME	621500	10,030,928	9,966,978	63,950	
	c AEROMED INCOME	621990	954,402	954,402		
	d					
	e					
	f All other program service revenue		4,812	4,812		
	g **Total.** Add lines 2a–2f . . . . . ▶		380,687,573			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		2,201,548		959	2,200,589
	4 Income from investment of tax-exempt bond proceeds . . ▶		10,963			10,963
	5 Royalties . . . . . ▶					
		(i) Real	(ii) Personal			
	6a Gross Rents	283,300				
	b Less rental expenses	156,295				
	c Rental income or (loss)	127,005				
	d Net rental income or (loss) . . . . . ▶		127,005	127,005		
		(i) Securities	(ii) Other			
	7a Gross amount from sales of assets other than inventory	40,736,095	1,451,133			
	b Less cost or other basis and sales expenses	38,741,698				
	c Gain or (loss)	1,994,397	1,451,133			
	d Net gain or (loss) . . . . . ▶		3,445,530			3,445,530
Other Revenue	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a					
	b Less direct expenses . . . b					
	c Net income or (loss) from fundraising events . . ▶					
	9a Gross income from gaming activities See Part IV, line 19 . a					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . ▶					
	10a Gross sales of inventory, less returns and allowances . a					
	b Less cost of goods sold . . b					
	c Net income or (loss) from sales of inventory . . ▶					
	Miscellaneous Revenue	Business Code				
	11a CAFETERIA	624200	1,466,812			1,466,812
	b OUTSIDE SERVICES	621990	310,594	310,594		
	c					
	d All other revenue		81,091	81,091		
	e **Total.** Add lines 11a–11d . . . . . ▶		1,858,497			
	12 **Total revenue.** See Instructions . . . ▶		388,420,140	381,142,313	64,909	7,123,894

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	11,527,889	11,527,889		
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	2,914,974	582,995	2,331,979	
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	118,802,727	106,922,454	11,880,273	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	14,996,826	13,497,143	1,499,683	
9	Other employee benefits	24,187,041	21,768,337	2,418,704	
10	Payroll taxes	8,643,987	7,779,588	864,399	
a	Fees for services (non-employees) Management				
b	Legal	1,046,022		1,046,022	
c	Accounting	239,464		239,464	
d	Lobbying				
e	Professional fundraising services *See Part IV, line 17*				
f	Investment management fees	292,522		292,522	
g	Other	34,038,557	33,698,171	340,386	
12	Advertising and promotion	3,339,768	3,339,768		
13	Office expenses	59,165,145	56,471,830	2,693,315	
14	Information technology	3,492,357	3,317,739	174,618	
15	Royalties				
16	Occupancy	15,222,992	11,417,244	3,805,748	
17	Travel	257,594	180,316	77,278	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	6,048,227	4,536,170	1,512,057	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	17,369,023	15,632,121	1,736,902	
23	Insurance	6,214,625	6,090,332	124,293	
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 DEBT	38,575,799	38,575,799		
b	MEDICAL EDUCATION	7,191,597	7,191,597		
c	PROVIDER TAX	6,733,224	6,733,224		
d					
e					
f	All other expenses	961,555		961,555	
25	**Total functional expenses.** Add lines 1 through 24f	381,261,915	349,262,717	31,999,198	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		50,467,503	1	70,344,516
	2	Savings and temporary cash investments		363,217	2	354,710
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		49,627,212	4	50,337,317
	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) Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		5,274,297	8	5,932,843
	9	Prepaid expenses and deferred charges		1,900,983	9	1,162,003
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 369,155,849			
	b	Less accumulated depreciation	10b 187,628,507	192,138,747	10c	181,527,342
	11	Investments—publicly traded securities		75,684,400	11	77,174,615
	12	Investments—other securities See Part IV, line 11		12,957,302	12	14,692,458
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		25,878,149	15	16,889,998
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		414,291,810	16	418,415,802
Liabilities	17	Accounts payable and accrued expenses		57,632,916	17	60,147,855
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		128,103,450	20	124,543,324
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties		6,848,625	23	7,284,444
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		117,760,519	25	134,855,779
	26	**Total liabilities.** Add lines 17 through 25		310,345,510	26	326,831,402
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		82,485,205	27	71,425,578
	28	Temporarily restricted net assets		21,461,095	28	20,158,822
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		103,946,300	33	91,584,400
	34	Total liabilities and net assets/fund balances		414,291,810	34	418,415,802

Part XI Reconcilliation 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)	1	388,420,140
2	Total expenses (must equal Part IX, column (A), line 25)	2	381,261,915
3	Revenue less expenses Subtract line 2 from line 1	3	7,158,225
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	103,946,300
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-19,520,125
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	91,584,400

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

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?

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

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

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

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

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

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2009 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2010.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2009.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶☐

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

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

Section B. Total Support

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

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15	Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	**15**	
16	Public support percentage from 2009 Schedule A, Part III, line 15	**16**	

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2010.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **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 ▶☐

Part IV **Supplemental Information.** 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).

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		6,415,591		6,415,591
b Buildings		184,511,648	28,254,928	156,256,720
c Leasehold improvements				
d Equipment		164,390,672	158,213,186	6,177,486
e Other		13,837,938	1,160,393	12,677,545
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				181,527,342

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
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should 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
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
ACCRUED PROFESSIONAL LIABILITY	13,748,000
ACCRUED POST RETIREMENT BENEFITS COST	114,975,185
DEFERRED GAIN	5,687,929
OTHER LIABILITIES	444,665
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	134,855,779

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 (ASC740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	388,420,140
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	381,261,915
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	7,158,225
4	Net unrealized gains (losses) on investments	4	-5,109,574
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	-4,615
8	Other (Describe in Part XIV)	8	-14,405,936
9	Total adjustments (net) Add lines 4 - 8	9	-19,520,125
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-12,361,900

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	372,624,414
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-5,109,574		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	-10,842,447		
e	Add lines **2a** through **2d**			2e	-15,952,021
3	Subtract line **2e** from line **1**			3	388,576,435
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	-156,295		
c	Add lines **4a** and **4b**			4c	-156,295
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	388,420,140

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

1	Total expenses and losses per audited financial statements			1	383,679,428
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	2,710,035		
e	Add lines **2a** through **2d**			2e	2,710,035
3	Subtract line **2e** from line **1**			3	380,969,393
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	292,522		
c	Add lines **4a** and **4b**			4c	292,522
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	381,261,915

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
PART XI, LINE 8 - OTHER ADJUSTMENTS		DECREASE IN PENSION LIABILITY -13,543,557 CHANGE IN EFFECTIVE INTEREST RATE SWAP -2,553,740 ASSETS RELEASED FROM RESTRICTION FOR CANCER CENTER 1,691,361
PART XII, LINE 2D - OTHER ADJUSTMENTS		DECREASE IN PENSION LIABILITY INCLUDED IN REVENUE ON AFS -13,543,557 INVESTMENT MANAGEMENT FEES NETTED WITH REVENUE ON AFS -292,522 ASSETS RELEASED FROM RESTRICTION FOR CANCER CENTER 2,993,632
PART XII, LINE 4B - OTHER ADJUSTMENTS		RENTAL EXPENSES NETTED WITH REVENUE ON FORM 990 -156,295
PART XIII, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN EFFECTIVE INTEREST RATE SWAP INCLUDED IN EXPENSES ON AFS 2,553,740 RENTAL EXPENSES NETTED WITH REVENUE ON FORM 990 156,295
PART XIII, LINE 4B - OTHER ADJUSTMENTS		INVESTMENT MANAGEMENT FEES NETTED WITH REVENUE ON AFS 292,522
		PART X, LINE 2 - FIN 48 FOOTNOTE THE FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) ISSUED ACCOUNTING GUIDANCE THAT PRESCRIBES A MINIMUM RECOGNITION THRESHOLD A TAX POSITION IS REQUIRED TO MEET BEFORE BEING RECOGNIZED IN THE FINANCIAL STATEMENTS IT ALSO PROVIDES GUIDANCE ON DERECOGNITION, MEASUREMENT, CLASSIFICIATION, INTEREST AND PENALTIES, ACCOUNTING IN INTERIM PERIODS, DISCLOSURE, AND TRANSITION FUTURE INTEREST AND PENALTIES ATTRIBUTABLE TO INCOME TAXES, IF ANY, WILL BE RECOGNIZED AS A COMPONENT OF THE INCOME TAX PROVISION OR BENEFIT THE ORGANIZATION RECORDS ANY ACCRUALS FOR UNCERTAIN TAX POSITIONS UNDER ASC 740, INCOME TAXES THE ORGANIZATION HAD NO ACCRUALS FOR UNCERTAIN TAX POSITIONS AS OF SEPTEMBER 30, 2011 AND 2010

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a .	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☑ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . . ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☑ Other 180.000000000000 %	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	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"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? . . .	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Does the organization prepare a community benefit report during the tax year?	6a		No
6b	If "Yes," did the organization make it available to the public?	6b		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 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
a Financial Assistance at cost (from Worksheets 1 and 2)			16,540,447	0	16,540,447	4 340 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			95,221,519	66,999,118	28,222,401	7 400 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			111,761,966	66,999,118	44,762,848	11 740 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			225,505	0	225,505	0 060 %
f Health professions education (from Worksheet 5)			11,412,797	2,661,431	8,751,366	2 300 %
g Subsidized health services (from Worksheet 6)			22,271,709	19,319,602	2,952,107	0 770 %
h Research (from Worksheet 7)			402,641	10,839	391,802	0 100 %
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j **Total** Other Benefits			34,312,652	21,991,872	12,320,780	3 230 %
k **Total.** Add lines 7d and 7j			146,074,618	88,990,990	57,083,628	14 970 %

Part II **Community Building Activities** during the tax year, and describe in Part VI how its 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						
2	Economic development			32,500		32,500	0 010 %
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy			220,290		220,290	0 060 %
8	Workforce development						
9	Other						
10	**Total**			252,790		252,790	0 070 %

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

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1			No
2	Enter the amount of the organization's bad debt expense (at cost)	2	15,082,606		
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	3	784,820		
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				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	91,593,526		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	100,789,539		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-9,196,013		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☐ Cost to charge ratio ☑ Other

Section C. Collection Practices

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

Part IV **Management Companies and Joint Ventures**

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

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	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	CABELL HUNTINGTON HOSPITAL 1340 HAL GREER BOULEVARD HUNTINGTON,WV 25701	X			X			X		

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (Describe)
1	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information

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

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B

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

Identifier	ReturnReference	Explanation
		PART II THE HOSPITAL'S COMMUNITY BUILDING ACTIVITIES, AS REPORTED IN PART II, PROMOTE THE HEALTH OF THE COMMUNITY OR COMMUNITIES THE ORGANIZATION SERVES DURING FY 2011, THE HOSPITAL COMMUNITY OUTREACH EVENTS TOTALED 274, WITH 682 VOLUNTEERS AND OVER 42,000 INDIVIDUALS WITHIN THE COMMUNITIES SERVED THE HOSPITAL WELCOMES INPUT FROM THE COMMUNITIES AS TO WHICH EVENTS IT SHOULD PURSUE FUTURE EVENTS ARE DETERMINED BASED UPON THE COMMUNITY NEEDS ASSESSMENT AND OTHER FACTORS MANY OF THE ACTIVITIES PERFORMED MEET THE CRITERIA FOR COMMUNITY HEALTH IMPROVEMENT SERVICES A REQUEST FROM A PUBLIC AGENCY OR COMMUNITY GROUP WAS THE BASIS FOR INITIATING OR CONTINUING THE ACTIVITY OR PROGRAM, ACTIVITIES OR PROGRAMS THAT SEEK TO ACHIEVE OBJECTIVES, INCLUDING IMPROVING ACCESS TO HEALTH SERVICES, ENHANCING PUBLIC HEALTH, AND RELIEF OF GOVERNMENT BURDEN, AVAILABLE TO THE PUBLIC AND SERVE LOW-INCOME CONSUMERS, ADDRESS FEDERAL, STATE OR LOCAL PUBLIC HEALTH PRIORITIES, LEVERAGE OR ENHANCE PUBLIC HEALTH DEPARTMENT ACTIVITIES, AND OTHERWISE WOULD BECOME THE RESPONSIBILITY OF GOVERNMENT OR ANOTHER TAX-EXEMPT ORGANIZATION SOME OF THE HIGHLIGHTS INCLUDE A SIGNIFICANT EFFORT TO PROMOTE HEALTHY LIFESTYLES IN THE TRI-STATE REGION BY PARTNERING WITH EBENEZER OUTREACH CENTER TO CONTINUE TO PROMOTE HEALTHY EATING CHOICES THIS PROJECT CONTINUES WITH HUNTINGTON'S KITCHEN AND ALLOWS RESIDENTS OF OUR AREA TO TAKE HEALTHY COOKING CLASSES TO HELP ELIMINATE SOME OF THE LOCAL HEALTH PROBLEMS ALONG THE SAME LINES, WE CONTINUE TO PARTNER WITH THE HUNTINGTON MALL TO OPEN A HEALTHY KIDS PLAY PLACE THAT ALLOWS CHILDREN TO HAVE A SAFE AND HEALTHY PLACE TO EXERCISE AND BE REMINDED OF HEALTHY LIFESTYLES

Identifier	ReturnReference	Explanation
		PART III, LINE 4 THE PROVISION FOR BAD DEBTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING HISTORICAL BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION INDICATORS PERIODICALLY THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON HISTORICAL WRITE-OFF EXPERIENCE BY PAYOR CATEGORY THE RESULTS OF THIS REVIEW ARE THEN USED TO MAKE ANY MODIFICATION TO THE PROVISION FOR BAD DEBTS TO ESTABLISH AN APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS EFFECTIVE OCTOBER 1, 2010, THE ORGANIZATION CHANGED ITS POLICY OF WRITING OFF BAD DEBT PATIENT RECEIVABLES WHENEVER THE PATIENT AGREES TO A PAYMENT PLAN AS THE ORGANIZATION HAS DEMONSTRATED SUCCESSFUL RESULTS IN COLLECTING RECEIVEABLES FOR PATIENTS WHO HAVE AGREED TO A PAYMENT PLAN, THESE AMOUNTS WILL REMAIN IN PATIENT ACCOUNTS RECEIVABLE AT THEIR ESTIMATED NET REALIZABLE AMOUNTS AND WILL BE EVALUATED AS PART OF MANAGEMENT'S ASSESSMENT OF THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE AMOUNTS THE COSTING METHOD USED FOR LINE TWO IS THE METHOD SUGGESTED IN THE INSTRUCTIONS FOR WORKSHEET 1, FINANCIAL ASSISTANCE AT COST IN THE INTERNAL REVENUE INSTRUCTIONS FOR FORM990 SCHEDULE H THIS METHOD CALCULATES A COST RATIO BY USING TOTAL OPERATING EXPENSES LESS BAD DEBT AND OTHER EXPENSE ADJUSTMENTS DIVIDED BY GROSS PATIENT REVENUES THE RATIO IS THEN APPLIED TO BAD DEBT EXPENSE TO GET THE ESTIMATED COST LINE THREE IS A PERCENTAGE DERIVED BY AN ESTIMATED NUMBER OF PATIENTS WHO START THE FINANCIAL ASSISTANCE PROGRAM AND DO NOT COMPLETE THE PROCESS THERE ARE A NUMBER OF PATIENTS THAT DO NOT APPLY FOR FINANCIAL ASSISTANCE AND ARE DEFINITELY UNABLE TO PAY FOR THEIR OUT OF POCKET MEDICAL EXPENSES IF THESE PATIENTS WENT THROUGH THE FINANCIAL ASSISTANCE PROCESS, THEY WOULD QUALIFY THESE PATIENTS STILL NEED TO BE TREATED AND THIS IS WHY WE BELIEVE THIS SHOULD BE TREATED AS A COMMUNITY BENEFIT

Identifier	ReturnReference	Explanation
		PART III, LINE 8 BECAUSE THE HOSPITAL IS A COMMUNITY BASED TEACHING HOSPITAL AND SERVING THE COMMUNITY WITHOUT REGARD TO ABILITY TO PAY, THIS AMOUNT SHOULD BE CONSIDERED A COMMUNITY BENEFIT THE EXPENSES ALLOCATED TO THE MEDICARE REVENUE ARE FROM THE UFR REPORT AND ARE ALLOCATED TO CARRIER BY GROSS CHARGE RATIO

Identifier	ReturnReference	Explanation
		PART III, LINE 9B THE HOSPITAL HAS INFORMATION ABOUT ITS CHARITY CARE POLICY AND APPLICATIONS AVAILABLE IN ALL REGISTRATION AREAS OF THE HOSPITAL AS WELL AS ITS OFFSITE LOCATIONS THE HOSPITAL EMPLOYS FINANCIAL COUNSELORS WHO VISIT INPATIENTS IN ELIGIBLE FINANCIAL CLASSES TO PROVIDE INFORMATION ABOUT CHARITY CARE AS WELL AS RESPOND TO INQUIRIES FROM OUTPATIENTS REGARDING CHARITY CARE AND PROVIDE ASSISTANCE WITH THE CHARITY CARE APPLICATION PROCESS PATIENTS CAN COMMUNICATE WITH FINANCIAL COUNSELORS IN PERSON OR BY TELEPHONE, MAIL OR FAX IN ORDER TO LEARN MORE ABOUT THE HOSPITAL'S CHARITY CARE POLICY AND PROVIDE INFORMATION REGARDING THEIR ELIGIBILITY FOR CHARITY CARE THE HOSPITAL ALSO CONTRACTS WITH MEDICAID ELIGIBILITY SPECIALISTS TO ASSIST THOSE PATIENTS WHO QUALIFY FOR MEDICAID INFORMATION ABOUT THE HOSPITAL'S CHARITY CARE POLICY AND PROCESS IS POSTED ON THE HOSPITAL'S WEBSITE IT IS THE RESPONSIBILITY OF THE PATIENT TO MAKE SURE ALL OF THE DOCUMENTATION TO QUALIFY FOR ASSISTANCE IS FILED WITH THE HOSPITAL AND ANY GOVENMENT ASSISTANCE PROGRAMS IF THEY FAIL TO DO SO, THE PATIENT IS BILLED, AND IN MOST CASES, THEY WILL CALL THE BILLING DEPARTMENT THE BILLING DEPARTMENT WILL REFER THEM BACK TO A FINANCIAL COUNSELOR TO FINISH THE NECESSARY FILINGS BILLING WILL BE NOTIFIED IF THE ACCOUNT IS TO BE DISCOUNTED AND/OR SET UP ON A PAYMENT SCHEDULE IF THE PATIENT FAILS TO FOLLOW THROUGH AT THIS TIME, LASTLY, THE ACCOUNT IS SENT TO THE COLLECTION AGENCY

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 THE HOSPITAL ASSESSES THE HEALTH CARE NEEDS OF THE COMMUNITIES IT SERVES BY CONDUCTING ITS OWN NEEDS ASSESSMENTS AND CONSULTING WITH COMMUNITY HEALTHCARE PROVIDERS, SUCH AS THE MARSHALL UNIVERSITY JOAN C EDWARDS SCHOOL OF MEDICINE, AND COMMUNITY AGENCIES A NEEDS ASSESSMENT WAS PERFORMED DURING FY 2009 AS PART OF THE HOSPITAL'S STRATEGIC PLANNING PROCESS IN ORDER TO IDENTIFY SERVICES NEEDED BY THE COMMUNITY IN ADDITION, THE HOSPITAL HAS PROVIDED SUPPORT TO COMMUNITY AGENCIES WITH PROGRAMS SUCH AS COMMUNITY PHARMACIES IN ORDER TO MEET COMMUNITY NEEDS THAT THE HOSPITAL IS NOT DIRECTLY ABLE TO MEET THE SENIOR LEADERSHIP AND/OR BOARD MEMBERS OF THE HOSPITAL PLAY AN ACTIVE ROLE IN THE NEEDS ASSESSMENT AND HAVE REVIEWED THE FINDINGS OF HEALTHCARE NEEDS ASSESSMENTS AND FACTORED THOSE FINDINGS INTO STRATEGY AND POLICY DEVELOPMENT THERE WILL BE AN UPCOMING NEEDS ASSESSMENT PERFORMED IN SEPTEMBER 2012 IN CONJUNCTION WITH CABELL COUNTY HEALTH DEPARTMENT

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 THE HOSPITAL HAS INFORMATION ABOUT ITS CHARITY CARE POLICY AND APPLICATIONS AVAILABLE IN ALL REGISTRATION AREAS OF THE HOSPITAL AS WELL AS ITS OFFSITE LOCATIONS THE HOSPITAL EMPLOYS FINANCIAL COUNSELORS WHO VISIT INPATIENTS IN ELIGIBLE FINANCIAL CLASSES TO PROVIDE INFORMATION ABOUT CHARITY CARE AS WELL AS RESPOND TO INQUIRIES FROM OUTPATIENTS REGARDING CHARITY CARE AND PROVIDE ASSISTANCE WITH THE CHARITY CARE APPLICATION PROCESS PATIENTS CAN COMMUNICATE WITH FINANCIAL COUNSELORS IN PERSON OR BY TELEPHONE, MAIL OR FAX IN ORDER TO LEARN MORE ABOUT THE HOSPITAL'S CHARITY CARE POLICY AND PROVIDE INFORMATION REGARDING THEIR ELIGIBILITY FOR CHARITY CARE THE HOSPITAL ALSO CONTRACTS WITH MEDICAID ELIGIBILITY SPECIALISTS TO ASSIST THOSE PATIENTS WHO QUALIFY FOR MEDICAID INFORMATION ABOUT THE HOSPITAL'S CHARITY CARE POLICY AND PROCESS IS POSTED ON THE HOSPITAL'S WEBSITE

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 THE HOSPITAL IS LOCATED IN HUNTINGTON, CABELL COUNTY, WEST VIRGINIA CABELL COUNTY IS LOCATED IN THE WESTERN PORTION OF THE STATE OF WEST VIRGINIA AND IS BORDERED ON THE NORTHWEST BY OHIO AND ON THE SOUTHWEST BY KENTUCKY (A REGION REFERRED TO AS THE TRI-STATE AREA) HUNTINGTON IS ONE OF THE THREE METROPOLITAN CENTERS IN THE TRI-STATE AREA DUE TO SPECIALIZED SERVICES SUCH AS ITS BURN UNIT, PEDIATRIC INTENSIVE CARE AND NEONATAL INTENSIVE CARE UNITS, THE HOSPITAL IS A REGIONAL REFERRAL CENTER SERVING A POPULATION OF APPROXIMATELY 1,000,000 IN ITS PRIMARY AND SECONDARY SERVICE AREAS THAT POPULATION IS EXPECTED TO DECLINE BY APPROXIMATELY 6,000 OVER THE NEXT FIVE YEARS, WHILE THE PORTION OF THAT POPULATION THAT IS OVER AGE 65 WILL INCREASE BY ABOUT 17,000 THE HOSPITAL DRAWS PATIENTS FROM MORE THAN 27 COUNTIES IN WEST VIRGINIA, EASTERN KENTUCKY AND SOUTHERN OHIO THE HOSPITAL'S PRIMARY SERVICE AREA CONSISTS OF CABELL, WAYNE AND LINCOLN COUNTIES IN WEST VIRGINIA AND LAWRENCE COUNTY, OHIO, ALL OF WHICH CONTAIN MEDICALLY UNDERSERVED AREAS AS DESIGNATED BY THE US DEPARTMENT OF HEALTH AND HUMAN SERVICES THE HOSPITAL'S PRIMARY SERVICE AREA HAS A POPULATION OF OVER 220,000 AND APPROXIMATELY 65% OF THE TOTAL DISCHARGES IN 2009 ORIGINATE FROM ITS PRIMARY SERVICE AREA THE HOSPITAL'S SECONDARY SERVICE AREA, WHICH INCLUDES COUNTIES IN WEST VIRGINIA, EASTERN KENTUCKY AND SOUTHERN OHIO, ACCOUNTS FOR AN ADDITIONAL 27% OF DISCHARGES IN 2009, WITH THE REMAINING 8% COMING FROM OUTSIDE THE SERVICE AREAS THE AVERAGE MEDIAN HOUSEHOLD INCOME FOR THE PRIMARY SERVICE AREA IS APPROXIMATELY $35,000, WHILE APPROXIMATELY 21% OF THE POPULATION IN THE PRIMARY SERVICE AREA IS CLASSIFIED AS BEING IN POVERTY BY THE US CENSUS BUREAU THE HOSPITAL IS AFFILIATED WITH THE MARSHALL UNIVERSITY JOAN C EDWARDS SCHOOL OF MEDICINE AND ITS GRADUATE MEDICAL EDUCATION PROGRAMS, WHICH TRAINS PRIMARY CARE AND SPECIALTY PHYSICIANS FOR WEST VIRGINIA AND THE REGION THE HOSPITAL'S AFFILIATION ALSO ENABLES IT TO PROVIDE SPECIALIZED HEALTHCARE SERVICES SUCH AS HIGH RISK OBSTETRICS, NEONATAL INTENSIVE CARE, PEDIATRIC INTENSIVE CARE, AND COMPREHENSIVE ONCOLOGY CARE THE HOSPITAL ALSO SERVES AS A CLINICAL TRAINING SITE FOR A NUMBER OF HEALTH PROFESSION EDUCATION PROGRAMS, INCLUDING NURSING, PHARMACY, PHYSICAL AND OCCUPATIONAL THERAPY, AND RADIOLOGICAL TECHNOLOGY

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 THE HOSPITAL IS GOVERNED BY A COMMUNITY-BASED BOARD OF DIRECTORS THAT INCLUDES REPRESENTATIVES OF SMALL BUSINESSES, ORGANIZED LABOR, THE ELDERLY AND LOWER-INCOME CONSUMERS, IN COMPLIANCE WITH STATE LAW A MAJORITY OF THE HOSPITAL'S BOARD OF DIRECTORS IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA WHO ARE NEITHER EMPLOYEES, CONTRACTORS OF THE ORGANIZATION, NOR FAMILY MEMBERS THEREOF THE HOSPITAL PROVIDES SPECIALIZED SERVICES NOT OTHERWISE AVAILABLE TO MEMBERS OF THE COMMUNITY, SUCH AS ITS NEONATAL AND PEDIATRIC SERVICES THE HOSPITAL OPERATES AN EMERGENCY DEPARTMENT AVAILABLE TO ALL REGARDLESS OF ABILITY TO PAY AS NOTED ABOVE, THE HOSPITAL PARTICIPATES IN THE EDUCATION AND TRAINING OF HEALTHCARE PROFESSIONALS, AND PROVIDES SUPPORT FOR MEDICAL RESEARCH CARRIED OUT BY MEDICAL SCHOOL FACULTY AND PHYSICIANS IN TRAINING THE HOSPITAL PARTICIPATES IN GOVERNMENT-SPONSORED HEALTH PROGRAMS

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

Part I General Information on Grants and Assistance

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

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

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed. . . . ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) EBENEZER MEDICAL OUTREACH CENTER1448 TENTH AVE HUNTINGTON,WV 25701	55-0745033	501(C)(3)	50,004				MEDICAL/PHARMACY OUTREACH
(2) EBENEZER MEDICAL OUTREACH CENTER1448 TENTH AVE HUNTINGTON,WV 25701	55-0745033	501(C)(3)	65,087				HEALTHY EATING PROGRAM
(3) MARSHALL UNIVERSITYONE JOHN MARSHALL DRIVE HUNTINGTON,WV 25755	55-6000789	501(C)(3)	11,412,798				MEDICAL SCHOOL

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

3 Enter total number of other organizations . . . ▶ 0

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

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

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 THE ORGANIZATION HAS THE FOLLOWING PLAN ESTABLISHED TO MONITOR THE USE OF THE GRANT FUNDS THE GRANTS AND FINANCIAL ASSISTANCE PROVIDED BY THE HOSPITAL ARE APPROVED BY THE HOSPITAL'S PRESIDENT/CEO THEY ARE APPROVED BASED ON THE NEEDS OF THE ORGANIZATION APPLYING FOR THEM AND HOW THEY WILL USE THE FUNDS RELATED TO THE HOSPITAL'S MISSION THE GRANTS AND ASSISTANCE GIVEN TO MARSHALL UNIVERSITY ARE TO AID IN THE DEVELOPMENT OF THE HOSPITAL THROUGH THE INTERN AND RESIDENT PROGRAMS ASSISTANCE IS GIVEN TO A COMMUNITY MEDICAL OUTREACH PROGRAM FOR HEALTH SERVICES AND A HEALTHY EATING PROGRAM THAT WAS BEGUN IN THE PREVIOUS YEAR THE HOSPITAL HAS VARIOUS STAFF MEMBERS WHO SERVE ON THE BOARD OF DIRECTORS OF THE ORGANIZATIONS RECEIVING THE FUNDS THEY REVIEW THE FINANCIAL INFORMATION PRESENTED AT REGULAR MEETINGS AND REPORT BACK TO THE HOSPITAL AND PRESIDENT/CEO THE FUNDS DISPERSED FOR THIS ASSISTANCE IS REQUESTED WITH AN INVOICE AND CHECK REQUEST SIGNED BY THE APPROPRIATE HOSPITAL REPRESENTATIVE
OTHER INFORMATION	PART IV	SCHEDULE I, PART I, LINE 1 AND 2 THE ORGANIZATION RESPONDS TO REQUESTS FOR ASSISTANCE FROM LEGITIMATE ORGANIZATIONS IN THE COMMUNITY THAT ARE KNOWN TO THE FILING ORGANIZATION ELIGIBILITY IS BASED ON THE ORGANIZATIONS' MISSIONS (EDUCATION, HEALTHCARE, OR RELATED COMMUNITY BENEFITS), AND SELECTION IS BASED ON WHETHER THE FILING ORGANIZATION BELIEVES THE NEED FOR THE ASSISTANCE IS RESPONSIVE TO ITS MISSION

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☑ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply			
	☑ Compensation committee	☑ Written employment contract		
	☑ Independent compensation consultant	☑ Compensation survey or study		
	☑ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment from the organization or a related organization?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use 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) BRENT MARSTELLER	(i)	616,628	250	15,575	74,062	19,229	725,744	0
	(ii)	0	0	0	0	0	0	0
(2) DAVID M WARD	(i)	287,449	250	1,176	126,850	10,298	426,023	0
	(ii)	0	0	0	0	0	0	0
(3) GLEN WASHINGTON	(i)	239,169	250	1,038	31,764	19,229	291,450	0
	(ii)	0	0	0	0	0	0	0
(4) HOYT BURDICK	(i)	294,268	250	1,038	79,135	19,229	393,920	0
	(ii)	0	0	0	0	0	0	0
(5) PAUL SMITH	(i)	184,965	250	918	90,111	10,840	287,084	0
	(ii)	0	0	0	0	0	0	0
(6) ROSEMARY SMITH	(i)	185,826	250	1,038	100,340	10,587	298,041	0
	(ii)	0	0	0	0	0	0	0
(7) BARRY TOURIGNY	(i)	194,372	250	918	6,494	18,937	220,971	0
	(ii)	0	0	0	0	0	0	0
(8) W MARK TWILLA	(i)	171,271	250	840	4,848	19,081	196,290	0
	(ii)	0	0	0	0	0	0	0
(9) DAVID GRALEY	(i)	188,245	250	1,176	27,889	18,937	236,497	0
	(ii)	0	0	0	0	0	0	0
(10) MICHAEL VEGA MD	(i)	365,031	250	0	20,096	19,229	404,606	0
	(ii)	0	0	0	0	0	0	0
(11) ALFREDO RIVAS MD	(i)	368,490	250	0	34,096	19,229	422,065	0
	(ii)	0	0	0	0	0	0	0
(12) MARCOS JAVIER MD	(i)	361,693	250	0	0	19,229	381,172	0
	(ii)	0	0	0	0	0	0	0
(13) MICKEY NEAL MD	(i)	426,759	250	0	40,069	19,229	486,307	0
	(ii)	0	0	0	0	0	0	0
(14) FAROUK H ABADIR MD	(i)	359,079	250	0	40,596	19,229	419,154	0
	(ii)	0	0	0	0	0	0	0
(15)								
(16)								

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	PART I, LINE 1A	THE ORGANIZATION PAID DUES TO GUYAN COUNTRY CLUB FOR THE MEMBERSHIP OF BRENT MARSTELLER THIS WAS NOT CONSIDERED TAXABLE INCOME TO HIM

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

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) Pool financing	
							Yes	No	Yes	No	Yes	No
A	WV HOSPITAL FINANCE AUTHORITY 2004 SERIES A	62-1256910	956622WA8	12-16-2004	14,095,000	RETIRE DEBT/CAPITAL IMPROVEMENTS		X		X		X
B	WV HOSPITAL FINANCE AUTHORITY 2008 SERIES A	62-1256910	956622YU2	10-16-2008	48,480,000	REFUND 2004 SERIES A AND B		X		X		X
C	WV HOSPITAL FINANCE AUTHORITY 2008 SERIES B	62-1256910	956622YV0	10-16-2008	48,475,000	REFUND 2004 SERIES A AND B		X		X		X
D	WV HOSPITAL FINANCE AUTHORITY 2009 SERIES A	62-1256910		01-27-2009	14,415,000	REFINANCE TAXABLE DEBT		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	14,095,000			
2	Amount of bonds legally defeased				
3	Total proceeds of issue	48,480,000	48,480,000	48,475,000	14,415,000
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow	47,752,368	47,752,368	47,752,368	
7	Issuance costs from proceeds	806,255	806,255		127,348
8	Credit enhancement from proceeds	644,009	644,009		
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	14,287,652			14,287,652
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion				

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

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?		X		X		X		X
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X		X

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?		X		X		X		X
b	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X	

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		X		X
2	Is the bond issue a variable rate issue?		X	X		X			X
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X	X		X			X
b	Name of provider	CITIBANK		CITIBANK		CITIBANK			
c	Term of hedge	25 800000000000		25 800000000000		25 800000000000			
d	Was the hedge superintegrated?		X		X		X		
e	Was a hedge terminated?		X		X		X		
4a	Were gross proceeds invested in a GIC?		X		X		X		X
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
6	Did the bond issue qualify for an exception to rebate?		X	X		X		X	

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
SCHEDULE K SUPPLENTAL INFORMATION		PART I, COLUMN (F) B - THE WV HOSPITAL FINANCE AUTHORITY 2008 SERIES A BONDS WERE USED TO REFUND PRIOR TAX-EXEMPT BOND ISSUES (WV HOSPITAL FINANCE AUTHORITY 2004 SERIES B AND C BONDS), WHICH WERE ISSUED ON DECEMBER 31, 2004 C - THE WV HOSPITAL FINANCE AUTHORITY 2008 SERIES B BONDS WERE USED TO REFUND PRIOR TAX-EXEMPT BOND ISSUES (WV HOSPITAL FINANCE AUTHORITY 2004 SERIES B AND C BONDS), WHICH WERE ISSUED ON DECEMBER 31, 2004 D - THE WV HOSPITAL FINANCE AUTHORITY REVENUE BONDS 2009 SERIES A WERE USED TO REFINANCE TAXABLE DEBT E - THE CITY OF HUNTINGTON, WEST VIRIGINA REVENUE BONDS 2008 SERIES WERE USED TO REFINANCE TAXABLE DEBT F - THE COUNTY COMMISSION OF CABELL COUNTY REVENUE BONDS 2009 SERIES WERE USED TO REFINANCE TAXABLE DEBT AND FINANCE CAPITAL IMPROVEMENTS

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

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) Pool financing	
							Yes	No	Yes	No	Yes	No
A	CITY OF HUNTINGTON WEST VIRGINIA SERIES 2008	55-6000187		12-30-2008	9,685,000	REFINANCE TAXABLE DEBT		X		X		X
B	THE COUNTY COMMISSION OF CABELL CNTY SERIES 2009	55-6000305		02-12-2009	6,500,000	REFINANCE TAXABLE DEBT		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased				
3	Total proceeds of issue	9,685,000	6,500,000		
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow				
7	Issuance costs from proceeds	87,796	62,856		
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	9,597,204	5,384,787		
11	Other spent proceeds	1,052,357	1,052,357		
12	Other unspent proceeds				
13	Year of substantial completion				

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

Part III Private Business Use

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

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?		X		X				
b	Are there any research agreements that may result in private business use of bond-financed property?		X		X				
c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X					

Part IV Arbitrage

		A		B		C		D	
		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 hedge with respect to the bond issue?		X		X				
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a 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)

Identifier	Return Reference	Explanation

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

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	(c) Corrected? No

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) PETER CHIRICO	A BOARD MEMBER OF THE ORGANIZATION	999,822	PETER CHIRICO IS AN OWNER OF RADIOLOGY, INC WHICH PROVIDES PROFESSIONAL SERVICES TO THE ORGANIZATION		No

Part V **Supplemental Information**

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

Identifier	Return Reference	Explanation

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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 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
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2		PAUL SMITH, OFFICER, AND ROSEMARY SMITH, OFFICER, ARE MARRIED

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE COMPLETED FORM 990 WILL BE REVIEWED BY THE CHIEF EXECUTIVE OFFICER, INTERNAL GENERAL COUNSEL, CHIEF FINANCIAL OFFICER, AND OUTSIDE LEGAL COUNSEL PRIOR TO FILING THE COMPLETED FORM WILL ALSO BE PROVIDED TO ALL BOARD MEMBERS ELECTRONICALLY PRIOR TO FILING

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	IN THE FALL OF EACH YEAR, OFFICERS, DIRECTORS, AND KEY EMPLOYEES ARE SENT AN ANNUAL QUESTIONNAIRE ADDRESSING THE CONFLICT OF INTEREST POLICY EACH COMPLETED QUESTIONNAIRE IS REVIEWED BY THE VICE PRESIDENT OVER THE RESPECTIVE INDIVIDUAL'S DEPARTMENT AND GENERAL COUNSEL TO DETERMINE IF A CONFLICT EXISTS IF A CONFLICT DOES EXIST, AN IN-DEPTH ANALYSIS IS PERFORMED TO DETERMINE ANY IMPACT TO THE ORGANIZATION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE BOARD OF DIRECTORS OF THE ORGANIZATION HAS ADOPTED A WRITTEN EXECUTIVE COMPENSATION POLICY SETTING FORTH THE BOARD PHILOSOPHY WITH RESPECT TO THE COMPENSATION OF ITS OFFICERS A COMPENSATION COMMITTEE COMPRISED OF BOARD MEMBERS HAS BEEN DELEGATED THE RESPONSIBILITY FOR ESTABLISHING COMPENSATION OF THE CHIEF EXECUTIVE OFFICER, CHIEF OPERATING OFFICER, CHIEF FINANCIAL OFFICER, AND CHIEF MEDICAL OFFICER OF THE ORGANIZATION IN KEEPING WITH THE PHILOSOPHY ESTABLISHED BY THE BOARD, THE COMPENSATION COMMITTEE HAS ENGAGED THE OUTSIDE CONSULTING FIRM OF YAFFE & ASSOCIATES, A FIRM WHICH SPECIALIZES IN ANALYZING NON-PROFIT EXECUTIVE COMPENSATION THE OUTSIDE CONSULTING FIRM PERIODICALLY PROVIDES THE COMMITTEE WITH RELEVANT DATA CONCERNING THE COMPENSATION LEVELS OF EXECUTIVES OF HOSPITALS SIMILAR IN SIZE TO THE ORGANIZATION AND IN COMPARABLE GEOGRAPHIC AREAS THE COMPENSATION COMMITTEE CONSIDERS THIS DATA TOGETHER WITH THE EXTENT TO WHICH PRE-ESTABLISHED GOALS HAVE BEEN ACCOMPLISHED AND THE FINANCIAL PERFORMANCE OF THE HOSPITAL AND ESTABLISHES THE COMPENSATION LEVEL FOR THE CHIEF EXECUTIVE OFFICER THIS INFORMATION, AS WELL AS THE RECOMMENDATION OF THE CHIEF EXECUTIVE OFFICER, IS CONSIDERED BY THE COMPENSATION COMMITTEE IN ESTABLISHING THE COMPENSATION OF THE CHIEF OPERATING OFFICER, CHIEF FINANCIAL OFFICER, AND CHIEF MEDICAL OFFICER

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE UPON REQUEST

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -5,109,574 PRIOR PERIOD ADJUSTMENTS -4,615 DECREASE IN PENSION LIABILITY -13,543,557 CHANGE IN EFFECTIVE INTEREST RATE SWAP -2,553,740 ASSETS RELEASED FROM RESTRICTION FOR CANCER CENTER 1,691,361 TOTAL TO FORM 990, PART XI, LINE 5 -19,520,125

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
CABELL HUNTINGTON HOSPITAL INC

Employer identification number
55-0675666

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) CABELL HUNTINGTON HOSPITAL FOUNDATION INC PO BOX 1427 HUNTINGTON, WV 25716 31-1096222	PERFORMS FUNDRAISING FOR CABELL HUNTINGTON HOSPITAL, INC	WV	501(C)(3)	LINE 7	N/A		No
(2) CABELL HUNTINGTON HOSPITAL AUXILIARY INC 1340 HAL GREER BOULEVARD HUNTINGTON, WV 25701 55-6014510	PERFORMS FUNDRAISING FOR CABELL HUNTINGTON HOSPITAL, INC	WV	501(C)(3)	LINE 11A, I	N/A		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) TRI-STATE MRI PO BOX 3108 HUNTINGTON, WV25702 55-0669726	OPERATES A FREE-STANDING MRI CENTER	WV	N/A	RELATED				No		Yes		
(2) OCCUMED LLC 1340 HAL GREER BOULEVARD HUNTINGTON, WV25701 43-2093064	OPERATES AN OCCUPATIONAL MEDICAL TESTING CENTER AND AN URGENT CARE CENTER	WV	N/A	RELATED				No		Yes		
(3) HUNTINGTON SURGERY CENTER LP 1201 HAL GREER BOULEVARD HUNTINGTON, WV25701 55-0647724	OPERATES AN AMBULATORY SURGERY CENTER - OUTPATIENT SURGERIES	WV	N/A	RELATED				No			No	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) CHH-CABELL INC 1201 HAL GREER BOULEVARD HUNTINGTON, WV25701 62-1223702	OPERATES HUNTINGTON SURGERY CENTER, LP	WV	N/A	C			51 000 %
(2) CHH-CABELL DEVELOPMENT CORPORATION 1201 HAL GREER BOULEVARD HUNTINGTON, WV25701 62-1184183	OPERATES HUNTINGTON SURGERY PROPERTIES, LP	WV	N/A	C			51 000 %
(3) MOUNTAIN REGIONAL SERVICES INC PO BOX 636 HUNTINGTON, WV25711 55-0655843	RECORD OWNER OF REAL ESTATE NEAR CABELL HUNTINGTON HOSPITAL, INC	WV	N/A	C			100 000 %
(4) MOUNTAIN HEALTH NETWORK INC PO BOX 636 HUNTINGTON, WV25711 55-0675666	OWNS REAL ESTATE NEAR CABELL HUNTINGTON HOSPITAL, INC	WV	N/A	C			100 000 %

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on 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

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

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

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

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

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

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

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

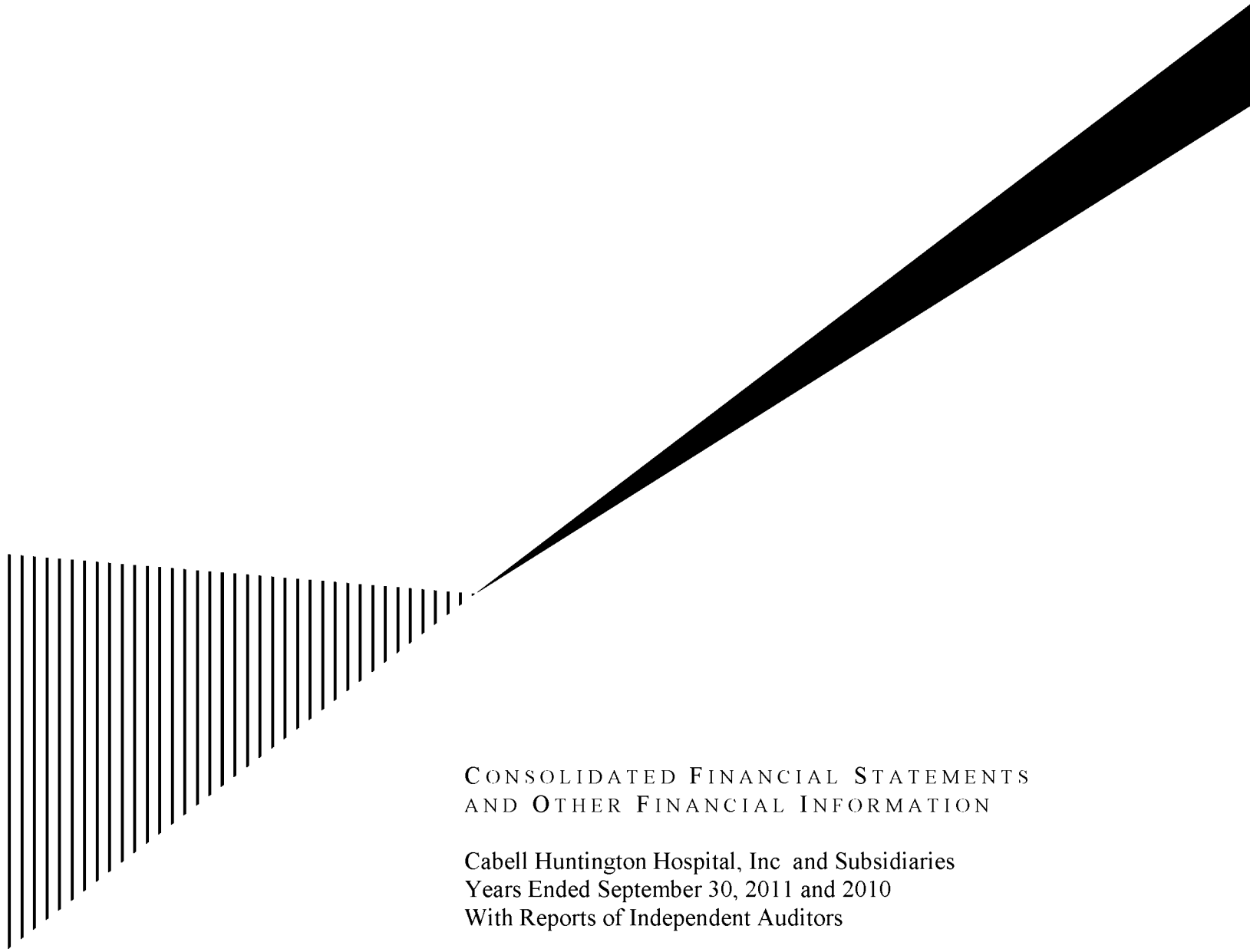
Additional Data

Return to Form

Software ID:
Software Version:
EIN: 55-0675666
Name: CABELL HUNTINGTON HOSPITAL INC

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	CABELL HUNTINGTON HOSPITAL FOUNDATION INC	C	89,024	FMV
(2)	HUNTINGTON SURGERY CENTER LP	O	180,762	FMV
(3)	HUNTINGTON SURGERY CENTER LP	K	292,624	FMV
(4)	OCCUMED LLC	B	670,463	FMV
(5)	OCCUMED LLC	D	821,467	FMV
(6)	OCCUMED LLC	N	682,274	FMV
(7)	OCCUMED LLC	O	330,000	FMV



CONSOLIDATED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

Cabell Huntington Hospital, Inc and Subsidiaries
Years Ended September 30, 2011 and 2010
With Reports of Independent Auditors

Ernst & Young LLP

ERNST & YOUNG

Cabell Huntington Hospital, Inc. and Subsidiaries

Consolidated Financial Statements
and Other Financial Information

Years Ended September 30, 2011 and 2010

Contents

Ernst & Young LLP
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Report of Independent Auditors

The Board of Directors
Cabell Huntington Hospital, Inc

We have audited the accompanying consolidated balance sheets of Cabell Huntington Hospital, Inc and Subsidiaries (Cabell) as of September 30, 2011 and 2010, and the related consolidated statements of operations and changes in unrestricted net assets, changes in net assets, and cash flows for the years then ended These consolidated financial statements are the responsibility of Cabell's management Our responsibility is to express an opinion on these consolidated financial statements based on our audits We did not audit the financial statements of Cabell Huntington Hospital Foundation, Inc , which statements reflect total assets of $11,431,884 as of September 30, 2011, and total revenue of $515,760 for the year then ended Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Cabell Huntington Hospital Foundation, Inc , is based solely on the report of the other auditors

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

In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Cabell Huntington Hospital, Inc and Subsidiaries at September 30, 2011 and 2010, and the consolidated results of their operations and changes in unrestricted net assets, changes in net assets, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States

Ernst & Young LLP

February 29, 2012

Cabell Huntington Hospital, Inc. and Subsidiaries

Consolidated Balance Sheets

	September 30 2011	2010
Assets		
Current assets		
Cash and cash equivalents	**$ 52,753,090**	$ 30,353,836
Patient accounts receivable, net of allowance for doubtful accounts of $18,727,000 and $17,438,000, respectively	**50,858,697**	47,936,070
Inventories, prepaid expenses, and other receivables	**15,565,483**	14,702,895
Current portion of assets limited as to use	**–**	2,595,000
Estimated settlement amounts due from third-party payors	**2,078,282**	10,479,590
Total current assets	**121,255,552**	106,067,391
Assets limited as to use, net of amounts required to meet current liabilities		
Board designated	**100,250,642**	95,694,980
Externally designated	**74,165**	1,967,768
Funds held by Foundation	**2,712,936**	2,300,527
	103,037,743	99,963,275
Property, buildings, and equipment, net of accumulated depreciation	**184,909,386**	195,705,552
Partnership investments	**14,692,457**	13,137,679
Other assets	**8,329,671**	12,009,771
Total assets	**$ 432,224,809**	$ 426,883,668
Liabilities and net assets		
Current liabilities		
Accounts payable	**$ 18,308,765**	$ 16,136,429
Accrued expenses	**24,824,021**	26,983,811
Accrued interest	**326,462**	348,658
Current portion of estimated professional liabilities	**2,452,000**	2,040,000
Borrowings under lines of credit	**391,475**	–
Current maturities of long-term debt	**5,375,894**	4,859,107
Total current liabilities	**51,678,617**	50,368,005
Long-term debt	**122,755,136**	126,405,606
Borrowings under lines of credit	**5,000,000**	5,394,865
Derivative instruments	**16,968,947**	14,415,207
Pension and postretirement benefits liabilities	**114,975,185**	100,337,410
Deferred gain	**5,687,929**	6,383,098
Accrued professional liability and other	**12,087,410**	9,404,555
Total liabilities	**329,153,224**	312,708,746
Net assets		
Unrestricted	**72,615,400**	83,414,934
Temporarily restricted	**30,456,185**	30,305,643
Permanently restricted	**–**	454,345
Total net assets	**103,071,585**	114,174,922
Total liabilities and net assets	**$ 432,224,809**	$ 426,883,668

See accompanying notes

Cabell Huntington Hospital, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

	Year Ended September 30	
	2011	**2010**
Unrestricted revenue and other support		
Net patient service revenue	**$ 385,913,792**	$ 363,673,671
Equity income from partnership investments	**353,833**	1,526,364
Net investment (loss) income	**(1,562,242)**	3,883,902
Other revenue, including net assets released from restrictions for operations	**5,619,543**	5,247,057
Total unrestricted revenue and other support	**390,324,926**	374,330,994
Expenses		
Salaries and wages	**124,123,443**	118,098,127
Employee benefits	**48,004,258**	49,692,306
Supplies	**58,223,901**	56,236,239
Professional services	**35,415,426**	31,720,411
Maintenance and repairs	**9,093,502**	8,519,513
Interest	**6,147,657**	6,043,217
Change in fair value of interest rate swaps	**2,553,740**	5,152,866
Depreciation and amortization	**15,615,004**	15,554,269
Amortization associated with Edwards Comprehensive Cancer Center *(Note 2)*	**1,995,770**	2,185,932
Rent associated with Edwards Comprehensive Cancer Center *(Note 2)*	**864,000**	873,089
Provision for bad debts	**38,692,459**	29,562,205
Provider tax	**6,807,558**	6,487,741
Insurance	**6,285,225**	6,735,244
Other	**36,842,479**	35,315,693
	390,664,422	372,176,852
Excess of (expenses over revenue) revenue over expenses	**(339,496)**	2,154,142
Assets released from restriction for Edwards Comprehensive Cancer Center *(Note 2)*	**2,993,632**	2,185,932
Change in plan assets and benefit obligations	**(13,543,557)**	6,378,938
Acquisition of controlling interest in affiliate *(Note 1)*	**207,421**	(35,525)
Noncontrolling interests	**(117,534)**	50,347
(Decrease) increase in unrestricted net assets	**(10,799,534)**	10,733,834
Unrestricted net assets, beginning of year	**83,414,934**	72,681,100
Unrestricted net assets, end of year	**$ 72,615,400**	$ 83,414,934

See accompanying notes

Cabell Huntington Hospital, Inc. and Subsidiaries

Consolidated Statements of Changes in Net Assets

	Year Ended September 30	
	2011	**2010**
Unrestricted net assets		
Excess of (expenses over revenue) revenue over expenses	**$ (339,496)**	$ 2,154,142
Assets released from restriction for Edwards Comprehensive Cancer Center *(Note 2)*	**2,993,632**	2,185,932
Change in plan assets and benefit obligations	**(13,543,557)**	6,378,938
Acquisition of controlling interest in affiliate *(Note 1)*	**207,421**	(35,525)
Noncontrolling interests	**(117,534)**	50,347
(Decrease) increase in unrestricted net assets	**(10,799,534)**	10,733,834
Temporarily restricted net assets		
Contributions and investment income, net	**1,152,325**	3,840,061
Reclassification of endowment by donor	**450,003**	–
Net assets released from restrictions	**(1,451,786)**	(2,443,018)
Increase in temporarily restricted net assets	**150,542**	1,397,043
Permanently restricted net assets		
Reclassification of endowment by donor *(Note 1)*	**(450,003)**	–
Contributions and investment (loss), net	**(4,342)**	35,407
(Decrease) increase in permanently restricted net assets	**(454,345)**	35,407
Change in net assets	**(11,103,337)**	12,166,284
Net assets, beginning of year	**114,174,922**	102,008,638
Net assets, end of year	**$ 103,071,585**	$ 114,174,922

See accompanying notes.

Cabell Huntington Hospital, Inc. and Subsidiaries

Consolidated Statements of Cash Flows

	Year Ended September 30	
	2011	**2010**
Operating activities		
Change in net assets	**$ (11,103,337)**	$ 12,166,284
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Change in plan assets and benefit obligations	**13,543,557**	(6,378,938)
Depreciation and amortization	**17,610,774**	17,740,201
Provision for bad debts	**38,692,459**	29,562,205
Change in fair value of interest rate swaps	**2,553,740**	5,152,866
Equity in undistributed earnings of partnerships	**(353,833)**	(1,526,364)
Distributions of equity earnings from investments in partnerships	**2,184,750**	1,670,400
Restricted contributions and investment income, net	**(1,147,983)**	(3,875,468)
Change in operating assets and liabilities		
Increase in net patient accounts receivable	**(41,615,086)**	(29,403,498)
Increase in inventories, prepaid expenses, and other receivables	**(1,955,569)**	(1,545,741)
Decrease (increase) in amounts due from third-party payors	**8,401,308**	(6,556,893)
Decrease (increase) in other assets	**391,568**	(2,164,016)
(Decrease) increase in accounts payable and accrued expenses	**(9,650)**	3,483,137
Change in deferred gain	**(695,169)**	750,915
Increase in other liabilities	**4,189,073**	3,178,388
Net cash provided by operating activities	**30,686,602**	22,253,478
Investing activities		
Investment in joint venture	**995,818**	(456,228)
Increase in assets limited as to use	**(479,468)**	(20,104,461)
Acquisition of controlling interest in affiliate, net of cash acquired	**–**	(241,851)
Purchases of property, buildings, and equipment, net	**(6,814,608)**	(6,173,589)
Net cash used in investing activities	**(6,298,258)**	(26,976,129)
Financing activities		
Repayments of long-term debt	**(3,137,073)**	(3,365,040)
Restricted contributions and investment income, net	**1,147,983**	3,875,468
Net cash (used in) provided by financing activities	**(1,989,090)**	510,428
Increase (decrease) in cash and cash equivalents	**22,399,254**	(4,212,223)
Cash and cash equivalents, beginning of year	**30,353,836**	34,566,059
Cash and cash equivalents, end of year	**$ 52,753,090**	$ 30,353,836

See accompanying notes

1. Description of Organization and Summary of Significant Accounting Policies

Description of Organization

Cabell Huntington Hospital, Inc (Old Cabell) was established in March 1945 by a legislative act of the State of West Virginia On March 6, 1986, the West Virginia legislature enacted legislation authorizing Old Cabell's Board of Trustees to organize a private nonprofit corporation (Cabell Huntington Hospital, Inc (the Hospital or Cabell)) and further authorized the City of Huntington and Cabell County to transfer title of Old Cabell's assets to the Hospital During 1987, the County Commission of Cabell County and City Council of Huntington approved the transfer of assets to the Hospital On September 16, 1987, the land, building, and personal property were transferred to the Hospital On February 1, 1988, the effective date of the reorganization, all remaining assets, and the operations of Old Cabell were transferred to the Hospital, and the Hospital assumed all liabilities of Old Cabell

Upon completion of the reorganization, the Cabell Huntington Hospital Foundation, Inc (the Foundation) transferred all of its assets to the Hospital, and the Hospital assumed all of its liabilities, except for the Foundation's restricted fund assets and funds necessary for fund-raising activities

Consolidation

The consolidated financial statements include the accounts of the Hospital, the Foundation, Mountain Regional Services, Inc (MRS), which owns certain real estate near the Hospital, CHH-Cabell, Inc , which has a majority interest in Cabell Huntington Surgery Center, CHH-Cabell Development Corporation, which owns certain long-lived assets related to the Cabell Huntington Surgery Center, Occumed, LLC (Occumed), which provides urgent care and occupational medicine and related services, and The Cabell Huntington Hospital Auxiliary (Auxiliary) The accounts of Occumed are included in the accompanying consolidated financial statements beginning December 31, 2009, following the Hospital's purchase of a majority interest The noncontrolling interests in CHH-Cabell, Inc , CHH-Cabell Development Corporation, and Occumed is classified in accrued expenses in the accompanying consolidated balance sheets

All significant intercompany transactions and amounts have been eliminated in consolidation

1. Description of Organization and Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes Actual results could differ from those estimates

Fair Value Measurements

The valuation techniques used to measure fair value are based upon observable and unobservable inputs Observable inputs reflect market data obtained from independent sources, while unobservable inputs are generally unsupported by market activity Accounting Standards Codification (ASC) 820-10, *Fair Value Measurements*, established a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value These tiers include

- Level 1 – Quoted prices for identical assets or liabilities in active markets
- Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-driven valuations whose inputs are observable or whose significant value drivers are observable
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on deposit and temporary investments with financial institutions, which have original maturities of three months or less at the date of purchase The carrying amount of cash equivalents approximates fair value

1. Description of Organization and Summary of Significant Accounting Policies (continued)

Patient Accounts Receivable and Net Patient Service Revenue

Revenue from patient services is recognized in the period in which the services are provided Patient accounts receivable and net patient service revenue are reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term The Hospital believes it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid programs

The provision for bad debts is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverage, and other collection indicators Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category The results of this review are then used to make any modifications to the provision for bad debts to establish an appropriate allowance for uncollectible accounts

Effective October 1, 2010, the Hospital changed its policy of writing off to bad debt patient receivables whenever the patient agrees to a payment plan As Cabell has demonstrated successful results in collecting receivables for patients who have agreed to a payment plan, these amounts will remain in patient accounts receivable at their estimated net realizable amounts and will be evaluated as part of management's assessment of the adequacy of the allowance for uncollectible amounts

1. Description of Organization and Summary of Significant Accounting Policies (continued)

Inventories

Inventories are valued at cost under the first-in, first-out method Due to normal advancements in medical technologies that may render existing inventory less desirable, it is possible that some amount of the existing inventory will become slow moving A provision for impairment resulting from slow-moving inventory is recorded when conditions affecting utilization become known No provision for impairment was recorded in 2011 or 2010

Assets Limited as to Use

Assets whose use is limited represent investments that have been designated by the Board of Directors (the Board) primarily for future capital improvements The Board retains control and may, at its discretion, subsequently use the assets for other purposes Externally designated assets include funds held by the bond trustee for the repayment of debt and interest costs Assets held by the Foundation are primarily restricted by donors to support the Hospital

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets Investment income, including realized gains and losses and changes in unrealized gains and losses, is included in the excess of revenue over expenses, unless the income or loss is restricted by donor or law

Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost Major renewals and improvements are capitalized, while routine maintenance and repairs are charged to expense as incurred Depreciation, including amortization of assets recorded under capital leases, is computed on the straight-line method over the estimated useful lives of depreciable assets, generally ranging from 3 to 40 years Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets No interest expense was capitalized during the year ended 2011 or 2010

Other Assets

Included in partnership investments and other assets in the accompanying consolidated balance sheets are amounts related to investments in unconsolidated affiliates that are accounted for using the equity method

1. Description of Organization and Summary of Significant Accounting Policies (continued)

During 2009, Cabell contributed cash of approximately $8,709,000 to FMS Dialysis Cabell Huntington Dialysis Centers, LLC (Dialysis Centers) in exchange for a 45% membership interest Dialysis Centers then purchased Cabell's hemodialysis operations and related equipment in a purchase transaction totaling $16,923,000 In 2009, Cabell recorded a gain on the sale of its hemodialysis operations and related equipment totaling approximately $9,200,000 Cabell also recorded a deferred gain of approximately $7,500,000 in connection with the purchase transaction, which will be amortized to income ratably over the next ten years The deferred gain approximates $5,632,000 and $6,383,000 as of September 30, 2011 and 2010, respectively During 2010, Cabell contributed cash of approximately $456,000 to the Dialysis Centers to fund the acquisition of a dialysis facility in Chesapeake, Ohio Cabell has a 45% membership interest in the Dialysis Centers at September 30, 2011 and 2010 In November 2010, the partners of the Dialysis Centers contributed additional capital of approximately $2,100,000 to fund expansion activities, the Hospital's contribution approximated $996,000

Until December 31, 2009, Cabell had been the guarantor of $850,000 of indebtedness of Occumed, a partnership that provides occupational medicine and related services in the Huntington, West Virginia, area Effective December 31, 2009, Cabell acquired a controlling interest in Occumed in exchange for net cash of approximately $242,000 The accounts of Occumed, which reflected a deficiency in net assets approximating $36,000 at December 31, 2009, are included in the accompanying consolidated financial statements thereafter

Deferred Bond Issuance Costs

Deferred bond issuance costs, net of accumulated amortization, approximate $1,517,000 and $1,568,000 at September 30, 2011 and 2010, respectively, and are included in other assets in the accompanying consolidated balance sheets Deferred bond issuance costs are being amortized over the life of the bonds using the effective interest method

Derivatives

Cabell uses interest rate swaps to modify the interest rates and manage risks associated with its outstanding debt Derivative financial instruments, such as interest rate swaps, are recognized as assets or liabilities in the consolidated balance sheets at fair value (i e , gains or losses) of a derivative instrument

1. Description of Organization and Summary of Significant Accounting Policies (continued)

Cabell has entered into interest rate swap agreements to convert variable rate debt to a fixed interest rate The interest rate swap agreements are not designated as hedges and, accordingly, changes in the fair value of the interest rate swap agreements are reported on the consolidated statements of operations and changes in unrestricted net assets as a component of excess of (expenses over revenue) revenue over expenses

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those assets whose use has been specifically limited by donors to a specific time period or purpose Included in temporarily restricted net assets is approximately $18,467,000 and $21,461,000 at September 30, 2011 and 2010, respectively, related to the Hospital's expected future use of a building and related equipment associated with the Edwards Comprehensive Cancer Center under a long-term lease arrangement (Note 2) Permanently restricted net assets have been restricted by donors to be maintained by the Hospital in perpetuity Except for assets designated for the Edwards Comprehensive Cancer Center, the temporarily restricted and permanently restricted net assets recorded in the accompanying consolidated balance sheets are restricted primarily for clinical programs at the Hospital

During the year ended September 30, 2011, donors of the Auxiliary Service Recognition Endowment modified the original endowment agreements such that the gift was no longer restricted in perpetuity All past and future payments toward the original gift shall be credited to the Children's Hospital Fund Therefore, the balance of these endowments was reclassified from permanently restricted net assets to temporarily restricted net assets in the 2011 accompanying statement of changes in net assets

Excess of (Expenses Over Revenue) Revenue Over Expenses

The consolidated statements of operations and changes in unrestricted net assets include excess of (expenses over revenue) revenue over expenses Changes in unrestricted net assets that are excluded from excess of (expenses over revenue) revenue over expenses, consistent with industry practice, include changes in pension assets and benefit obligations, contributions of long-lived assets (including assets acquired using contributions that by donor restrictions are to be used for the purpose of acquiring such assets), cumulative effect adjustments, and permanent transfers of assets to and from affiliates for other than goods and services

1. Description of Organization and Summary of Significant Accounting Policies (continued)

Charity Care

Hospital patients who meet certain criteria under the Hospital's charity care policy are provided care without charge or at amounts less than the Hospital's established rates Because the Hospital does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as revenue

Professional and General Liability

The Hospital uses a combination of self-insurance and purchased commercial excess liability insurance to manage exposure to general and professional liability claims The reserve recorded at September 30, 2011 and 2010, includes an amount for asserted, unasserted, and incurred but not reported professional and general liability claims

Since the Hospital believes that the amount and timing of its future claims payments are reliably determinable, it discounts the amount accrued for losses resulting from professional liability claims using a weighted average of the trailing return on the lower risk investments in its investment portfolio and the risk-free interest rate corresponding to the timing of expected payments The net present value of the projected payments was discounted using a weighted-average, risk-free rate of 2 5% and 4 5% in 2011 and 2010, respectively This liability is adjusted for new claims information in the period such information becomes known The Company's estimated liability for the self-insured portion of professional and general liability claims was $13,748,000 and $10,480,000 as of September 30, 2011 and 2010, respectively The estimated undiscounted claims liability was $15,702,000 and $13,023,000 as of September 30, 2011 and 2010, respectively The current portion of the liability for the self-insured portion of professional and general liability claims was $2,452,000 and $2,040,000 as of September 30, 2011 and 2010, respectively Insurance expense includes the losses resulting from professional liability claims and loss adjustment expense, as well as paid excess insurance premiums, and is presented within other operating expenses in the accompanying consolidated statements of operations and changes in unrestricted net assets

Provider Tax

The State of West Virginia assesses a health care provider tax based on net patient service revenue at rates ranging from 0 175% to 5 500% of such revenue

1. Description of Organization and Summary of Significant Accounting Policies (continued)

Advertising

The Hospital expenses advertising costs as incurred

Income Taxes

The Hospital and the Foundation are not-for-profit corporations and have been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code and applicable state statutes

The Financial Accounting Standards Board (FASB) issued accounting guidance that prescribes a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements It also provides guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure, and transition Future interest and penalties attributable to income taxes, if any, will be recognized as a component of the income tax provision or benefit Cabell records any accruals for uncertain tax positions under ASC 740, *Income Taxes* Cabell had no accruals for uncertain tax positions as of September 30, 2011 and 2010

Concentration of Credit Risk

Financial instruments that potentially subject Cabell to concentrations of credit risk consist principally of cash and cash equivalents, investments, patient receivables, and derivative instruments Cabell places its cash and cash equivalents, investments, and derivative instruments with high credit financial institutions and, by practice, generally limits the amount of credit exposure to any one financial institution Concentration of credit risk for patient receivables is generally limited due to the dispersion of these balances over a wide creditor base

Net patient service revenue from Medicare programs accounted for approximately 24% and 23% during 2011 and 2010, respectively Net patient service revenue from Medicaid programs accounted for approximately 9% and 13% during 2011 and 2010, respectively

1. Description of Organization and Summary of Significant Accounting Policies (continued)

Reclassifications

Certain reclassifications were made to the 2010 accompanying financial statements to conform to the 2011 presentation These reclassifications had no impact on the changes in net assets or excess of revenues over expenses previously reported

New Accounting Pronouncements

In January 2010, the FASB issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*, as an amendment to ASC 820-10 The new guidance adds requirements for disclosure about transfers into and out of Level 1 and Level 2 fair value measurements and separate disclosure about purchases, sales, issuances, and settlements relating to Level 3 measurements The guidance also clarifies existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques in Level 2 and Level 3 fair value measurements The amendment is effective for interim and annual reporting periods beginning after December 15, 2009, except for Level 3 reconciliation disclosures, which are effective for interim and annual periods beginning after December 15, 2010 The guidance was implemented during fiscal year 2011, and the Hospital is evaluating the impact of the Level 3 disclosure requirements and will adopt as required upon the effective date

In August 2010, the FASB issued ASU 2010-23, *Measuring Charity Care for Disclosure*, which provides authoritative guidance on measuring charity care for disclosure This ASU requires increased disclosure on the Hospital's charity care policy and requires reporting of charity care at cost This standard is effective for fiscal years beginning after December 15, 2010 The Hospital is currently evaluating the new guidance and will adopt as required upon the effective date

In August 2010, the FASB issued ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, which requires that a health care entity should not net expected malpractice insurance and similar recoveries against its related malpractice and similar liabilities Additionally, the amount of the malpractice claim and similar liabilities should be determined without consideration of any insurance recoveries Management does not believe this standard will have a significant impact on its financial statements This standard is effective for fiscal years beginning after December 15, 2010

1. Description of Organization and Summary of Significant Accounting Policies (continued)

In July 2011, the FASB issued new guidance ASC 954-310, *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts* The guidance requires certain health care entities to present the bad debt expense associated with patient service revenue as a deduction from patient service revenue (net of contractual allowances and discounts) rather than an operating expense The guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011, with early adoption permitted

2. Edwards Comprehensive Cancer Center

The Edwards Foundation was established in 2002 as a supporting nonprofit organization to Cabell and the Marshall University School of Medicine The members of the Edwards Foundation include representatives of Cabell, the Marshall University School of Medicine, and designees selected by the Edwards family

In September 2003, Cabell and the Edwards Foundation executed a 99-year ground lease whereby the Edwards Foundation leases land from Cabell for $1 per year During the year ended September 30, 2005, the Edwards Foundation commenced construction of the Edwards Comprehensive Cancer Center on the campus of Cabell Huntington Hospital pursuant to the ground lease In January 2006, Cabell and the Edwards Foundation executed a 97-year lease whereby Cabell leases the building and associated equipment for the purpose of operating the Edwards Comprehensive Cancer Center During the term of the building and equipment lease, Cabell is required to make annual lease payments to the Edwards Foundation in an amount equal to the sum of $12 per year plus 50% of annual net profit, as defined in the lease agreement, generated by the operations of the Edwards Comprehensive Cancer Center

Under the ground lease, the building and equipment associated with the Edwards Comprehensive Cancer Center will become the property of Cabell upon the expiration or early termination of the lease Construction and equipping of the Edwards Comprehensive Cancer Center was completed by the Edwards Foundation in 2006 at a total cost of approximately $31,605,000 This amount, net of accumulated amortization, is classified in property, buildings, and equipment and temporarily restricted net assets in the accompanying consolidated balance sheets

2. Edwards Comprehensive Cancer Center (continued)

The building and equipment related to the Edwards Comprehensive Cancer Center is being amortized over their estimated useful lives, which is included in depreciation and amortization in the consolidated statements of operations and changes in unrestricted net assets Annually, an amount representing amortization of the leased building and equipment is reclassified from temporarily restricted net assets to unrestricted net assets and classified in the consolidated statements of operations and changes in unrestricted net assets as assets released from restriction for capital Such amount approximated $2,994,000 and $2,186,000 during the years ended September 30, 2011 and 2010, respectively Additionally, any rent payment due under the terms of the building and equipment lease is recorded as rental expense, which approximated $864,000 and $873,000 during the years ended September 30, 2011 and 2010, respectively

3. Charity Care

The amount of charges forgone for services and supplies furnished under the Hospital's charity care policies follows for the year ended September 30

	2011	2010
Charges forgone, based on established rates	**$ 25,083,295**	$ 22,592,960
Management's estimate of expenses incurred to provide charity care	**$ 11,358,974**	$ 10,611,629
Equivalent percentage of charity care services to gross patient revenue, based on established rates	**2.9%**	2 9%

4. Net Patient Service Revenue and Patient Accounts Receivable

Net patient service revenue consisted of the following for the year ended September 30

	2011	2010
Gross patient service revenue	**$ 882,377,460**	$ 797,244,870
Less provisions for		
Contractual adjustments	**471,380,373**	410,978,239
Charity care	**25,083,295**	22,592,960
Net patient service revenue, as reported	**385,913,792**	363,673,671
Less provision for bad debts	**38,692,459**	29,562,205
Net patient service revenue, less provision for bad debts	**$ 347,221,333**	$ 334,111,466

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates The following summarizes the significant payment arrangements with major third-party payors

Medicare

Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors Outpatient services are paid primarily at prospectively determined rates The Hospital receives additional reimbursement for disproportionate share based on the level of Medicaid and Supplementary Security Income (SSI) patients it serves The Hospital also receives payments for direct and indirect medical education from the Medicare program

The Hospital's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a Medicare peer review organization The Hospital's cost reports have been audited by the Medicare fiscal intermediary through September 30, 2006

4. Net Patient Service Revenue and Patient Accounts Receivable (continued)

Medicaid

Payments for inpatient acute care services rendered to Medicaid program beneficiaries are based primarily upon a prospectively determined rate per discharge Outpatient services are reimbursed based primarily on a predetermined fee schedule

Health Care Authority

The Health Care Authority (HCA) is empowered, by provisions of the West Virginia Code, to regulate the Hospital's gross patient revenue from nongovernment payors and to evaluate health care entity financial performance This is accomplished by issuing rate orders, based on the Hospital's budgets and rate schedules, and evaluating performance and compliance reports submitted by the Hospital on a periodic basis Addition and deletion of services and the execution of nongovernmental discount contracts are also subject to HCA approval

Meaningful Use

Under certain provisions of the American Recovery and Reinvestment Act of 2009, federal incentive payments are available to hospitals, physicians, and certain other professionals (Providers) when they adopt certified electronic health record (EHR) technology or become "meaningful users" of EHRs in ways that demonstrate improved quality, safety, and effectiveness of care Medicaid Providers can receive their initial incentive payment by adopting, implementing, or upgrading certified EHR technology, but must demonstrate meaningful use of EHRs in subsequent years in order to qualify for additional payments Hospitals may be eligible for both Medicare and Medicaid EHR incentive payments, however, physicians and other professionals may be eligible for either Medicare or Medicaid incentive payments Medicaid EHR incentive payments to Providers are 100% federally funded and administered by the states, however, the states are not required to offer EHR incentive payments to Providers The Centers for Medicare and Medicaid Services (CMS) established calendar year 2011 as the first year states could offer EHR incentive payments Cabell is entitled to receive Medicare and Medicaid incentive payments for the adoption of certified EHR technology for the Hospital and employed physicians as Cabell has satisfied the statutory and regulatory requirements As a result, during the year ended September 30, 2011, Cabell recognized, as part of other revenue, approximately $2,847,000, of meaningful use revenue Also, if Cabell satisfies specified meaningful use criteria in future periods, Cabell may become entitled to additional incentive payments

5. Assets Limited as to Use

Following is a summary of assets whose use is limited

	September 30 2011	2010
Externally designated		
Held by trustee under indenture agreement	**$ 74,165**	$ 4,562,768
Less portion recorded as current asset to satisfy current liabilities	–	2,595,000
	74,165	1,967,768
Board designated for capital improvement	**100,250,642**	95,694,980
Investments held by Foundation	**2,712,936**	2,300,527
Total assets limited as to use, net of current portion	**$ 103,037,743**	$ 99,963,275

Cabell's investments are exposed to various risks, including interest rate, market, and credit risks In light of the current conditions in the capital markets, there is at least a reasonable possibility that changes in the values of investments will occur in the near term and that such amounts could materially affect the amounts reported in the accompanying consolidated balance sheets

Unrestricted investment (loss) income is comprised of the following for the year ended September 30

	2011	2010
Interest and dividend income	**$ 2,119,798**	$ 1,977,950
Change in unrealized investment gains and losses	**1,720,055**	1,664,838
Net realized (losses) gains on sales of securities	**(5,109,573)**	596,809
Investment manager and trustee fees	**(292,522)**	(355,695)
Net unrestricted investment (loss) income	**$ (1,562,242)**	$ 3,883,902

6. Property, Buildings, and Equipment

Property, buildings, and equipment consist of the following as of September 30

	2011	2010
Land and land improvements	**$ 17,385,195**	$ 17,386,086
Buildings	**155,691,633**	154,283,686
Fixed equipment	**49,209,789**	48,448,453
Major movable equipment	**118,188,884**	115,523,233
Buildings and equipment under long-term lease with related party *(Note 2)*	**31,604,714**	31,604,714
	372,080,215	367,246,172
Less accumulated depreciation and amortization	**191,279,731**	175,670,067
Construction-in-progress	**4,108,902**	4,129,447
	$ 184,909,386	$ 195,705,552

Accumulated amortization on buildings and equipment under long-term lease with related party approximates $11,833,000 and $9,837,000 at September 30, 2011 and 2010, respectively

7. Long-Term Debt

Long-term debt consists of the following as of September 30

	2011	2010
2004 Series A	**$ –**	$ 2,595,000
2008 Series A and B	**96,955,000**	96,955,000
Revenue bonds – City of Huntington	**9,243,725**	9,418,166
Revenue bonds – WVFHA	**13,786,904**	14,042,068
Revenue bonds – Cabell County	**6,202,754**	6,317,817
Capital leases payable and other notes	**2,205,074**	2,158,742
Total	**128,393,457**	131,486,793
Less current portion	**5,375,894**	4,859,107
Unamortized discount	**(262,427)**	(222,080)
Long-term debt	**$ 122,755,136**	$ 126,405,606

7. Long-Term Debt (continued)

In December 2004, the Hospital obtained $114,995,000 through the issuance of West Virginia Hospital Finance Authority (WVHFA) Hospital Revenue Refunding and Improvement Bonds (the 2004 Bonds) The proceeds from the issuance of the 2004 Bonds were used to retire existing debt and to finance certain capital improvements The 2004 Bonds included Series A through Series C (the Series B and Series C Bonds were refinanced in October 2008) The 2004 Bonds are collateralized by a security interest in substantially all gross receipts of the Hospital and a mortgage on the Hospital's properties

On October 16, 2008, Cabell issued $48,480,000 of WVHFA Hospital Revenue Refunding Bonds 2008 Series A and $48,475,000 of WVHFA Hospital Revenue Refunding Bonds 2008 Series B (the 2008 Bonds) Proceeds from the 2008 Bonds and debt service reserve funds from the issuance of the 2004 Bonds were used to refund the 2004 Series B and 2004 Series C Bonds

The 2008 Bonds are repayable in an annual amount beginning January 1, 2012 through January 1, 2034, and bear interest based on a weekly rate mode The 2008 Bonds are secured by a bank letter-of-credit agreement with Branch Banking and Trust Company (BB&T) that will provide Cabell financing in an amount necessary to purchase a portion of the 2008 Bonds if not remarketed The bank letter-of-credit agreement has repayment dates that extend beyond September 30, 2012

In March 2007, Cabell executed a $15,000,000 revolving loan agreement with JP Morgan Chase Bank, N A In March 2008, Cabell executed an amendment with JP Morgan Chase Bank, N A that provided an additional $10,000,000 in borrowings under the revolving loan agreement During the year ended September 30, 2009, Cabell refunded $25,000,000 of the revolving loan with JP Morgan Chase Bank, N A through a private placement of bank-qualified, tax-exempt revenue bonds through the City of Huntington and Cabell County and a private placement of non-bank-qualified, tax-exempt revenue bonds through WVFHA The tax-exempt revenue bonds bear interest at a fixed rate ranging from 5 03% to 6 00% and require monthly principal and interest payments of approximately $200,000 through February 2029

In June 2011, Cabell and a third party entered into a purchase and sale agreement for certain medical equipment to be utilized by the Hospital for a purchase price of $3,597,000 As of September 2011, the remaining amounts due under the agreement totaled $3,597,000

7. Long-Term Debt (continued)

Capital leases and other notes consist of capital leases and bank loan agreements that are secured by equipment and property with various expiration dates during the years ending September 30, 2011 and 2012 One of the bank notes requires a balloon payment of approximately $831,000 on May 10, 2016 The remaining capital leases and notes require monthly principal and interest payments

Approximate principal payments are as follows for the year ending September 30

2012	$ 5,376,000
2013	4,257,000
2014	4,051,000
2015	4,399,000
2016	4,380,000
2017 and thereafter	105,930,000
	$ 128,393,000

Cabell maintains a $5,000,000 revolving loan agreement with BB&T Borrowings under the agreement totaled $5,000,000 at September 30, 2011 and 2010, and bear interest at one-month LIBOR plus 1 35% per annum Under the terms of the agreement, the amounts borrowed are due and payable on December 1, 2011, and interest is payable monthly Cabell entered into a new loan agreement with BB&T which extended the due date of the $5,000,000 revolving loan agreement to January 1, 2013 at a rate of LIBOR plus 1 75% per annum Occumed has a $401,524 revolving loan agreement with First Sentry Bank Borrowings under the agreement totaled $391,475 and $394,865 at September 30, 2011 and 2010, respectively, and bear interest at 7 25% per annum Under the terms of the agreement, the amounts borrowed are due and payable on March 27, 2012, and interest is payable monthly

Cabell's indebtedness agreements contain restrictive covenants, the most significant of which are the maintenance of minimum debt service, capitalization, and liquidity levels, and restrictions as to the incurrence of additional indebtedness and transfers of assets At September 30, 2010, Cabell did not comply with the financial covenant related to capitalization, this covenant was waived as of September 30, 2010 Additionally, the minimum capitalization requirement for all periods subsequent to September 30, 2010, has been eliminated As of September 30, 2011, Cabell has complied with all financial covenants

7. Long-Term Debt (continued)

Cabell has two interest rate swap agreements with notional amounts outstanding of $100,900,000 at September 30, 2011, to manage its exposure on its debt instruments During the term of these agreements, the fixed rate swaps convert variable rate debt to a fixed rate The notional amount under each interest rate swap is reduced over the term of the respective agreement to correspond with reductions in the outstanding bond series

The following table summarizes Cabell's interest rate swap agreements

Swap Type	Expiration Date	Cabell Receives	Cabell Pays	Notional Amounts at September 30, 2011
Floating to fixed	2034	62 2% one-month LIBOR	3 48%	$ 50,450,000
Floating to fixed	2034	64 8% one-month LIBOR	3 68%	50,450,000
				$ 100,900,000

By using derivative financial instruments to manage these risks, Cabell exposes itself to credit risk and market risk Credit risk is the failure of the counterparty to perform under the terms of the derivative contracts When the fair value of a derivative contract is positive, the counterparty owes Cabell, which creates credit exposure for Cabell When the fair value of a derivative contract is negative, Cabell owes the counterparty If Cabell has a derivative in a liability position, the ASC 820-10 credit-adjusted market values could be adjusted downward Market risk is the effect on the value of a financial instrument that results from a change in interest rates The market risk associated with interest rate changes is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken Management also mitigates risk through periodic reviews of its derivative positions in the context of its total blended cost of capital

The fair value of Cabell's derivative instruments approximated $16,969,000 and $14,415,000 at September 30, 2011 and 2010, respectively, and is classified in derivative instruments in the accompanying consolidated balance sheets The change in the fair value of the derivative instruments approximated $2,554,000 and $5,153,000 during 2011 and 2010, respectively, and is classified in the excess of (expenses over revenue) revenue over expenses in the consolidated statements of operations and changes in unrestricted net assets

7. Long-Term Debt (continued)

The Hospital paid interest totaling approximately $6,048,000 and $5,965,000 in 2011 and 2010, respectively

8. Benefit Plans

The Hospital sponsors noncontributory, defined benefit plans covering substantially all eligible employees Pension benefits to participating employees are based on years of credited service and salaries The Hospital provides funding sufficient to meet minimum funding requirements under applicable federal laws Plan assets, primarily consisting of U S government and equity securities, are held in trust In addition, the Hospital sponsors a postretirement health benefit plan for its employees who have at least 17 years of service and who retire at age 62 or older In connection with the execution of a three-year collective bargaining agreement between the Hospital and District 1199, the Healthcare and Social Service Union, SEIU, CTW on November 12, 2010, effective January 1, 2011, established that all new employees will participate in a newly established 401(k) plan in lieu of the defined benefit plans Eligibility will require one year of service with 1,080 hours worked The Hospital will contribute 3% of eligible salary annually, and employees will vest in employer contributions after five years of service

Included in unrestricted net assets at September 30 are the following amounts that have not yet been recognized in net periodic pension cost

	Pension Plans		Other Postretirement Benefits	
	2011	2010	2011	2010
Unrecognized actuarial (loss) gain	$ (72,973,101)	$ (62,912,632)	$ (134,804)	$ 3,695,382
Transition obligation	–	–	(98,272)	(196,558)
Prior service cost	(502,062)	(604,606)	–	–
	$ (73,475,163)	$ (63,517,238)	$ (233,076)	$ 3,498,824

Changes in plan assets and benefit obligations recognized in unrestricted net assets during 2011 and 2010 include

	2011	2010
Current year net actuarial loss	$ (10,484,677)	$ (3,023,442)
Amortization of net actuarial loss	(3,004,318)	(3,311,299)
Amortization of transition obligation	(98,286)	(98,286)
Amortization of prior service cost	(102,544)	(105,521)
	$ (13,689,825)	$ (6,538,548)

8. Benefit Plans (continued)

The amount of prior service cost, net actuarial loss, and transition obligation to be recognized in net periodic pension cost during the year ending September 30, 2012, is $102,544, $3,644,319, and $98,286, respectively

The following table presents a reconciliation of the beginning and ending balances of the various plans' projected benefit obligations and the fair value of plan assets and funded status of the plans measured September 30

	Pension Plans		Other Postretirement Benefits	
	2011	**2010**	**2011**	**2010**
Changes in benefit obligation				
Projected benefit obligation at beginning of year	**$ 192,817,518**	$ 175,647,994	**$ 14,446,291**	$ 15,797,318
Service cost	**8,814,518**	8,170,194	**794,551**	894,026
Interest cost	**10,682,981**	9,734,367	**802,787**	876,753
Actuarial loss (gain)	**5,375,056**	2,810,551	**3,679,935**	(2,865,122)
Benefits paid	**(3,922,888)**	(3,545,588)	**(285,000)**	(256,684)
Projected benefit obligation at end of year	**$ 213,767,185**	$ 192,817,518	**$ 19,438,564**	$ 14,446,291
Changes in plan assets				
Fair value of plan assets at beginning of period	**$ 106,926,399**	$ 95,990,901	**$ –**	$ –
Actual return on plan assets	**152,142**	9,689,161	**–**	–
Contributions by plan sponsor	**15,074,911**	4,791,925	**285,000**	256,684
Benefits paid	**(3,922,888)**	(3,545,588)	**(285,000)**	(256,684)
Fair value of plan assets	**$ 118,230,564**	$ 106,926,399	**$ –**	$ –
Benefit liability at end of year	**$ (95,536,621)**	$ (85,891,119)	**$ (19,438,564)**	$ (14,446,291)
Accumulated benefit obligation	**$ 183,826,308**	$ 163,170,594		

The underfunded status of the pension and other postretirement plans approximates $114,975,000 and $100,337,000 at September 30, 2011 and 2010, respectively, and is recognized in the accompanying consolidated balance sheets as accrued pension and postretirement benefits No plan assets are expected to be returned to Cabell during the year ended September 30, 2011

8. Benefit Plans (continued)

The components of net periodic pension expense for the defined benefit pension plans and net periodic postretirement benefit expense for the years ended September 30 are as follows

	Defined Benefit Pension Plans		Postretirement Benefit Plan	
	2011	2010	2011	2010
Service cost	$ **8,814,518**	$ 8,170,194	$ **794,551**	$ 894,026
Interest cost	**10,682,981**	9,734,367	**802,787**	876,753
Expected return on plan assets	**(7,670,949)**	(6,720,291)	–	–
Recognized net actuarial loss	**3,004,318**	3,311,299	–	–
Amortization of prior service cost	**102,544**	105,521	–	–
Amortization of gains and losses	–	–	**(150,251)**	–
Amortization of transition asset obligation	–	–	**98,286**	98,286
Net periodic benefit expense	$ **14,933,412**	$ 14,601,090	$ **1,545,373**	$ 1,869,065

Actuarial assumptions for the plans are as follows

	Defined Benefit Pension Plans		Postretirement Benefit Plan	
	2011	2010	2011	2010
Weighted-average assumptions used to determine net periodic benefit cost for years ended September 30				
Discount rate	**5.40%**	5 60%	**5.40%**	5 60%
Expected long-term rate of return on plan assets	**7.00%**	7 00%	–	–
Range of expected rate of compensation increase	**2.43% to 3.00%**	2 46% to 3 00%	–	–
Weighted-average assumptions used to determine benefit obligation at September 30				
Discount rate	**5.40%**	5 60%	**5.40%**	5 60%
Range of rate of compensation increase	**2.43% to 2.50%**	2 46% to 3 00%	–	–

8. Benefit Plans (continued)

In selecting the expected long-term return on plan assets for the pension plans, Cabell considered the average rate of earnings on the funds invested or to be invested to provide for the benefits of these plans This included considering the asset allocation and the expected returns likely to be earned over the life of the plans Plan assets are invested in an actively managed portfolio that integrates asset allocation strategies across equity and debt markets within the United States The portfolio objectives include long-term growth balanced with moderate variability with an expected shift to assets having a greater fixed income allocation as the plan population ages and nears retirement The use of an appropriate asset management policy combines the various asset pools to ensure flexibility and to adapt to the changing retirement needs of the plan participants The pension plans' objectives are to have approximately 50% of plan assets invested in equities and approximately 45% invested in fixed income securities For the long term, the primary investment objectives for the portfolio is to earn the highest possible total return consistent with prudent levels of risk The primary objective overall is to enable the pension plans to meet their future obligations for employee retirement

The pension plans' weighted-average asset allocations at September 30, by asset category, are as follows

	2011	2010
Asset category		
Equity securities	**49–50%**	47–49%
Debt/fixed income securities	**50–51%**	51–53%
Total	**100%**	100%

The pooled separate accounts are valued using the net asset value (NAV) provided by the administrator of the fund The NAV is based on the value of the underlying assets owned by the fund minus applicable costs and liabilities and then divided by the number of shares outstanding (Level 2)

8. Benefit Plans (continued)

The fair values of the plans' assets at September 30, 2011, by asset category and by the level of inputs used to determine the fair value, were as follows

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 1,468,000	$ –	$ –	$ 1,468,000
Pooled separate accounts				
Pooled money market separate accounts	–	4,009,000	–	4,009,000
Pooled bond and mortgage separate accounts	–	55,584,379	–	55,584,379
Pooled domestic equity separate accounts	–	24,033,000	–	24,033,000
Subtotal pooled separate accounts	–	83,626,379	–	83,626,379
Equity				
Consumer discretionary	3,370,721	–	–	3,370,721
Information technology	5,595,488	–	–	5,595,488
Consumer staples	3,625,464	–	–	3,625,464
Health care	3,780,670	–	–	3,780,670
Industrials	2,528,735	–	–	2,528,735
Energy	3,275,063	–	–	3,275,063
Materials	1,110,974	–	–	1,110,974
Other	421,726	–	–	421,726
Financials	4,219,297	–	–	4,219,297
Utilities	988,200	–	–	988,200
Telecommunications	2,145,187	–	–	2,145,187
Mutual funds	1,301,592	–	–	1,301,592
Miscellaneous equity	773,068	–	–	773,068
Subtotal equity	33,136,185	–	–	33,136,185
Total assets at fair value	$ 34,604,185	$ 83,626,379	$ –	$ 118,230,564

8. Benefit Plans (continued)

The fair values of the plans' assets at September 30, 2010, by asset category and by the level of inputs used to determine the fair value, were as follows

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 1,523,000	$ –	$ –	$ 1,523,000
Pooled separate accounts				
Pooled money market separate accounts	–	4,758,000	–	4,758,000
Pooled bond and mortgage separate accounts	–	50,596,000	–	50,596,000
Pooled domestic equity separate accounts	–	20,739,000	–	20,739,000
Subtotal pooled separate accounts	–	76,093,000	–	76,093,000
Equity				
Consumer discretionary	3,213,658	–	–	3,213,658
Information technology	4,608,974	–	–	4,608,974
Consumer staples	2,495,589	–	–	2,495,589
Health care	3,042,792	–	–	3,042,792
Industrials	2,232,487	–	–	2,232,487
Energy	2,855,297	–	–	2,855,297
Materials	1,079,384	–	–	1,079,384
Other	135,710	–	–	135,710
Financials	4,475,820	–	–	4,475,820
Utilities	779,229	–	–	779,229
Telecommunications	2,213,221	–	–	2,213,221
Mutual funds	1,288,646	–	–	1,288,646
Miscellaneous equity	889,592	–	–	889,592
Subtotal equity	29,310,399	–	–	29,310,399
Total assets at fair value	$ 30,833,399	$ 76,093,000	$ –	$ 106,926,399

Fair value methodologies for Levels 1, 2, and 3 are consistent with the inputs described in Notes 1 and 13

8. Benefit Plans (continued)

The Hospital expects to make contributions to its defined benefit pension plans totaling approximately $15,558,183 during the year ending September 30, 2012

The following benefit payments, which reflect expected future service as appropriate, are expected to be paid during the years ending September 30

2012	$ 5,127,000
2013	5,389,000
2014	5,733,000
2015	6,448,000
2016	7,121,000
2017–2021	54,000,000

The weighted-average annual assumed rate of increase in the health care cost trend rate is 7 00% for the year beginning October 1, 2011, and is assumed to decrease to 5 00% for the year beginning October 1, 2014, and remain at that level thereafter The health care cost trend rate assumption has a significant effect on the amounts reported for the postretirement benefit plan A one-percentage-point change in the assumed health care cost trend rate would have the following effects

	1% Increase	1% Decrease
Postretirement benefit plan		
Change in total of service and interest cost	$ 555,811	$ (416,301)
Change in postretirement benefit obligation	4,234,439	(3,294,466)

9. Investments in Affiliates

Tri-State MRI

The Hospital has a 50% interest in Tri-State MRI (the Partnership) through a general partnership agreement with St Mary's Hospital (St Mary's) The Partnership was formed for the purpose of acquiring and operating a magnetic resonance imaging unit The Hospital is accounting for its investment in the Partnership under the equity method of accounting

9. Investments in Affiliates (continued)

The Hospital's interest in the Partnership is approximately $663,000 and $879,000 at September 30, 2011 and 2010, respectively, and is included in partnership investments in the accompanying consolidated balance sheets Equity (losses) earnings in the Partnership approximated $(216,000) and $(161,000) for the years ended September 30, 2011 and 2010, respectively, and are included in equity income from partnership investments in the accompanying consolidated statements of operations and changes in unrestricted net assets No cash distributions were received from the Partnership by the Hospital in 2011 or 2010

Tri-State Health Partners Physician Hospital Organization, Inc.

During 1994, the Hospital formed the Tri-State Health Partners Physician Hospital Organization, Inc (the PHO) with St Mary's and approximately 270 Huntington area physicians The PHO serves as an intermediary between the Hospital and insurance companies The Hospital accounts for its 25% investment in the PHO under the equity method of accounting

FMS Dialysis Cabell Huntington Dialysis Centers, LLC

As described in Note 1, Cabell has a 45% membership interest in FMS Dialysis Cabell Huntington Dialysis Centers, LLC (Dialysis Centers) Dialysis Centers provides hemodialysis services to dialysis patients residing primarily within Cabell's service area Equity earnings in Dialysis Centers approximated $569,000 and $1,365,000 for the years ended September 30, 2011 and 2010, respectively, and are included in equity income from partnership investments in the accompanying consolidated statements of operations and changes in unrestricted net assets Cash distributions received from the Dialysis Centers approximated $2,185,000 and $1,670,000 in 2011 and 2010, respectively At September 30, 2011 and 2010, Cabell's interest in the Dialysis Centers approximated $9,376,000 and $10,036,000, respectively

10. Related-Party Transactions

The Hospital participates in various medical education programs and research activities in cooperation with the Marshall University School of Medicine During the years ended September 30, 2011 and 2010, the Hospital recorded expense of approximately $13,511,000 and $12,719,000, respectively, related to these activities, which is included in professional services and other expenses in the accompanying consolidated statements of operations and changes in unrestricted net assets

11. Commitments and Contingencies

Cabell enters into agreements with nonemployed physicians that include minimum revenue guarantees Included in other assets at September 30, 2011 and 2010, is approximately $7,067,000 and $9,690,000, respectively, representing amounts due from nonemployed physicians pursuant to the terms of their minimum revenue guarantee contracts Such amounts will be collected in cash or through in-kind professional services to be rendered, generally over a three-year period The carrying amount of the liability for Cabell's obligation under these guarantees approximates $560,000 at September 30, 2011 and 2010, and is included in noncurrent liabilities in the accompanying consolidated balance sheets The maximum amount of future payments that Cabell could be required to make under these guarantees is approximately $5,030,000 at September 30, 2011

The Hospital is party to several routine lawsuits incidental to its operations, some involving substantial amounts It is not possible at the present time to estimate the ultimate legal and financial liability, if any, of the Hospital with respect to such lawsuits In the opinion of management based on the advice of legal counsel, adequate insurance or funds held for self-insured matters exist to cover financial exposure, in the event there is any, to the Hospital

12. Functional Expenses

The Hospital provides general health care services to residents within its geographic location Approximate expenses related to providing these services included in the accompanying consolidated statements of operations and changes in unrestricted net assets are as follows

	September 30	
	2011	**2010**
Health care services	**$ 324,679,000**	$ 307,271,000
General and administrative	**65,985,000**	64,906,000
	$ 390,664,000	$ 372,177,000

13. Fair Value Measurements

As of September 30, 2011 and 2010, Cabell held certain assets that are required to be measured at fair value on a recurring basis These include cash and cash equivalents, investments classified as assets limited as to use, and derivative instruments

13. Fair Value Measurements (continued)

In accordance with ASC 820-10, the following table represents Cabell's fair value hierarchy for its financial assets (cash and investments) and liabilities measured at fair value on a recurring basis as of September 30, 2011 and 2010 Cabell utilizes a third-party vendor for derivative valuation purposes The vendor determines the appropriate fair value primarily observable market inputs such as interest rate yield curves (Level 2)

	Level 1	Level 2	Level 3	Total
September 30, 2011				
Cash and cash equivalents	$ 26,891,222	$ –	$ –	$ 26,891,222
Fixed income				
U S government agencies and securities	14,637,350	–	–	14,637,350
Corporate bonds	8,894,923	8,388,256	–	17,283,179
Mortgage-backed securities	–	7,944,734	–	7,944,734
Subtotal fixed income	23,532,273	16,332,990	–	39,865,263
Equity				
Consumer discretionary	5,291,823	–	–	5,291,823
Information technology	4,157,505	–	–	4,157,505
Consumer staples	4,464,668	–	–	4,464,668
Health care	4,528,651	–	–	4,528,651
Industrials	2,972,275	–	–	2,972,275
Energy	4,414,489	–	–	4,414,489
Materials	1,472,717	–	–	1,472,717
Other	173,274	–	–	173,274
Financials	5,990,417	–	–	5,990,417
Utilities	749,986	–	–	749,986
Telecommunications	1,575,808	–	–	1,575,808
Mutual funds	304,839	–	–	304,839
Miscellaneous equity	184,806	–	–	184,806
Subtotal equity	36,281,258	–	–	36,281,258
Total assets at fair value	$ 86,704,753	$ 16,332,990	$ –	$ 103,037,743
Derivative instruments (interest rate swaps)	$ –	$ 16,968,947	$ –	$ 16,968,947
Total liabilities	$ –	$ 16,968,947	$ –	$ 16,968,947

13. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
September 30, 2010				
Cash and cash equivalents	$ 26,575,212	$ –	$ –	$ 26,575,212
Fixed income				
U S government agencies and securities	15,906,769	–	–	15,906,769
Corporate bonds	12,599,984	7,950,000	–	20,549,984
Mortgage-backed securities	–	6,505,000	–	6,505,000
Subtotal fixed income	28,506,753	14,455,000	–	42,961,753
Equity				
Consumer discretionary	3,913,532	–	–	3,913,532
Information technology	3,569,718	–	–	3,569,718
Consumer staples	2,805,064	–	–	2,805,064
Health care	3,671,101	–	–	3,671,101
Industrials	2,713,027	–	–	2,713,027
Energy	5,238,278	–	–	5,238,278
Materials	1,721,179	–	–	1,721,179
Other	117,163	–	–	117,163
Financials	7,694,060	–	–	7,694,060
Utilities	519,511	–	–	519,511
Telecommunications	597,641	–	–	597,641
Mutual funds	460,967	–	–	460,967
Subtotal equity	33,021,241	–	–	33,021,241
Total assets at fair value	$ 88,103,206	$ 14,455,000	$ –	$ 102,558,206
Derivative instruments (interest rate swaps)	$ –	$ 14,415,207	$ –	$ 14,415,207
Total liabilities	$ –	$ 14,415,207	$ –	$ 14,415,207

Transfers between levels are recognized at the end of the reporting period

The following is a description of the Hospital's valuation methodologies for assets and liabilities measured at fair value Fair value for Level 1 is based upon quoted market prices Fair value for Level 2 is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be

13. Fair Value Measurements (continued)

corroborated by observable market data for substantially the full term of the assets Inputs are obtained from various sources including market participants, dealers, and brokers The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values Furthermore, while the Hospital believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date

The carrying values of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses are reasonable estimates of fair value due to the short-term nature of these financial instruments Other noncurrent assets and liabilities have carrying values that approximate fair value

The aggregate carrying amount of Cabell's fixed-rate, long-term debt approximates $30,418,000 and $33,620,000 at September 30, 2011 and 2010, respectively The estimated fair value of Cabell's fixed-rate debt, using discounted cash flow analyses based on Cabell's current incremental borrowing rates for similar types of borrowing arrangements, amounted to approximately $30,418,000 and $33,638,000 at September 30, 2011 and 2010, respectively

14. Subsequent Events

Management evaluated subsequent events through February 29, 2012, the date the consolidated financial statements were issued

Other Financial Information

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Report of Independent Auditors on Other Financial Information

The Board of Directors
Cabell Huntington Hospital, Inc

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole The accompanying consolidating balance sheet at September 30, 2011, and consolidating statement of operations and changes in unrestricted net assets for the year then ended is presented for purposes of additional analysis and is not a required part of the consolidated financial statements Such information has been subjected to the auditing procedures applied in our audit of the consolidated financial statements and, in our opinion, based on our audit and the report of other auditors, is fairly stated in all material respects in relation to the consolidated financial statements taken as whole

Ernst & Young LLP

February 29, 2012

Cabell Huntington Hospital, Inc and Subsidiaries

Details of Consolidated Balance Sheet

September 30, 2011

	Cabell Huntington Hospital, Inc	Mountain Regional Services, Inc	Cabell Huntington Hospital Foundation, Inc	Huntington Surgery Center Ltd , Ptshp , DBA Cabell Huntington Surgery Center	CHH-Cabell Development Group	Occumed	Auxiliary	Eliminations	Consolidated Total
Assets									
Current assets									
Cash and cash equivalents	$ 47 761 282	$ 107 427	$ 4 405 132	$ 192 956	$ 81 560	$ 63 749	$ 140 984	$ –	$ 52 753 090
Patient accounts receivable net of allowance for doubtful accounts	50 336 284	–	–	522 413	–	–	–	–	50 858 697
Inventories prepaid expenses and other receivables	13 112 038	258 513	3 215 604	35 654	–	1 433	167 983	(1 225 742)	15 565 483
Current portion of assets limited as to use	–	–	–	–	–	–	–	–	–
Estimated settlement amounts due from third-party payors	2 078 282	–	–	–	–	–	–	–	2 078 282
Total current assets	113 287 886	365 940	7 620 736	751 023	81 560	65 182	308 967	(1 225 742)	121 255 552
Assets limited as to use net of amounts required to meet current liabilities									
Board designated	100 250 642	–	–	–	–	–	–	–	100 250 642
Externally designated	74 165	–	–	–	–	–	–	–	74 165
Funds held by Foundation	–	–	2 712 936	–	–	–	–	–	2 712 936
	100 324 807	–	2 712 936	–	–		–	–	103 037 743
Property buildings and equipment net of accumulated depreciation	181 527 342	336 470	–	285 223	1 072 817	1 670 974	16 560	–	184 909 386
Partnership investments	14 692 457	–	–	–	–	–	–	–	14 692 457
Other assets	8 583 310	(257 139)	1 098 212	–	–	–	–	(1 094 712)	8 329 671
Total assets	$ 418 415 802	$ 445 271	$ 11 431 884	$ 1 036 246	$ 1 154 377	$ 1 736 156	$ 325 527	$ (2 320 454)	$ 432 224 809

Cabell Huntington Hospital, Inc and Subsidiaries

Details of Consolidated Balance Sheet (continued)

September 30, 2011

	Cabell Huntington Hospital, Inc	Mountain Regional Services, Inc	Cabell Huntington Hospital Foundation, Inc	Huntington Surgery Center Ltd , Ptshp , DBA Cabell Huntington Surgery Center	CHH-Cabell Development Group	Occumed	Auxiliary	Eliminations	Consolidated Total
Liabilities and net assets									
Current liabilities									
Accounts payable	$ 18 507 600	$ 28 825	$ –	$ 239 742	$ 6 766	$ –	$ 92 804	$ (566 972)	$ 18 308 765
Accrued expenses	24 344 846	–	371 934	321 673	25 714	459 404	3 923	(703 473)	24 824 021
Accrued interest	326 462	–	–	–	–	–	–	–	326 462
Current portion of estimated professional liabilities	2 452 000	–	–	–	–	–	–	–	2 452 000
Borrowings under lines of credit	–	–	–	–	–	391 475	–	–	391 475
Current maturities of long-term debt	4 072 632	–	–	118 795	–	1 184 467	–	–	5 375 894
Total current liabilities	49 703 540	28 825	371 934	680 210	32 480	2 035 346	96 727	(1 270 445)	51 678 617
Long-term debt	122 755 136	–	–	–	–	–	–	–	122 755 136
Borrowings under lines of credit	5 000 000	–	–	–	–	–	–	–	5 000 000
Derivative instruments	16 968 947	–	–	–	–	–	–	–	16 968 947
Pension and postretirement benefits liabilities	114 975 185	–	–	–	–	–	–	–	114 975 185
Deferred gain	5 687 929	–	–	–	–	–	–	–	5 687 929
Accrued professional liability and other	11 740 665	–	–	(191 212)	573 074	(35 117)	–	–	12 087 410
Total liabilities	326 831 402	28 825	371 934	488 998	605 554	2 000 229	96 727	(1 270 445)	329 153 224
Net assets									
Unrestricted	71 425 578	416 446	762 587	547 248	548 823	(264 073)	228 800	(1 050 009)	72 615 400
Temporarily restricted	20 158 822	–	10 297 363	–	–	–	–	–	30 456 185
Permanently restricted	–	–	–	–	–	–	–	–	–
Total net assets	91 584 400	416 446	11 059 950	547 248	548 823	(264 073)	228 800	(1 050 009)	103 071 585
Total liabilities and net assets	$ 418 415 802	$ 445 271	$ 11 431 884	$ 1 036 246	$ 1 154 377	$ 1 736 156	$ 325 527	$ (2 320 454)	$ 432 224 809

Cabell Huntington Hospital, Inc and Subsidiaries

Details of Consolidated Statement of Operations and Changes in Unrestricted Net Assets

Year Ended September 30, 2011

	Cabell Huntington Hospital, Inc	Mountain Regional Services, Inc	Cabell Huntington Hospital Foundation, Inc	Huntington Surgery Center Ltd , Ptshp , DBA Cabell Huntington Surgery Center	CHH-Cabell Development Group	Occumed	Auxiliary	Eliminations	Consolidated Total
Unrestricted revenue and other support									
Net patient service revenue	$ 379 728 359	$ –	$ –	$ 4 361 041	$ –	$ 1 824 392	$ –	$ –	$ 385 913 792
Equity income from partnership investments	353 833	–	–	–	–	–	–	–	353 833
Net investment loss	(1 562 242)	–	–	–	–	–	–	–	(1 562 242)
Other revenue including net assets released from restrictions for operations	4 565 365	33 124	515 760	8 833	205 078	211	825 105	(533 933)	5 619 543
Total unrestricted revenue and other support	383 085 315	33 124	515 760	4 369 874	205 078	1 824 603	825 105	(533 933)	390 324 926
Expenses									
Salaries and wages	121 717 701	–	–	1 305 175	–	1 100 567	–	–	124 123 443
Employee benefits	47 580 752	–	–	269 385	–	154 121	–	–	48 004 258
Supplies	56 725 801	–	–	1 404 949	–	83 877	9 274	–	58 223 901
Professional services	34 971 408	–	–	258 301	–	185 717	–	–	35 415 426
Maintenance and repairs	8 957 233	–	–	125 289	–	10 980	–	–	9 093 502
Interest	6 048 226	–	–	621	–	98 810	–	–	6 147 657
Change in fair value of interest rate swaps	2 553 740	–	–	–	–	–	–	–	2 553 740
Depreciation and amortization	15 373 253	12 920	–	108 184	53 898	66 009	740	–	15 615 004
Amortization associated with Edwards Comprehensive Cancer Center *(Note 2)*	1 995 770	–	–	–	–	–	–	–	1 995 770
Rent associated with Edwards Comprehensive Cancer Center *(Note 2)*	864 000	–	–	–	–	–	–	–	864 000
Provision for bad debts	38 575 799	–	–	116 660	–	–	–	–	38 692 459
Provider tax	6 733 224	–	–	74 334	–	–	–	–	6 807 558
Insurance	6 214 625	–	–	65 076	–	5 524	–	–	6 285 225
Other	35 367 896	44 719	269 308	698 608	9 221	192 948	793 712	(533 933)	36 842 479
	383 679 428	57 639	269 308	4 426 582	63 119	1 898 553	803 726	(533 933)	390 664 422
Excess of (expenses over revenue) revenue over expenses	(594 113)	(24 515)	246 452	(56 708)	141 959	(73 950)	21 379	–	(339 496)
Assets released from restriction for Edwards Comprehensive Cancer Center *(Note 2)*	2 993 632	–	–	–	–	–	–	–	2 993 632
Change in plan assets and benefit obligations	(13 543 557)	–	–	–	–	–	–	–	(13 543 557)
Acquisition of controlling interest in affiliate *(Note 1)*	–	–	–	–	–	–	207 421	–	207 421
Noncontrolling interests	–	–	–	23 488	(164 346)	23 324	–	–	(117 534)
Transfers from (to) affiliates	89 024	–	(89 024)	–	–	–	–	–	–
(Decrease) increase in unrestricted net assets	(11 055 014)	(24 515)	157 428	(33 220)	(22 387)	(50 626)	228 800	–	(10 799 534)
Unrestricted net assets, beginning of year	82 480 592	440 961	605 159	580 468	571 210	(213 447)	–	(1 050 009)	83 414 934
Unrestricted net assets, end of year	$ 71 425 578	$ 416 446	$ 762 587	$ 547 248	$ 548 823	$ (264 073)	$ 228 800	$ (1 050 009)	$ 72 615 400

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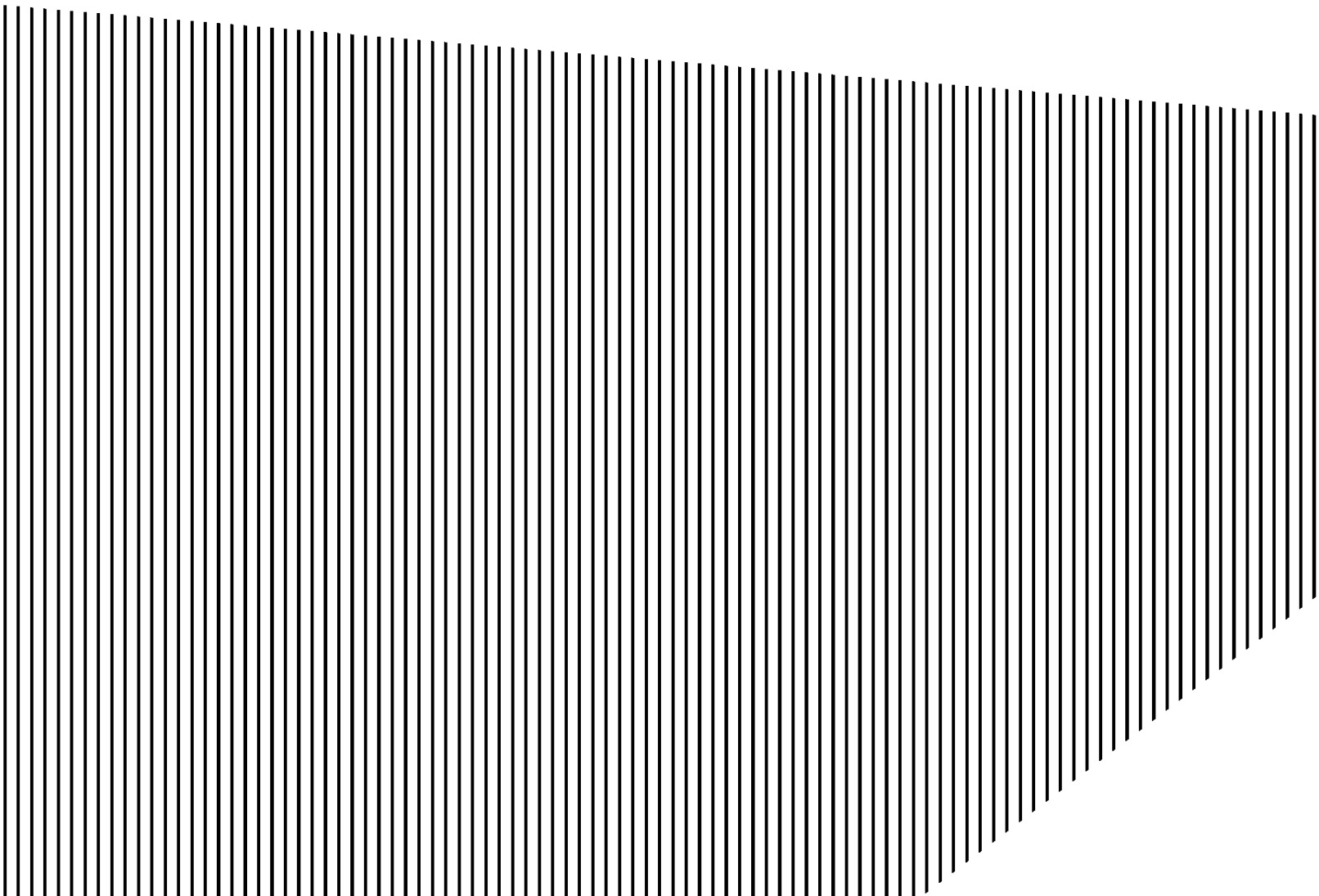

Additional Data

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Software Version:
EIN: 55-0675666
Name: CABELL HUNTINGTON HOSPITAL INC

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DAVID PORTER CHAIRMAN	2 00	X		X				0	0	0
CAROLYN BAGBY VICE-CHAIRMAN	2 00	X		X				0	0	0
DAVID FOX III SECRETARY	2 00	X		X				0	0	0
FLOYD HARLOW JR TREASURER	2 00	X		X				0	0	0
PETER CHIRICO BOARD MEMBER	2 00	X						0	0	0
MARIAN COX BOARD MEMBER	2 00	X						0	0	0
TIM KINSEY BOARD MEMBER	2 00	X						0	0	0
TIM MILLNE BOARD MEMBER	2 00	X						0	0	0
SAMUEL MOORE BOARD MEMBER	2 00	X						0	0	0
CHARLES MCKOWN BOARD MEMBER	2 00	X						0	0	0
GERALD OAKLEY BOARD MEMBER	2 00	X						0	0	0
ALAN MORRISON BOARD MEMBER	2 00	X						0	0	0
ROSS PATTON BOARD MEMBER	2 00	X						0	0	0
CLARA SADLER BOARD MEMBER	2 00	X						0	0	0
JIM SCHNEIDER BOARD MEMBER	2 00	X						0	0	0
VICKIE SMITH BOARD MEMBER	2 00	X						0	0	0
STEVEN BURTON BOARD MEMBER	2 00	X						0	0	0
BRENT MARSTELLER PRESIDENT & CEO	45 00			X				632,453	0	93,291
DAVID M WARD SR VP & CFO	45 00			X				288,875	0	137,148
GLEN WASHINGTON SR VP & COO	45 00			X				240,457	0	50,993
HOYT BURDICK SR VP & MEDICAL AFFAIRS	45 00			X				295,556	0	98,364
PAUL SMITH VP & GENERAL COUNSEL	45 00			X				186,133	0	100,951
ROSEMARY SMITH VP NURSING SERVICES	45 00			X				187,114	0	110,927
BARRY TOURIGNY VP HUMAN RESOURCES	45 00			X				195,540	0	25,431
W MARK TWILLA VP ANCILLARY SERVICES	45 00			X				172,361	0	23,929

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
DAVID GRALEY VP & COO FOUNDATION	45 00			X				189,671	0	46,826
MICHAEL VEGA MD ANESTHESIOLOGIST	45 00					X		365,281	0	39,325
ALFREDO RIVAS MD ANESTHESIOLOGIST	45 00					X		368,740	0	53,325
MARCOS JAVIER MD ANESTHESIOLOGIST	45 00					X		361,943	0	19,229
MICKEY NEAL MD ANESTHESIOLOGY DIRECTOR	45 00					X		427,009	0	59,298
FAROUK H ABADIR MD ANESTHESIOLOGIST	45 00					X		359,329	0	59,825