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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
- [x] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Terminated
- [ ] Amended return
- [ ] Application pending

**C** Name of organization
Southern Baptist Hospital of Florida Inc

Doing Business As
Baptist Medical Center
& Baptist Medical Center South

Number and street (or P O box if mail is not delivered to street address)
3563 Philips Hwy Bldg F Ste 608
Attn Mike Lee

Room/suite

City or town, state or country, and ZIP + 4
Jacksonville, FL 322075663

**D Employer identification number**
59-0747311

**E Telephone number**
(904) 202-1797

**G** Gross receipts $ 863,311,737

**F** Name and address of principal officer
A Hugh Greene
800 Prudential Dr
Jacksonville, FL 32207

**H(a)** Is this a group return for affiliates? [ ] Yes [x] 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 [x] 501(c)(3) [ ] 501(c) ( ) ◀ (insert no ) [ ] 4947(a)(1) or [ ] 527

**J Website:** ▶ e-baptisthealth com

**K** Form of organization [x] Corporation [ ] Trust [ ] Association [ ] Other ▶

**L** Year of formation 1965

**M** State of legal domicile FL

## Part I Summary

**1** Briefly describe the organization's mission or most significant activities
Continue the healing ministry of Christ by providing accessible, quality healthcare services at a reasonable cost in an atmosphere that fosters respect and compassion

**2** Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets

Activities & Governance

| | | | |
|---|---|---|---|
| **3** | Number of voting members of the governing body (Part VI, line 1a) | **3** | 13 |
| **4** | Number of independent voting members of the governing body (Part VI, line 1b) | **4** | 7 |
| **5** | Total number of individuals employed in calendar year 2010 (Part V, line 2a) | **5** | 5,986 |
| **6** | Total number of volunteers (estimate if necessary) | **6** | 231 |
| **7a** | Total unrelated business revenue from Part VIII, column (C), line 12 | **7a** | 484,349 |
| **b** | Net unrelated business taxable income from Form 990-T, line 34 | **7b** | 0 |

| | | Prior Year | Current Year |
|---|---|---|---|
| **8** | Contributions and grants (Part VIII, line 1h) | 3,129,600 | 11,476,669 |
| **9** | Program service revenue (Part VIII, line 2g) | 821,586,877 | 835,083,336 |
| **10** | Investment income (Part VIII, column (A), lines 3, 4, and 7d ) | 45,220,411 | 4,523,609 |
| **11** | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 12,461,943 | 10,840,420 |
| **12** | Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 882,398,831 | 861,924,034 |
| **13** | Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) | 2,568,148 | 1,783,709 |
| **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) | 339,343,947 | 355,223,385 |
| **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) | 395,195,926 | 412,520,391 |
| **18** | Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) | 737,108,021 | 769,527,485 |
| **19** | Revenue less expenses Subtract line 18 from line 12 | 145,290,810 | 92,396,549 |

Revenue

Expenses

| | | Beginning of Current Year | End of Year |
|---|---|---|---|
| **20** | Total assets (Part X, line 16) | 1,343,254,200 | 1,434,479,806 |
| **21** | Total liabilities (Part X, line 26) | 766,731,065 | 794,582,173 |
| **22** | Net assets or fund balances Subtract line 21 from line 20 | 576,523,135 | 639,897,633 |

Net Assets or Fund Balances

## Part II Signature Block

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

**Sign Here**

Signature of officer — Date: 2012-08-15

Michael Lukaszewski 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 |
|---|---|---|---|---|
| Firm's name ▶ | | | | Firm's EIN ▶ |
| Firm's address ▶ | | | | Phone no ▶ |

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

Continue the healing ministry of Christ by providing accessible, quality healthcare services at a reasonable cost in an atmosphere that fosters respect and compassion

**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 $ 731,527,195 including grants of $ 1,783,709 ) (Revenue $ 861,924,034 )

Southern Baptist Hospital of Florida, Inc (SBHF) is a subsidiary of Baptist Health System, Inc (the Parent), a tax-exempt parent holding company located in Jacksonville, Florida SBHF is a tax-exempt organization that operates two acute care hospitals, Baptist Medical Center (BMC) and Baptist Medical Center South (BMCS) The two hospitals have 619 and 225 liscensed beds, respectively BMC is a full-service, Magnet-designated tertiary care hospital representing nearly all major specialties A Magnet hospital is the highest honor a healthcare organization can receive for excellence in patient care This flagship hospital is also home to Baptist Heart Hospital, offering comprehensive, high-quality cardiovascular care, and Wolfson Children's Hospital (WCH), the only full-service tertiary hospital for children in the region, serving North Florida, South Georgia and beyond BMC is consistently rated Jacksonville's "Most Preferred Healthcare Provider" by consumers in the annual National Research Corporation survey BMC and BMCS were named during 2011 to the U S News & World Report's "Best Hospitals by Metro Area" ranking for the Jacksonville area To achieve Best Hospital by Metro Area ranking requires a hospital to achieve "a strong record of high performance" scoring in the top 25 percent among peers in one or more of 16 medical specialties BMC and BMCS had nine medical specialties ranked as "high-performing", more than any other hospitals in the area The specialties included diabetes and endocrinology, ear, nose and throat, gastroenterology, geriatrics, gynecology, heart and heart surgery, neurology and neurosurgery, pulmonology, and urology WCH was recognized during the fiscal year as one of America's Best Children's Hospitals by U S News & World Report WCH ranked among the top 50 children's hospitals in the U S in four pediatric subspecialties diabetes and endocrinology, urology, and neurology and neurosurgery WCH was also selected as one of only two children's hospitals in Florida to receive Magnet status in 2007 WCH is a growing center of research and a leading teaching hospital dedicated to training tomorrow's pediatric doctors, nurses and technical staff WCH has continually expanded in both size and services to meet the evolving needs of the region WCH is currently adding four new pediatric floors that will include more family suites and suport areas, as well as additional surgery, research and education facilities to ensure that children continue to have access to the finest care and treatment BHS expanded its circle of care in 2005 by adding BMCS to serve the rapidly growing neighborhoods in Northeast Florida BMCS is also a Magnet hospital and a full-service healthcare facility offering vital services such as radiology, surgery, emergency care, oncology, sleep lab, and many more In 2010, BMCS was awarded an Excellence Through Insight award for "Highest Community Perception of Quality" by HealthStream Research, Inc For fiscal year 2011, SBHF had 39,647 admissions accounting for 196,995 patient days, 169,885 emergency room visits, 69,900 home health visits and 48,274 mental health visits SBHF primary focus is addressing unmet health needs, particularly among vulnerable populations who have limited health resources and access to health care SBHF's community health efforts are guided by the Community Health Committee, which is comprised of selected BHS board members from across our health system A cornerstone of SBHF's commitment to the community is caring for the health of vulnerable, uninsured and underserved people among us During fiscal year 2011, SBHF provided the following uncompensated care and community benefit (1) Charity care - $25 5 million, (2) Unreimbursed Medicaid Costs - $31 2 million, (3) Unreimbursed Medicare Costs - $34 0 million, (4) Specific Community Programs - $8 4 million, and (5) Unreimbursed Bad Debt Expenses, $6 9 million, for a total of $106 million of uncompensated care and community benefits

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

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

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

(Expenses $ 0 including grants of $ 0 ) (Revenue $ 0 )

**4e** **Total program service expenses** ▶ $ 731,527,195

## 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 | Yes | |
| 5 | Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III* | 5 | | No |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I* | 6 | | No |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II* | 7 | | No |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III* | 8 | | No |
| 9 | Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV* | 9 | | No |
| 10 | Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V* | 10 | Yes | |
| 11 | 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** | | No |
| **c** | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | **24c** | | No |
| **d** | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | **24d** | | No |
| **25a** | **Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I* | **25a** | | No |
| **b** | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I* | **25b** | | No |
| **26** | Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II* | **26** | | No |
| **27** | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III* | **27** | | No |
| **28** | Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions) | | | |
| **a** | A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV* | **28a** | Yes | |
| **b** | A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV* | **28b** | Yes | |
| **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** | | No |
| **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 | 378 | | |
| 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 | | |
| 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 | 5,986 | | |
| 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 | 13 | | |
| b | Enter the number of voting members included in line 1a, above, who are independent . . . . . | 1b | 7 | | |
| 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 | | No |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . | | 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 | Yes | |
| 7a | Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . . | | 7a | Yes | |
| 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 | | No |
| 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 ▶

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 ▶

Scott Finnegan
841 Prudential Dr
Suite 1602
Jacksonville, FL 32207
(904) 202-3270

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

| (A) Name and Title | (B) Average hours per week (describe hours for related organizations in Schedule O) | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Individual trustee or director | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| See Additional Data Table | | | | | | | | | | |
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| | | | | | | | | | | |
| **1b** **Sub-Total** . . . . . ▶ | | | | | | | | | | |
| **c** **Total from continuation sheets to Part VII, Section A** . . . . ▶ | | | | | | | | | | |
| **d** **Total (add lines 1b and 1c)** . . . . . ▶ | | | | | | | | 5,478,523 | 0 | 1,319,748 |

**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 ▶ 171

| | | | 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 of Florida Jacksonville Physicians Inc<br>PO Box 44008<br>Jacksonville, FL 322314008 | Physician specialty services for children's hospital | 5,591,571 |
| Haskell Company<br>111 Riverside Ave<br>Jacksonville, FL 32231 | Construction services | 5,056,173 |
| Nemours Children's Clinic<br>10140 Centurion Parkway N<br>Jacksonville, FL 32256 | Physician and medical services for children's hospital | 4,402,138 |
| University of Florida<br>580 W 8th St 5th Floor<br>Jacksonville, FL 32209 | Pediatric physician residency program serving children's hospital | 2,717,134 |
| Sodexho Inc & Affiliates<br>PO Box 536922<br>Atlanta, GA 303536922 | Management fees - cafeteria & environ services | 2,021,280 |

**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 ▶ 32

## 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 | 0 | | | | |
| | b Membership dues . . . . 1b | 0 | | | | |
| | c Fundraising events . . . . 1c | 0 | | | | |
| | d Related organizations . . . 1d | 11,167,842 | | | | |
| | e Government grants (contributions) 1e | 0 | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above 1f | 308,827 | | | | |
| | g Noncash contributions included in lines 1a-1f $ | 0 | | | | |
| | h **Total.** Add lines 1a-1f . . . . . ▶ | | 11,476,669 | | | |
| Program Service Revenue | | Business Code | | | | |
| | 2a Net patient service revenues | 622000 | 835,079,480 | 835,079,480 | 0 | 0 |
| | b Partnership income related to program services | 541900 | 3,856 | 0 | 3,856 | 0 |
| | c | | | | | |
| | d | | | | | |
| | e | | | | | |
| | f All other program service revenue | | 0 | 0 | 0 | 0 |
| | g **Total.** Add lines 2a–2f . . . . . ▶ | | 835,083,336 | | | |
| | 3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶ | | 4,337,560 | 0 | 0 | 4,337,560 |
| | 4 Income from investment of tax-exempt bond proceeds . . ▶ | | 0 | 0 | 0 | 0 |
| | 5 Royalties . . . . . ▶ | | 0 | 0 | 0 | 0 |

| | | (i) Real | (ii) Personal | | | | |
|---|---|---|---|---|---|---|---|
| | 6a Gross Rents | 4,056,983 | 0 | | | | |
| | b Less rental expenses | 382,473 | 0 | | | | |
| | c Rental income or (loss) | 3,674,510 | 0 | | | | |
| | d Net rental income or (loss) . . . . . ▶ | | | 3,674,510 | 0 | 0 | 3,674,510 |

| | | (i) Securities | (ii) Other | | | | |
|---|---|---|---|---|---|---|---|
| | 7a Gross amount from sales of assets other than inventory | 0 | 1,191,279 | | | | |
| | b Less cost or other basis and sales expenses | 0 | 1,005,230 | | | | |
| | c Gain or (loss) | 0 | 186,049 | | | | |
| | d Net gain or (loss) . . . . . ▶ | | | 186,049 | 186,049 | 0 | 0 |
| Other Revenue | 8a Gross income from fundraising events (not including $ 0 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 Restaurant revenues | | 722100 | 5,006,175 | 0 | 0 | 5,006,175 |
| | b Reference lab revenues | | 621500 | 1,633,899 | 0 | 480,493 | 1,153,406 |
| | c Vending machine revenues | | 722210 | 323,895 | 0 | 0 | 323,895 |
| | d All other revenue . . . . | | | 201,941 | 0 | 0 | 201,941 |
| | e **Total.** Add lines 11a–11d . . . . . ▶ | | | 7,165,910 | | | |
| | 12 **Total revenue.** See Instructions . . . ▶ | | | 861,924,034 | 835,265,529 | 484,349 | 14,697,487 |

## 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 | 1,783,709 | 1,783,709 | | |
| 2 | Grants and other assistance to individuals in the U S See Part IV, line 22 | 0 | 0 | | |
| 3 | Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16 | 0 | 0 | | |
| 4 | Benefits paid to or for members | 0 | 0 | | |
| 5 | Compensation of current officers, directors, trustees, and key employees | 6,796,881 | 0 | 6,796,881 | 0 |
| 6 | Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | 0 | 0 | 0 | 0 |
| 7 | Other salaries and wages | 233,641,820 | 223,361,578 | 10,280,242 | 0 |
| 8 | Pension plan contributions (include section 401(k) and section 403(b) employer contributions) | 18,594,419 | 17,467,924 | 1,126,495 | 0 |
| 9 | Other employee benefits | 77,430,763 | 73,574,711 | 3,856,052 | 0 |
| 10 | Payroll taxes | 18,759,502 | 17,118,046 | 1,641,456 | 0 |
| a | Fees for services (non-employees) Management | 4,436,451 | 2,256,823 | 2,179,628 | 0 |
| b | Legal | 456,711 | 228,356 | 228,355 | 0 |
| c | Accounting | 245,984 | 245,984 | 0 | 0 |
| d | Lobbying | 38,040 | 0 | 38,040 | 0 |
| e | Professional fundraising services *See Part IV, line 17* | 0 | | | 0 |
| f | Investment management fees | 0 | 0 | 0 | 0 |
| g | Other | 35,127,202 | 33,866,135 | 1,261,067 | 0 |
| 12 | Advertising and promotion | 1,348,181 | 674,091 | 674,090 | 0 |
| 13 | Office expenses | 175,071,072 | 170,116,561 | 4,954,511 | 0 |
| 14 | Information technology | 6,413,239 | 6,190,700 | 222,539 | 0 |
| 15 | Royalties | 104,871 | 104,871 | 0 | 0 |
| 16 | Occupancy | 21,404,588 | 20,636,163 | 768,425 | 0 |
| 17 | Travel | 1,281,222 | 1,064,183 | 217,039 | 0 |
| 18 | Payments of travel or entertainment expenses for any federal, state, or local public officials | 0 | 0 | 0 | 0 |
| 19 | Conferences, conventions, and meetings | 1,644,140 | 1,359,539 | 284,601 | 0 |
| 20 | Interest | 6,603,947 | 6,374,790 | 229,157 | 0 |
| 21 | Payments to affiliates | 0 | 0 | 0 | 0 |
| 22 | Depreciation, depletion, and amortization | 48,958,181 | 47,259,332 | 1,698,849 | 0 |
| 23 | Insurance | 6,231,882 | 6,015,636 | 216,246 | 0 |
| 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 | Provision for bad debts | 73,894,618 | 73,894,618 | 0 | 0 |
| b | Purchased services | 14,461,121 | 13,959,320 | 501,801 | 0 |
| c | Indigent care/NIC/other state hospital assessments | 9,329,458 | 9,329,458 | 0 | 0 |
| d | Bond swap market changes | 4,152,010 | 3,985,930 | 166,080 | 0 |
| e | Other administrative | 1,317,473 | 658,737 | 658,736 | 0 |
| f | All other expenses | | | | |
| 25 | **Total functional expenses.** Add lines 1 through 24f | 769,527,485 | 731,527,195 | 38,000,290 | 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 | | 23,416 | 1 | 23,916 |
| | 2 | Savings and temporary cash investments | | 4,661,359 | 2 | 5,139,131 |
| | 3 | Pledges and grants receivable, net | | 0 | 3 | 0 |
| | 4 | Accounts receivable, net | | 128,272,063 | 4 | 134,099,355 |
| | 5 | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L | | 0 | 5 | 0 |
| | 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 | | 0 | 6 | 0 |
| | 7 | Notes and loans receivable, net | | 0 | 7 | 0 |
| | 8 | Inventories for sale or use | | 12,053,607 | 8 | 12,828,597 |
| | 9 | Prepaid expenses and deferred charges | | 12,004,718 | 9 | 10,911,632 |
| | 10a | Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D* | 10a 1,103,831,485 | | | |
| | b | Less accumulated depreciation | 10b 558,491,230 | 503,176,779 | 10c | 545,340,255 |
| | 11 | Investments—publicly traded securities | | 584,382,982 | 11 | 654,475,246 |
| | 12 | Investments—other securities See Part IV, line 11 | | 0 | 12 | 0 |
| | 13 | Investments—program-related See Part IV, line 11 | | 90,046 | 13 | 78,756 |
| | 14 | Intangible assets | | 0 | 14 | 3,304,175 |
| | 15 | Other assets See Part IV, line 11 | | 98,589,230 | 15 | 68,278,743 |
| | 16 | **Total assets.** Add lines 1 through 15 (must equal line 34) | | 1,343,254,200 | 16 | 1,434,479,806 |
| Liabilities | 17 | Accounts payable and accrued expenses | | 77,124,274 | 17 | 82,583,233 |
| | 18 | Grants payable | | 0 | 18 | 0 |
| | 19 | Deferred revenue | | 0 | 19 | 0 |
| | 20 | Tax-exempt bond liabilities | | 470,527,416 | 20 | 477,321,578 |
| | 21 | Escrow or custodial account liability *Complete Part IV of Schedule D* | | 0 | 21 | 0 |
| | 22 | Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L* | | 0 | 22 | 0 |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | 0 | 23 | 0 |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | 0 | 24 | 0 |
| | 25 | Other liabilities Complete Part X of Schedule D | | 219,079,375 | 25 | 234,677,362 |
| | 26 | **Total liabilities.** Add lines 17 through 25 | | 766,731,065 | 26 | 794,582,173 |
| 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 | | 551,762,519 | 27 | 618,916,006 |
| | 28 | Temporarily restricted net assets | | 16,483,038 | 28 | 12,794,613 |
| | 29 | Permanently restricted net assets | | 8,277,578 | 29 | 8,187,014 |
| | | **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 | | 576,523,135 | 33 | 639,897,633 |
| | 34 | Total liabilities and net assets/fund balances | | 1,343,254,200 | 34 | 1,434,479,806 |

## 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 | 861,924,034 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) . . . . . | 2 | 769,527,485 |
| 3 | Revenue less expenses Subtract line 2 from line 1 . . . . | 3 | 92,396,549 |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . | 4 | 576,523,135 |
| 5 | Other changes in net assets or fund balances (explain in Schedule O) . . . . | 5 | -29,022,051 |
| 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 | 639,897,633 |

## 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 | | |

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228034262

# 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
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

**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 C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

## Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

**2010**

**Open to Public Inspection**

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

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

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

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

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

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

| Name of the organization | Employer identification number |
|---|---|
| Southern Baptist Hospital of Florida Inc | 59-0747311 |

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

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

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

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

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

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

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

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

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

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

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

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

A Check ☐ if the filing organization belongs to an affiliated group
B Check ☐ if the filing organization checked box A and "limited control" provisions apply

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

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

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

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

### Lobbying Expenditures During 4-Year Averaging Period

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

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

| | | (a) Yes | (a) No | (b) Amount |
|---|---|---|---|---|
| 1 | During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of | | | |
| a | Volunteers? | | No | |
| b | Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? | | No | |
| c | Media advertisements? | | No | |
| d | Mailings to members, legislators, or the public? | | No | |
| e | Publications, or published or broadcast statements? | | No | |
| f | Grants to other organizations for lobbying purposes? | | No | |
| g | Direct contact with legislators, their staffs, government officials, or a legislative body? | Yes | | 38,040 |
| h | Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? | | No | |
| i | Other activities? If "Yes," describe in Part IV | | No | |
| j | Total lines 1c through 1i | | | 38,040 |
| 2a | Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? | | No | |
| b | If "Yes," enter the amount of any tax incurred under section 4912 | | | |
| c | If "Yes," enter the amount of any tax incurred by organization managers under section 4912 | | | |
| d | If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? | | | |

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

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

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

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

## Part IV Supplemental Information

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

| Identifier | Return Reference | Explanation |
|---|---|---|
| SchC_P2B_S00_L01 | Schedule C, Part II-B, Line 1 | (g) - During the fiscal year, the organization paid $38,040 to an unrelated firm, BH & Associates, Inc , for State of Florida legislative and executive branch representation concerning hospital-related issues |

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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**
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

## 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 | 13,652,478 | 12,440,512 | 13,034,648 | | |
| b | Contributions | 229,666 | 133,141 | 187,203 | | |
| c | Investment earnings or losses | 31,982 | 1,230,016 | -241,049 | | |
| d | Grants or scholarships | 0 | 0 | 0 | | |
| e | Other expenditures for facilities and programs | 707,155 | 151,191 | 540,290 | | |
| f | Administrative expenses | 0 | 0 | 0 | | |
| g | End of year balance | 13,206,971 | 13,652,478 | 12,440,512 | | |

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

- a Board designated or quasi-endowment ▶ 24 65 %
- b Permanent endowment ▶ 61 99 %
- c Term endowment ▶ 13 36 %

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

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

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

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

| Description of investment | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|---|---|---|---|
| 1a Land | 0 | 17,584,054 | | 17,584,054 |
| b Buildings | 0 | 551,390,940 | 221,575,671 | 329,815,269 |
| c Leasehold improvements | 0 | 0 | 0 | 0 |
| d Equipment | 0 | 434,971,644 | 332,062,651 | 102,908,993 |
| e Other | 0 | 99,884,847 | 4,852,908 | 95,031,939 |
| **Total.** Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶ | | | | 545,340,255 |

**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 |
|---|---|---|
| (1) Stock - Principal Financial | 78,756 | F |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| **Total.** *(Column (b) should equal Form 990, Part X, col (B) line 13 )* ▶ | 78,756 | |

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

| (a) Description | (b) Book value |
|---|---|
| (1) Interest in net assets of Baptist Health System Foundation, Inc | 21,864,531 |
| (2) Advances to affiliated organizations, net | 25,267,842 |
| (3) Other assets | 21,146,370 |
| | |
| | |
| | |
| | |
| | |
| | |
| **Total.** *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶ | 68,278,743 |

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

| 1 (a) Description of Liability | (b) Amount |
|---|---|
| Federal Income Taxes | 0 |
| Pension liability | 157,364,578 |
| Bond swap market valuation | 21,216,010 |
| Hospital self-insurance trust | 21,100,134 |
| SERP liability | 20,267,017 |
| Estimated third-party settlements | 10,356,980 |
| Worker's comp self-insurance trust | 3,412,488 |
| Other liabilities | 960,155 |
| | |
| | |
| **Total.** *(Column (b) should equal Form 990, Part X, col (B) line 25 )* ▶ | 234,677,362 |

**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 | 861,924,034 |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 769,527,485 |
| 3 | Excess or (deficit) for the year Subtract line 2 from line 1 | 3 | 92,396,549 |
| 4 | Net unrealized gains (losses) on investments | 4 | 0 |
| 5 | Donated services and use of facilities | 5 | 0 |
| 6 | Investment expenses | 6 | 0 |
| 7 | Prior period adjustments | 7 | 0 |
| 8 | Other (Describe in Part XIV) | 8 | -29,022,051 |
| 9 | Total adjustments (net) Add lines 4 - 8 | 9 | -29,022,051 |
| 10 | Excess or (deficit) for the year per financial statements Combine lines 3 and 9 | 10 | 63,374,498 |

## 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 | 851,524,529 |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12 | | | | |
| a | Net unrealized gains on investments | 2a | 0 | | |
| b | Donated services and use of facilities | 2b | 0 | | |
| c | Recoveries of prior year grants | 2c | 0 | | |
| d | Other (Describe in Part XIV) | 2d | 0 | | |
| e | Add lines **2a** through **2d** | | | 2e | 0 |
| 3 | Subtract line **2e** from line **1** | | | 3 | 851,524,529 |
| 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 | 0 | | |
| b | Other (Describe in Part XIV) | 4b | 10,399,505 | | |
| c | Add lines **4a** and **4b** | | | 4c | 10,399,505 |
| 5 | Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12 ) | | | 5 | 861,924,034 |

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

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total expenses and losses per audited financial statements | | | 1 | 769,527,485 |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25 | | | | |
| a | Donated services and use of facilities | 2a | 0 | | |
| b | Prior year adjustments | 2b | 0 | | |
| c | Other losses | 2c | 0 | | |
| d | Other (Describe in Part XIV) | 2d | 0 | | |
| e | Add lines **2a** through **2d** | | | 2e | 0 |
| 3 | Subtract line **2e** from line **1** | | | 3 | 769,527,485 |
| 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 | 0 | | |
| b | Other (Describe in Part XIV) | 4b | 0 | | |
| c | Add lines **4a** and **4b** | | | 4c | 0 |
| 5 | Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18 ) | | | 5 | 769,527,485 |

## 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 |
|---|---|---|
| SchD_P05_S00_L04 | Schedule D, Part V, Line 4 | Southern Baptist Hospital of Florida, Inc (SBHF) endowment funds are held by its related affiliate, Baptist Health System Foundation, Inc (BHF) BHF's endowment policy allows annually that 5% of the combined endowment corpus and accumulated earnings become available for spending on capital projects of SBHF |
| SchD_P10_S00_L02 | Schedule D, Part X, Line 2 | (In thousands) Deferred income taxes, which as of September 30, 2011 and 2010, have no net carrying value, reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting and the amounts used for income tax purposes As of September 30, 2011 and 2010, Baptist Health System, Inc (BHS), the parent affiliate of Southern Baptist Hospital of Florida, Inc , had deferred tax assets of $15,901 and $16,536 respectively, relating principally to net operating loss carryovers ASC 740-10-50-3, Income Taxes Disclosure, requires a valuation allowance to reduce the deferred tax assets reported if, based on the weight of the evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized After consideration of all the evidence, both positive and negative, management determined that a $15,901 and $16,536 allowance at September 30, 2011 and 2010, respectively, was necessary to reduce the deferred tax assets to the amount that would more likely than not be realized The change in the valuation allowance for the current year is $635 At September 30, 2011, BHS has available net operating loss carryforwards of $42,255, of which $1,147 expires at the start of fiscal year 2012 |
| SchD_P11_S00_L08 | Schedule D, Part XI, Line 8 | (1) Unrestricted net assets Changes related to pension and executive compensation other than period costs, ($8,962,559), Transfers to affiliated organizations, ($16,491,111), Contributions for the purchase of property, plant and equipment, $210,609 (2) Restricted net assets Contributions, $7,664,716, Investment gains, $32,963, Net assets released from restrictions, ($11,476,669) |
| SchD_P12_S00_L04b | Schedule D, Part XII, Line 4b | Net assets released from restrictions used for the purchase of property, plant and equipment included as revenue per Form 990 and as an increase in unrestricted net assets per audited financial statements |

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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**
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

## 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 | 3a | Yes | |
| | ☐ 100% ☐ 150% ☑ 200% ☐ Other ____ % | | | |
| b | Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care | 3b | Yes | |
| | ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other ____ % | | | |
| c | If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care | | | |
| 4 | Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? | 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 | Yes | |
| 6b | If "Yes," did the organization make it available to the public? | 6b | Yes | |
| | Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H | | | |

**7** 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) | | | 25,553,340 | 0 | 25,553,340 | 3 67 % |
| b Unreimbursed Medicaid (from Worksheet 3, column a) | | | 31,110,969 | 0 | 31,110,969 | 4 47 % |
| c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b) | | | 0 | 0 | 0 | 0 % |
| d **Total** Financial Assistance and Means-Tested Government Programs | 0 | 0 | 56,664,309 | 0 | 56,664,309 | 8 14 % |
| **Other Benefits** | | | | | | |
| e Community health improvement services and community benefit operations (from (Worksheet 4) | | | 1,417,821 | 0 | 1,417,821 | 0 2 % |
| f Health professions education (from Worksheet 5) | | | 3,427,270 | 0 | 3,427,270 | 0 49 % |
| g Subsidized health services (from Worksheet 6) | | | 8,789,279 | 6,686,590 | 2,102,689 | 0 3 % |
| h Research (from Worksheet 7) | | | 0 | 0 | 0 | 0 % |
| i Cash and in-kind contributions to community groups (from Worksheet 8) | | | 1,452,526 | 0 | 1,452,526 | 0 21 % |
| j **Total** Other Benefits | 0 | 0 | 15,086,896 | 6,686,590 | 8,400,306 | 1 20 % |
| k **Total.** Add lines 7d and 7j | 0 | 0 | 71,751,205 | 6,686,590 | 65,064,615 | 9 34 % |

**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 | | | | | | |
| 3 | Community support | | | | | | |
| 4 | Environmental improvements | | | | | | |
| 5 | Leadership development and training for community members | | | | | | |
| 6 | Coalition building | | | | | | |
| 7 | Community health improvement advocacy | | | | | | |
| 8 | Workforce development | | | | | | |
| 9 | Other | | | | | | |
| 10 | **Total** | | | | | | |

**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 | 6,942,755 | | |
| 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 | 0 | | |
| 4 | Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit | | | | |

**Section B. Medicare**

| | | | | | |
|---|---|---|---|---|---|
| 5 | Enter total revenue received from Medicare (including DSH and IME) | 5 | 170,450,886 | | |
| 6 | Enter Medicare allowable costs of care relating to payments on line 5 | 6 | 204,445,826 | | |
| 7 | Subtract line 6 from line 5 This is the surplus or (shortfall) | 7 | -33,994,940 | | |
| 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 | | | | | |
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| 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? 2

| | 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 | Baptist Medical Center<br>800 Prudential Dr<br>Jacksonville, FL 32207 | X | X | X | X | | X | X | | |
| 2 | Baptist Medical Center South<br>14550 Old St Augustine Rd<br>Jacksonville, FL 32258 | X | X | | | | | X | | |
| | | | | | | | | | | |
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## Part V Facility Information *(continued)*

### Section B. Facility Policies and Practices.

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

**Name of Hospital Facility:** Baptist Medical Center

**Line Number of Hospital Facility (from Schedule H, Part V, Section A):** 1

| | | Yes | No |
|---|---|---|---|
| **Community Health Needs Assessment** (Lines 1 through 7 are optional for 2010) | | | |
| **1** During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8 | 1 | | No |
| If "Yes," indicate what the Needs Assessment describes (check all that apply) | | | |
| **a** ☐ A definition of the community served by the hospital facility | | | |
| **b** ☐ Demographics of the community | | | |
| **c** ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community | | | |
| **d** ☐ How data was obtained | | | |
| **e** ☐ The health needs of the community | | | |
| **f** ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups | | | |
| **g** ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs | | | |
| **h** ☐ The process for consulting with persons representing the community's interests | | | |
| **i** ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs | | | |
| **j** ☐ Other (describe in Part VI) | | | |
| **2** Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___ | | | |
| **3** In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted | 3 | | |
| **4** Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI | 4 | | |
| **5** Did the hospital facility make its Needs Assessment widely available to the public? | 5 | | |
| If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) | | | |
| **a** ☐ Hospital facility's website | | | |
| **b** ☐ Available upon request from the hospital facility | | | |
| **c** ☐ Other (describe in Part VI) | | | |
| **6** If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) | | | |
| **a** ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community | | | |
| **b** ☐ Execution of the implementation strategy | | | |
| **c** ☐ Participation in the development of a community-wide community benefit plan | | | |
| **d** ☐ Participation in the execution of a community-wide community benefit plan | | | |
| **e** ☐ Inclusion of a community benefit section in operational plans | | | |
| **f** ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment | | | |
| **g** ☐ Prioritization of health needs in the community | | | |
| **h** ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community | | | |
| **i** ☐ Other (describe in Part VI) | | | |
| **7** Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs | 7 | | |
| **Financial Assistance Policy** | | | |
| Did the hospital facility have in place during the tax year a written financial assistance policy that | | | |
| **8** Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 8 | Yes | |
| **9** Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals? | 9 | Yes | |
| If "Yes," indicate the FPG family income limit for eligibility for free care 200% | | | |

## Part V Facility Information *(continued)*

| | | Yes | No |
|---|---|---|---|
| **10** Used FPG to determine eligibility for providing *discounted* care to low income individuals? | **10** | Yes | |
| If "Yes," indicate the FPG family income limit for eligibility for discounted care 400% | | | |
| **11** Explained the basis for calculating amounts charged to patients? | **11** | Yes | |
| If "Yes," indicate the factors used in determining such amounts (check all that apply) | | | |
| **a** ☑ Income level | | | |
| **b** ☑ Asset level | | | |
| **c** ☑ Medical indigency | | | |
| **d** ☑ Insurance status | | | |
| **e** ☑ Uninsured discount | | | |
| **f** ☑ Medicaid/Medicare | | | |
| **g** ☑ State regulation | | | |
| **h** ☑ Other (describe in Part VI) | | | |
| **12** Explained the method for applying for financial assistance? | **12** | Yes | |
| **13** Included measures to publicize the policy within the community served by the hospital facility? | **13** | Yes | |
| If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | | | |
| **a** ☐ The policy was posted at all times on the hospital facility's web site | | | |
| **b** ☐ The policy was attached to all billing invoices | | | |
| **c** ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms | | | |
| **d** ☐ The policy was posted in the hospital facility's admissions offices | | | |
| **e** ☐ The policy was provided, in writing, to patients upon admission to the hospital facility | | | |
| **f** ☑ The policy was available upon request | | | |
| **g** ☐ Other (describe in Part VI) | | | |

**Billing and Collections**

| | | | |
|---|---|---|---|
| **14** Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment? | **14** | Yes | |
| **15** Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year | | | |
| **a** ☑ Reporting to credit agency | | | |
| **b** ☑ Lawsuits | | | |
| **c** ☐ Liens on residences | | | |
| **d** ☐ Body attachments | | | |
| **e** ☐ Other (describe in Part VI) | | | |
| **16** Did the hospital facility engage in or authorize a third party to engage in any of the following collection actions during the tax year? | **16** | Yes | |
| If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply) | | | |
| **a** ☑ Reporting to credit agency | | | |
| **b** ☐ Lawsuits | | | |
| **c** ☐ Liens on residences | | | |
| **d** ☐ Body attachments | | | |
| **e** ☐ Other (describe in Part VI) | | | |
| **17** Indicate which actions the hospital facility took before initiating any of the collection actions checked in question 16 (check all that apply) | | | |
| **a** ☐ Notified patients of the financial assistance policy upon admission | | | |
| **b** ☑ Notified patients of the financial assistance policy prior to discharge | | | |
| **c** ☑ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills | | | |
| **d** ☑ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance | | | |
| **e** ☑ Other (describe in Part VI) | | | |

## Part V Facility Information *(continued)*

### Policy Relating to Emergency Medical Care

| | | Yes | No |
|---|---|---|---|
| **18** Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? . . . . . | **18** | Yes | |
| If "No," indicate the reasons why (check all that apply) | | | |
| **a** ☐ The hospital facility did not provide care for any emergency medical conditions | | | |
| **b** ☐ The hospital facility did not have a policy relating to emergency medical care | | | |
| **c** ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | | |
| **d** ☐ Other (describe in Part VI) | | | |

### Charges for Medical Care

| | | | |
|---|---|---|---|
| **19** Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply) | | | |
| **a** ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility | | | |
| **b** ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility | | | |
| **c** ☐ The hospital facility used the Medicare rate for those services | | | |
| **d** ☐ Other (describe in Part VI) | | | |
| **20** Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? . . . . . | **20** | Yes | |
| If "Yes," explain in Part VI | | | |
| **21** Did the hospital facility charge any of its patients an amount equal to the gross charge for services provided to that patient? . . . . . | **21** | | No |
| If "Yes," explain in Part VI | | | |

## Part V Facility Information *(continued)*

### Section B. Facility Policies and Practices.

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

**Name of Hospital Facility:** Baptist Medical Center South

**Line Number of Hospital Facility (from Schedule H, Part V, Section A):** 2

| | | Yes | No |
|---|---|---|---|
| **Community Health Needs Assessment** (Lines 1 through 7 are optional for 2010) | | | |
| **1** During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8 | 1 | | No |
| If "Yes," indicate what the Needs Assessment describes (check all that apply) | | | |
| **a** ☐ A definition of the community served by the hospital facility | | | |
| **b** ☐ Demographics of the community | | | |
| **c** ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community | | | |
| **d** ☐ How data was obtained | | | |
| **e** ☐ The health needs of the community | | | |
| **f** ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups | | | |
| **g** ☐ The process for identifying and prioritizing community health needs and services to meet the community health needs | | | |
| **h** ☐ The process for consulting with persons representing the community's interests | | | |
| **i** ☐ Information gaps that limit the hospital facility's ability to assess all of the community's health needs | | | |
| **j** ☐ Other (describe in Part VI) | | | |
| **2** Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___ | | | |
| **3** In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted | 3 | | |
| **4** Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI | 4 | | |
| **5** Did the hospital facility make its Needs Assessment widely available to the public? | 5 | | |
| If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) | | | |
| **a** ☐ Hospital facility's website | | | |
| **b** ☐ Available upon request from the hospital facility | | | |
| **c** ☐ Other (describe in Part VI) | | | |
| **6** If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) | | | |
| **a** ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community | | | |
| **b** ☐ Execution of the implementation strategy | | | |
| **c** ☐ Participation in the development of a community-wide community benefit plan | | | |
| **d** ☐ Participation in the execution of a community-wide community benefit plan | | | |
| **e** ☐ Inclusion of a community benefit section in operational plans | | | |
| **f** ☐ Adoption of a budget for provision of services that address the needs identified in the Needs Assessment | | | |
| **g** ☐ Prioritization of health needs in the community | | | |
| **h** ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community | | | |
| **i** ☐ Other (describe in Part VI) | | | |
| **7** Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs | 7 | | |
| **Financial Assistance Policy** | | | |
| Did the hospital facility have in place during the tax year a written financial assistance policy that | | | |
| **8** Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 8 | Yes | |
| **9** Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals? | 9 | Yes | |
| If "Yes," indicate the FPG family income limit for eligibility for free care 200% | | | |

## Part V Facility Information *(continued)*

| | | Yes | No |
|---|---|---|---|
| **10** Used FPG to determine eligibility for providing *discounted* care to low income individuals? | **10** | Yes | |
| If "Yes," indicate the FPG family income limit for eligibility for discounted care 400% | | | |
| **11** Explained the basis for calculating amounts charged to patients? | **11** | Yes | |
| If "Yes," indicate the factors used in determining such amounts (check all that apply) | | | |
| **a** ☑ Income level | | | |
| **b** ☑ Asset level | | | |
| **c** ☑ Medical indigency | | | |
| **d** ☑ Insurance status | | | |
| **e** ☑ Uninsured discount | | | |
| **f** ☑ Medicaid/Medicare | | | |
| **g** ☑ State regulation | | | |
| **h** ☑ Other (describe in Part VI) | | | |
| **12** Explained the method for applying for financial assistance? | **12** | Yes | |
| **13** Included measures to publicize the policy within the community served by the hospital facility? | **13** | Yes | |
| If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | | | |
| **a** ☐ The policy was posted at all times on the hospital facility's web site | | | |
| **b** ☐ The policy was attached to all billing invoices | | | |
| **c** ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms | | | |
| **d** ☐ The policy was posted in the hospital facility's admissions offices | | | |
| **e** ☐ The policy was provided, in writing, to patients upon admission to the hospital facility | | | |
| **f** ☑ The policy was available upon request | | | |
| **g** ☐ Other (describe in Part VI) | | | |

**Billing and Collections**

| | | | |
|---|---|---|---|
| **14** Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment? | **14** | Yes | |
| **15** Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year | | | |
| **a** ☑ Reporting to credit agency | | | |
| **b** ☑ Lawsuits | | | |
| **c** ☐ Liens on residences | | | |
| **d** ☐ Body attachments | | | |
| **e** ☐ Other (describe in Part VI) | | | |
| **16** Did the hospital facility engage in or authorize a third party to engage in any of the following collection actions during the tax year? | **16** | Yes | |
| If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply) | | | |
| **a** ☑ Reporting to credit agency | | | |
| **b** ☐ Lawsuits | | | |
| **c** ☐ Liens on residences | | | |
| **d** ☐ Body attachments | | | |
| **e** ☐ Other (describe in Part VI) | | | |
| **17** Indicate which actions the hospital facility took before initiating any of the collection actions checked in question 16 (check all that apply) | | | |
| **a** ☐ Notified patients of the financial assistance policy upon admission | | | |
| **b** ☑ Notified patients of the financial assistance policy prior to discharge | | | |
| **c** ☑ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills | | | |
| **d** ☑ Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance | | | |
| **e** ☑ Other (describe in Part VI) | | | |

## Part V Facility Information *(continued)*

### Policy Relating to Emergency Medical Care

| | | Yes | No |
|---|---|---|---|
| **18** Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? . . . . . | **18** | Yes | |
| If "No," indicate the reasons why (check all that apply) | | | |
| **a** ☐ The hospital facility did not provide care for any emergency medical conditions | | | |
| **b** ☐ The hospital facility did not have a policy relating to emergency medical care | | | |
| **c** ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | | |
| **d** ☐ Other (describe in Part VI) | | | |

### Charges for Medical Care

| | | | |
|---|---|---|---|
| **19** Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply) | | | |
| **a** ☐ The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility | | | |
| **b** ☐ The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility | | | |
| **c** ☐ The hospital facility used the Medicare rate for those services | | | |
| **d** ☐ Other (describe in Part VI) | | | |
| **20** Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? . . . . . | **20** | Yes | |
| If "Yes," explain in Part VI | | | |
| **21** Did the hospital facility charge any of its patients an amount equal to the gross charge for services provided to that patient? . . . . . | **21** | | No |
| If "Yes," explain in Part VI | | | |

**Part V Facility Information** *(continued)*

**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? **6**

| | Name and address | Type of Facility (Describe) |
|---|---|---|
| 1 | Baptist Behavioral Health<br>4160 University Blvd S<br>1325 San Marco Blvd Ste 500<br>Jacksonville, FL 32216 | Comprehensive mental health services |
| 2 | Baptist Behavioral Health<br>4160 University Blvd S<br>1325 San Marco Blvd Ste 500<br>Jacksonville, FL 32216 | Comprehensive mental health services |
| 3 | Baptist Behavioral Health<br>4160 University Blvd S<br>1325 San Marco Blvd Ste 500<br>Jacksonville, FL 32216 | Comprehensive mental health services |
| 4 | Baptist Behavioral Health<br>4160 University Blvd S<br>1325 San Marco Blvd Ste 500<br>Jacksonville, FL 32216 | Comprehensive mental health services |
| 5 | Baptist Behavioral Health<br>4160 University Blvd S<br>1325 San Marco Blvd Ste 500<br>Jacksonville, FL 32216 | Comprehensive mental health services |
| 6 | Baptist Behavioral Health<br>4160 University Blvd S<br>1325 San Marco Blvd Ste 500<br>Jacksonville, FL 32216 | Comprehensive mental health services |
| 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 |
|---|---|---|
| SchH_P01_S00_L07 | Schedule H, Part I, Line 7 | The organization uses a cost-to-charge ratio based on its cost accounting system |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P01_S00_L072f | Schedule H, Part I, Line 7, Column f | Bad debt expense of $73,894,618 was included in Form 990, Part IX, Line 25, column (A), but was not included in the percentage calculations for Schedule H, Part I, Line 7, column (f), per the Form 990, Schedule H instructions |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P01_S00_L07g | Schedule H, Part I, Line 7g | Southern Baptist Hospital of Florida, Inc (SBHF) is one of only two Medical-Surgical hospitals in Duval County that are Baker Act receiving facilities and the only hospital that offers a continuum of Behavioral Health Services SBHF has a 34-bed adult inpatient unit, adult intensive outpatient and emergency E D services, and a 24-hour crisis call center SBHF's children's hospital, Wofson Children's Hospital, is the only hospital with a Pediatric Psychiatric unit and a Behavioral day-stay program in the region SBHF believes that Behavioral Health is an essential service to its community even though these programs are operated at a financial loss |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P03_S0A_L04 | Schedule H, Part III, Section A, Line 4 | The provision for bad debts is based on management's assessments of historical and expected net collections considering business and economic conditions, trends in healthcare coverage and other collection indicators Accounts receivable are written off after collection effort has been followed in accordance with the organization's policies Accounts written off as uncollectible are deducted from the allowance for uncollectible patient accounts, and subsequent recoveries are added Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category Bad debt expense at cost is determined by the organization's cost accounting system and cost-to-charge ratio None of the bad debt expense at cost is included in Schedule H, Part I |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P03_S0B_L08 | Schedule H, Part III, Section B, Line 8 | Medicare allowable costs of care based on the organization's cost-to-charge ratio and cost accounting system are used to determine the amount reported on Line 6 None of the shortfall reported on Line 7 is included in Schedule H, Part I |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P03_S0C_L09b | Schedule H, Part III, Section C, Line 9b | Yes, the organization does have a written debt collection policy  The policy does not specifically address those patients who are known to qualify or have applied for charity care as the organization does not bill these patients  The organization's cost accounting system identifies all patients who have a pending or approved charity application  The organization would only bill the patient if, after multiple attempts to obtain any needed documentation from the patient to complete the charity approval process, the patient was noncompliant |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P05_S0B_L11 | Schedule H, Part V, Section B, Line 11 | Credit scores and existing credit delinquencies are also factors that are used |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P05_S0B_L17 | Schedule H, Part V, Section B, Line 17 | At every patient access point, "Guidelines for Charity Care Eligibility" cards are provided that contain financial discount and charity care information This includes a general chart of eligible income levels and encourages patients to speak with our patient financial advocates to arrange a financial evaluation If seen by one of the organization's patient financial advocates, the patient is advised prior to discharge All statements to patients provide a number to call if they need financial assistance All applications for financial assistance are maintained whether or not the patient qualifies |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P05_S0B_L19 | Schedule H, Part V, Section B, Line 19 | The hospitals have an automatic 40% discount for all uninsured patients |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P05_S0B_L20 | Schedule H, Part V, Section B, Line 20 | The hospitals have a minimum 40% discount, including those eligible for charity assistance, in addition to further discounts for patients qualified under our Charity Care Policy On occasion, the net amount billed to such uninsured patients may exceed the net amount billed to insured patients |

| Identifier | ReturnReference | Explanation |
|---|---|---|
| SchH_P06_S00_L02 | Schedule H, Part VI, Line 2 | Baptist Health System, Inc (BHS) is the parent affiliate of Southern Baptist Hospital of Florida, Inc BHS uses a variety of sources to develop its assessment of community health needs A health needs assessment was facilitated for 18 church partners located in the urban core to determine the health needs of the congregation and its surrounding community The urban core is located in Health Zone 1 as identified by the Duval County Health Department BHS assists each congregation with an anonymous assessment The organization also retrieves data from the Northeast Florida Counts web site, which is a source of population data and information about the community's health It is designed as a tool for community assessment, strategic planning, and capacity development Data is provided for Baker, Clay, Duval, Flagler, Nassau, St Johns, and Volusia Counties BHS continues to be an organizing member of a health needs committee comprised of three major non-profit hospitals in the area in addition to other health care agencies that focus on health care needs of the community BHS is currently involved in a collaborative community health needs assessment with five hospitals and health care organizations that is expected to be completed in June, 2012 |

| Identifier | ReturnReference | Explanation |
|---|---|---|
| SchH_P06_S00_L03 | Schedule H, Part VI, Line 3 | At every patient access point, "Guidelines for Charity Care Eligibility" cards are provided that contain financial discount and charity care information This includes a general chart of eligible income levels and encourages patients to speak with one of our patient financial advocates to arrange a financial evaluation The organization sends statements to patients who have applied for charity care but have not provided all the documentation that is required to make a determination, letters are sent by the organization requesting the information to complete their application |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P06_S00_L04 | Schedule H, Part VI, Line 4 | Baptist Health System, Inc (BHS), the parent affiliate of Southern Baptist Hospital of Florida, Inc , includes four licensed hospitals as part of its health system that covers both urban and rural areas BHS targets underserved and uninsured communities located in the urban core and rural areas to provide service BHS covers Baker, Clay, Duval, Nassau, and Flagler counties The population of the community served is largely made up of African Americans with a very small percentage of Caucasians, Hispanic, and Asian culture The average income in an area of focus located in health zone 1 is $21,000 BHS works with community partners to create a safety net for at-risk children, adolescents, and adults by providing nursing care BHS continues to provide health care services to low income areas through our partnerships with local churches |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P06_S00_L05 | Schedule H, Part VI, Line 5 | All Baptist Health System, Inc (BHS) affiliates, including Southern Baptist Hospital of Florida, Inc , maintain an open medical staff A designated Community Health Board Committee is established to provide the direction of the community health work based on the community need within the five county area served by BHS BHS continues to donate more than 1 2 million dollars to support non profit organizations that provide health services to the underserved and low income community Some of the organizations provide nursing care for mentally and physically disabled children while parents work Other organizations provide nursing support for a middle and elementary school that is located in one of our most vulnerable communities Another is the support of health clinics and programs serving needy and vulnerable citizens |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P06_S00_L06 | Schedule H, Part VI, Line 6 | Southern Baptist Hospital of Florida, Inc , d/b/a Baptist Medical Center, is the largest licensed hospital in the Baptist Health System and coordinates the majority of community health initiatives for the hospital system However, each affiliate hospital is involved in health initiatives in their immediate community Direct health care service is the primary initiative provided for uninsured and low income adults and families |

| Identifier | ReturnReference | Explanation |
| --- | --- | --- |
| SchH_P06_S00_L07 | Schedule H, Part VI, Line 7 | Baptist Health System, Inc (BHS), parent affiliate of Southern Baptist Hospital of Florida, Inc and its related affiliates, are all located within the Northeast Florida quadrant An annual Community Benefit Report is published and available on the e-baptisthealth com website |

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493228034262

**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
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

## 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 |
|---|---|---|---|---|---|---|---|
| See Additional Data Table | | | | | | | |
| | | | | | | | |
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| | | | | | | | |
| | | | | | | | |

2 Enter total number of section 501(c)(3) and government organizations . . . ▶ 26

3 Enter total number of other organizations . . . ▶ 1

**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 |
|---|---|---|
| SchI_P01_S00_L02 | Schedule I, Part I, Line 2 | Our community health efforts are guided by the organization's Community Health Committee, comprised of selected Baptist Health System board members (Baptist Health System, Inc is the parent affiliate of Southern Baptist Hospital of Florida, Inc ) The committee provides strategic direction related to our community health activities and ensures we focus on key priorities that align with our mission |

**Additional Data** Return to Form

**Software ID:** 10000077
**Software Version:** v1.00
**EIN:** 59-0747311
**Name:** Southern Baptist Hospital of Florida Inc

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| IM Sulzbacher Center for the Homeless611 E Adams St Jacksonville, FL 32202 | 59-3229898 | 501(c)(3) | 62,500 | 0 | book | | Downtown Homeless |
| Ronald McDonald House824 Childrens Way Jacksonville, FL 32207 | 59-2625008 | 501(c)(3) | 45,000 | 0 | book | | Health and well being of children |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| We Care Jax900 University Blvd N Jacksonville,FL 32211 | 59-3431724 | 501(c)(3) | 35,000 | 0 | book | | Indigent Healthcare |
| Volunteers in Medicine41 E Duval St Jacksonville,FL 32202 | 75-3002172 | 501(c)(3) | 30,000 | 0 | book | | Health Clinic Downtown |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| United Way of Northeast Florida1301 Riverplace Blvd Ste 400 Jacksonville, FL 32207 | 59-0637825 | 501(c)(3) | 100,000 | 0 | book | | Eyeglasses |
| Sister to Sister Foundation 4701 Willard Ave Ste 223 Chevy Chase, MD 20815 | 000000000 | 501(c)(3) | 16,240 | 0 | book | | Women's Heart Connection |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| Susan G Komen Breast Cancer Foundation Inc2950 Halcyon Ln Ste 501 Jacksonville,FL 32223 | 75-1835298 | 501(c)(3) | 10,000 | 0 | book | | Breast Health |
| Pine Castle Inc4911 Spring Park Rd Jacksonville,FL 32207 | 59-0704733 | 501(c)(3) | 12,800 | 0 | book | | Developmentally Disabled Adults |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| Community Hospice of NE FL<br>4266 Sunbeam Rd<br>Jacksonville, FL 32257 | 59-1940256 | 501(c)(3) | 211,900 | 0 | book | | Pediatric Hospice Medical Leadership |
| Jacksonville Jaguars Foundation Inc One Stadium Pl<br>Jacksonville, FL 32202 | 59-3249687 | 501(c)(3) | 82,330 | 0 | book | | Teen Fitness |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| The Tom Coughlin Jay Fund Foundation IncPO Box 50798 Jacksonville Beach, FL 32240 | 59-3426937 | 501(c)(3) | 40,000 | 0 | book | | Assists Children with Cancer |
| Wolfson Childrens' Hospital 800 Prudential Dr Jacksonville, FL 32207 | 59-0747311 | 501(c)(3) | 20,000 | 0 | book | | Autism Symposium |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| Florida Bioethics NetworkPO Box 100222 Gainesville,FL 32610 | 000000000 | 501(c)(3) | 15,000 | 0 | book | | Health Care Research |
| Duval County Public Schools 1701 Prudential Dr Jacksonville,FL 32207 | 000000000 | 501(c)(3) | 16,000 | 0 | book | | Wellness Awareness Program |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| Baptist Health System Foundation Inc841 Prudential Dr Aetna Bldg 13th Floor Jacksonville,FL 32207 | 59-2487135 | 501(c)(3) | 120,000 | 0 | book | | Tipping the Scale |
| Jacksonville University2800 University Blvd N Jacksonville,FL 32211 | 59-0624412 | 501(c)(3) | 45,000 | 0 | book | | JU Athletic Program |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| The Bridge of NE FL Inc1824 Pearl St Jacksonville,FL 32209 | 59-1406016 | 501(c)(3) | 25,000 | 0 | book | | Health Clinic |
| Youth Crisis Center3015 Parental Home Rd Jacksonville,FL 32216 | 59-2176287 | 501(c)(3) | 15,000 | 0 | book | | Nursing for Children |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| Elder Care Jax800 Prudential Dr Jacksonville,FL 32207 | 000000000 | 501(c)(3) | 37,154 | 0 | book | | Direct Assistance |
| Women's Board841 Prudential Dr Aetna Bldg 13th Floor Jacksonville,FL 32207 | 000000000 | | 56,000 | 0 | book | | Florida Forum - Support of Women's Board |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| Museum of Science and History1025 Museum Circle Jacksonville,FL 32207 | 59-0651090 | 501(c)(3) | 40,000 | 0 | book | | The Body Human |
| Health Planning Council of NE Florida644 Cesery Blvd Ste 210 Jacksonville,FL 32211 | 59-2247189 | 501(c)(3) | 36,000 | 0 | book | | Community Assessment |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| American Lung Association of Florida6852 Belfort Oaks Pl Jacksonville,FL 32216 | 59-0662271 | 501(c)(3) | 12,500 | 0 | book | | Health research |
| UNFOne UNF Dr Jacksonville,FL 32224 | 23-7167701 | 501(c)(3) | 10,000 | 0 | book | | Center for Global and Medical Diplomacy |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| CureSearch5970 Fairview Rd Ste 718 Charlotte, NC 28210 | 000000000 | 501(c)(3) | 10,000 | 0 | book | | Children's Cancer Research |
| NEFHIE555 Bishopgate Ln Jacksonville, FL 32204 | 000000000 | 501(c)(3) | 10,000 | 0 | book | | Healh Information Exchange |

**Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States**

| **(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 |
|---|---|---|---|---|---|---|---|
| I-Care2650 Park St Jacksonville,FL 32204 | 59-3332540 | 501(c)(3) | 8,000 | 0 | book | | Community Support Church Group |

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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**
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

## 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<br>☐ First-class or charter travel ☐ Housing allowance or residence for personal use<br>☐ Travel for companions ☐ Payments for business use of personal residence<br>☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees<br>☐ 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** | | |
| **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** | | |
| **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<br>☑ Compensation committee ☐ Written employment contract<br>☑ Independent compensation consultant ☑ Compensation survey or study<br>☐ 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** | Yes | |
| **c** | Participate in, or receive payment from, an equity-based compensation arrangement? | **4c** | | No |
| | If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III | | | |
| | **Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.** | | | |
| **5** | For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of | | | |
| **a** | The organization? | **5a** | | No |
| **b** | Any related organization? | **5b** | | No |
| | If "Yes," to line 5a or 5b, describe in Part III | | | |
| **6** | For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of | | | |
| **a** | The organization? | **6a** | | No |
| **b** | Any related organization? | **6b** | | No |
| | If "Yes," to line 6a or 6b, describe in Part III | | | |
| **7** | For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III | **7** | | No |
| **8** | Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III | **8** | | No |
| **9** | If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)? | **9** | | |

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use 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) A Hugh Greene | (i) | 635,023 | 270,900 | 30,000 | 392,827 | 14,164 | 1,342,914 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (2) John F Wilbanks | (i) | 367,392 | 137,813 | 15,000 | 169,216 | 13,522 | 702,943 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (3) Harvey Granger | (i) | 327,477 | 99,225 | 15,000 | 153,278 | 18,328 | 613,308 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (4) Keith L Stein MD | (i) | 359,713 | 114,975 | 12,000 | 73,565 | 13,040 | 573,293 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (5) Michael Lukaszewski | (i) | 345,772 | 143,980 | 15,000 | 33,730 | 13,460 | 551,942 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (6) Joseph M Mitrick | (i) | 281,556 | 56,002 | 10,000 | 60,936 | 18,217 | 426,711 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (7) Larry Freeman | (i) | 203,212 | 41,500 | 10,000 | 76,810 | 12,441 | 343,963 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (8) Ronald Robinson | (i) | 203,884 | 43,000 | 10,000 | 50,058 | 17,464 | 324,406 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (9) Roland A Garcia | (i) | 306,753 | 94,500 | 10,000 | 64,847 | 13,324 | 489,424 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (10) Marlene Spalten | (i) | 178,947 | 38,850 | 143,795 | 11,637 | 12,180 | 385,409 | 131,795 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (11) Jerry A Bridgham MD | (i) | 262,121 | 53,381 | 10,000 | 9,800 | 18,217 | 353,519 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (12) Carolyn Johnson | (i) | 148,219 | 30,364 | 121,496 | 28,244 | 11,748 | 340,071 | 111,496 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (13) Gerardo Olivera | (i) | 233,739 | 78,500 | 0 | 1,547 | 17,148 | 330,934 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ( 14 ) | | | | | | | | |
| ( 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 |
|---|---|---|
| SchJ_P01_S00_L04 | Schedule J, Part I, Line 4 | Southern Baptist Hospital of Florida, Inc has two active Supplemental Nonqualified Retirement Plans (SERPs) One is for certain executives (Supplemental Executive Retirement Plan) and the other is for certain vice-presidents (Vice-President Supplemental Executive Retirement Plan) These Serps are plans described in IRS Section 457(f) The benefits under these plans accrue during each executive's term of employment These benefits are unvested and subject to forfeiture until the covered employee reaches retirement age The following individuals accrued unvested benefits under these plans during 2011 A Hugh Greene, $362,706, John F Wilbanks, $140,879, Harvey Granger, $124,136, Larry J Freeman, $43,569, Keith L Stein, $47,537, Joseph M Mitrick, $33,269, Ronald G Robinson, $24,713, and Roland A Garcia, $36,508 These amounts were included in Schedule J, Part II, Column (c) for each of the listed individuals Marlene Spalten and Carolyn Johnson reached retirement age under the plan and their benefits vested Included in Schedule J, Part II, column (B)(iii) Other reportable compensation are vested distributions of $131,795 to Marlene Spalten and $111,496 to Carolyn Johnson |

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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
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

## 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 | Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds Series 2003A 2003B | | 469404TS6 | 06-01-2003 | 125,000,000 | Hospital capital improvements | | X | | X | | X |
| B | Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds Series 2004 | | 469404TV9 | 11-01-2004 | 50,000,000 | Hospital capital improvements | | X | | X | | X |
| C | Jacksonville Health Facilities Authority Hospital Revenue Bonds Series 2007A | | 469404TW7 | 02-01-2007 | 65,000,000 | Hospital capital improvements | | X | | X | | X |
| D | Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds Series 2007B | | 469404UL9 | 02-01-2007 | 35,000,000 | Hospital capital improvements | | X | | X | | X |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |

## Part II Proceeds

| | | A | B | C | D |
|---|---|---|---|---|---|
| 1 | Amount of bonds retired | 0 | 0 | 0 | 0 |
| 2 | Amount of bonds legally defeased | 0 | 0 | 0 | 0 |
| 3 | Total proceeds of issue | 125,000,000 | 50,000,000 | 65,000,000 | 35,000,000 |
| 4 | Gross proceeds in reserve funds | 0 | 0 | 0 | 0 |
| 5 | Capitalized interest from proceeds | 0 | 0 | 0 | 0 |
| 6 | Proceeds in refunding escrow | 0 | 0 | 0 | 0 |
| 7 | Issuance costs from proceeds | 320,233 | 181,632 | 298,776 | 80,352 |
| 8 | Credit enhancement from proceeds | 0 | 0 | 1,393,416 | 0 |
| 9 | Working capital expenditures from proceeds | 0 | 0 | 0 | 0 |
| 10 | Capital expenditures from proceeds | 124,679,767 | 49,818,368 | 64,701,224 | 34,919,648 |
| 11 | Other spent proceeds | 0 | 0 | 0 | 0 |
| 12 | Other unspent proceeds | 0 | 0 | 0 | 0 |
| 13 | Year of substantial completion | 2003 | 2004 | 2007 | 2007 |

| | | 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? | X | | X | | X | | X | |
| 4 | Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶ | 0 % | | 0 % | | 0 % | | 0 % | |
| 5 | Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶ | 0 % | | 0 % | | 0 % | | 0 % | |
| 6 | Total of lines 4 and 5 | 0 % | | 0 % | | 0 % | | 0 % | |
| 7 | Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities? | X | | X | | 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 | Wells Fargo | | | | | | | |
| c | Term of hedge | | 11 8 | | | | | | 11 8 |
| d | Was the hedge superintegrated? | | X | | | | | | X |
| e | Was a hedge terminated? | | 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 |
|---|---|---|
| | | |
| | | |
| | | |

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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
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

## 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 | Jacksonville Health Facilities Authority Variable Rate Hospital Refunding Bonds Series 2007CDE | | 469404UN5 | 05-01-2007 | 110,935,000 | Refund Series 1997A bonds | | X | | X | | X |
| B | Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Notes Series 2009 | | 469404UM7 | 09-01-2009 | 30,000,000 | Hospital capital improvements | | X | | X | X | |
| C | Jacksonville Health Facilities Authority Hospital Revenue Extendable Notes Series 2010ABC | | | 06-01-2010 | 54,000,000 | Hospital capital improvements | | X | | X | | X |
| D | Jacksonville Health Facilities Authority Hospital Revenue Extendable Notes Series 2010ABC | | | 11-01-2010 | 7,000,000 | Hospital capital improvements | | X | | X | | X |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |

## Part II Proceeds

| | | A | B | C | D |
|---|---|---|---|---|---|
| 1 | Amount of bonds retired | 0 | 0 | 1,800,000 | 0 |
| 2 | Amount of bonds legally defeased | 0 | 0 | 0 | 0 |
| 3 | Total proceeds of issue | 110,935,000 | 30,000,000 | 54,000,000 | 0 |
| 4 | Gross proceeds in reserve funds | 0 | 0 | 0 | 0 |
| 5 | Capitalized interest from proceeds | 0 | 0 | 0 | 0 |
| 6 | Proceeds in refunding escrow | 0 | 0 | 0 | 0 |
| 7 | Issuance costs from proceeds | 234,528 | 92,060 | 231,500 | 0 |
| 8 | Credit enhancement from proceeds | 0 | 0 | 0 | 0 |
| 9 | Working capital expenditures from proceeds | 0 | 0 | 0 | 0 |
| 10 | Capital expenditures from proceeds | 110,700,472 | 29,907,940 | 53,768,500 | 7,000,000 |
| 11 | Other spent proceeds | 0 | 0 | 0 | 0 |
| 12 | Other unspent proceeds | 0 | 0 | 0 | 0 |
| 13 | Year of substantial completion | 2007 | 2009 | 2010 | 2010 |

| | | 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? | X | | X | | X | | X | |
| 4 | Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶ | 0 % | | 0 % | | 0 % | | 0 % | |
| 5 | Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶ | 0 % | | 0 % | | 0 % | | 0 % | |
| 6 | Total of lines 4 and 5 | 0 % | | 0 % | | 0 % | | 0 % | |
| 7 | Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities? | X | | X | | 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 | UBS and Wells Fargo Banks | | | | | | | |
| c | Term of hedge | 16 1 | | | | | | | |
| d | Was the hedge superintegrated? | | X | | | | | | |
| e | Was a hedge terminated? | | 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 |
|---|---|---|
| | | |
| | | |
| | | |

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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
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

## 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 | Jacksonville Health Facilities Authority Hospital Extendable Notes Series 2010ABC | | | 12-01-2010 | 14,000,000 | Hospital capital improvements | X | | X | | | X |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |

## Part II Proceeds

| | | A | B | C | D |
|---|---|---|---|---|---|
| 1 | Amount of bonds retired | 0 | | | |
| 2 | Amount of bonds legally defeased | 0 | | | |
| 3 | Total proceeds of issue | 14,000,000 | | | |
| 4 | Gross proceeds in reserve funds | 0 | | | |
| 5 | Capitalized interest from proceeds | 0 | | | |
| 6 | Proceeds in refunding escrow | 0 | | | |
| 7 | Issuance costs from proceeds | 0 | | | |
| 8 | Credit enhancement from proceeds | 0 | | | |
| 9 | Working capital expenditures from proceeds | 0 | | | |
| 10 | Capital expenditures from proceeds | 14,000,000 | | | |
| 11 | Other spent proceeds | 0 | | | |
| 12 | Other unspent proceeds | 0 | | | |
| 13 | Year of substantial completion | 2010 | | | |

| | | 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 | | | | | | |
| 15 | Were the bonds issued as part of an advance refunding issue? | | X | | | | | | |
| 16 | Has the final allocation of proceeds been made? | X | | | | | | | |
| 17 | Does the organization maintain adequate books and records to support the final allocation of proceeds? | 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 | | | | | | |
| 2 | Are there any lease arrangements that may result in private business use of bond-financed property? | | 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 | | | | | | |
| b | Are there any research agreements that may result in private business use of bond-financed property? | | 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? | X | | | | | | | |
| 4 | Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶ | | | | | | | | |
| 5 | Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶ | | | | | | | | |
| 6 | Total of lines 4 and 5 | | 0 % | | | | | | |
| 7 | Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities? | 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 | | | | | | |
| 2 | Is the bond issue a variable rate issue? | X | | | | | | | |
| 3a | Has the organization or the governmental issuer entered into a hedge with respect to the bond issue? | | 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 | | | | | | |
| 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 | | | | | | |
| 6 | Did the bond issue qualify for an exception to rebate? | | 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**
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

## 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 |
|---|---|---|---|
| | | | |
| | | | |
| | | | |
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| | | | |

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 |
|---|---|---|---|---|---|---|---|---|---|---|
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| | | | | | | | | | | |
| 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 |
|---|---|---|
| | | |
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| | | |

**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) Haskell Company | Director | 5,056,173 | Construction services | | No |
| (2) Harden & Associates Inc | Director | 834,000 | Employee ben insurance commissions | | No |
| (3) Harden & Associates Inc | Director | 174,300 | Insurance consulting fees | | No |
| (4) Phillip G Cottrell | Employee | 51,606 | Family member of director | | No |
| (5) Cheryl J Million | Employee | 46,999 | Family member of director | | No |
| (6) Blair Sherman | Employee | 46,307 | Family member of director | | 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**
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

| Identifier | Return Reference | Explanation |
|---|---|---|
| F990_P06_S0A_L06 | Form 990, Part VI, Section A, Line 6 | The organization has a sole corporate member, Baptist Health System, Inc , whose Board of Directors elects the members of the organization's governing body |

| Identifier | Return Reference | Explanation |
|---|---|---|
| F990_P06_S0A_L07a | Form 990, Part VI, Section A, Line 7a | The Board of Directors of Baptist Health System, Inc , the sole corporate member of the organization, elects the members of the governing body of the organization |

| Identifier | Return Reference | Explanation |
|---|---|---|
| F990_P06_S0B_L11b | Form 990, Part VI, Section B, Line 11b | While the organization's governing body did not review the Form 990, the Executive Committee of the Board of Directors of Baptist Health System, Inc , the sole corporate member of the organization, reviewed the organization's Form 990 prior to its filing The Executive Committee of the Board of Baptist Health System, Inc consists of seven (7) members of its Board of Directors and is authorized by its Bylaws to act on behalf of its Board of Directors |

| Identifier | Return Reference | Explanation |
|---|---|---|
| F990_P06_S0B_L12c | Form 990, Part VI, Section B, Line 12c | The Board of the organization's sole member, Baptist Health System, Inc , has a Conflicts of Interest Committee which regularly reviews the required disclosures of potential conflicts of interest by the Directors and Officers of the organization and its affiliates and recommends any action to be taken with regard to such disclosures In accordance with Conflicts of Interest Policy, during meetings of the organization's governing body, a Director who may have a conflict of interest is excused from discussion by the governing body about any transaction or matter that may have given rise to the Director's actual or potential conflict of interest |

| Identifier | Return Reference | Explanation |
|---|---|---|
| F990_P06_S0B_L15 | Form 990, Part VI, Section B, Line 15 | In accordance with the Executive Compensation policy of Baptist Health System, Inc (BHS), the organization's sole member, BHS's Compensation Committee (made up of independent Directors of BHS) engages annually a third party compensation consultant who provides a database composed of current data regarding compensation paid for each executive position by similarly situated tax exempt health systems in the country These health systems are generally the same size as BHS, considering revenue and other appropriate indicators The group of comparator companies that is derived on the above stated paramaters comprise the "Market" When the Committee meets with such consultant, the consultant provides to Committee members compensation target levels that are competitive with the Market Generally, the median of the Market is targeted The actual amount that health system executives receive as compensation may be higher or lower than the median, depending on the health system and the individual's performance The objective is to have a strong link between the health system and individual's performance and executive compensation such that if the health system and the individual perform at an optimal level, his or her compensation is in the higher range of the Market Conversely, if either health system or individual performance is below expectation, compensation may be in the lower range of the Market The minutes of the annual Compensation Committee minutes are recorded by the Committee's compensation consultant and are approved promptly by the Chair of such Committee |

| Identifier | Return Reference | Explanation |
|---|---|---|
| F990_P06_S0C_L19 | Form 990, Part VI, Section C, Line 19 | Upon receiving a request from anyone, the organization will supply a copy of its governing documents, Conflicts of Interest Policy, financial statements and its most recently filed Form 990 Copies of the organization's Audited Financial Statements are on file with Florida's Agency for Health Care Administration |

| Identifier | Return Reference | Explanation |
|---|---|---|
| F990_P11_S00_L05 | Form 990, Part XI, Line 5 | (1) Unrestricted net assets Changes related to pension and executive compensation other than period costs, ($8,962,559), Transfers to affiliated organizations, ($16,491,111), Contributions for the purchase of property, plant and equipment, $210,609 (2) Restricted net assets Contributions, $7,664,716, Investment gains, $32,963, Net assets released from restrictions, ($11,476,669) |

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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**
Southern Baptist Hospital of Florida Inc

**Employer identification number**
59-0747311

**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 |
|---|---|---|---|---|---|
| | | | | | |
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**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)** Baptist Medical Center of the Beaches Inc<br>1350 13th Ave S<br>Jacksonville Beach, FL 32250<br>59-2980620 | Hospital | FL | 501(c)(3) | 3 | Baptist Health System Inc | | No |
| **(2)** Baptist Medical Center of Nassau Inc<br>1250 S 18th St<br>Fernandina Beach, FL 32034<br>59-3234721 | Hospital | FL | 501(c)(3) | 3 | Baptist Health System Inc | | No |
| **(3)** Baptist Health System Inc<br>800 Prudential Dr<br>Jacksonville, FL 32207<br>59-2487136 | Management assistance to health system | FL | 501(c)(3) | 11a | N/A | | No |
| **(4)** Baptist Health System Foundation Inc<br>841 Prudential Dr<br>Aetna Bld 13th Flr<br>Jacksonville, FL 32207<br>59-2487135 | Fundraising for health system | FL | 501(c)(3) | 7 | Baptist Health System Inc | | No |
| **(5)** Baptist Health Properties Inc<br>3563 Philips Hwy<br>Bld A Ste 106<br>Jacksonville, FL 32207<br>59-2487133 | Manage property for health system | FL | 501(c)(3) | 11a | Baptist Health System Inc | | No |
| **(6)** Baptist Health Ambulatory Services Inc<br>3563 Philips Hwy<br>Bld A Ste 106<br>Jacksonville, FL 32207<br>59-3410739 | Cancer education & research for health system | FL | 501(c)(3) | 11a | Baptist Health System Inc | | 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) Disproprtionate allocations? Yes | (h) No | (i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065) | (j) General or managing partner? Yes | (j) No | (k) Percentage ownership |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **(1)** Pavilion Associates Ltd<br>3563 Philips Hwy<br>Bld A Ste 106<br>Jacksonville, FL32207<br>59-2505491 | Property management | FL | Southern Baptist Hospital of Florida Inc | Excluded | 1,650,234 | 6,684,067 | | No | 0 | | No | 98 5 % |
| | | | | | | | | | | | | |
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**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)** Pavilion Health Services Inc<br>3563 Philips Hwy<br>Bld A Ste 106<br>Jacksonville, FL32207<br>59-2059710 | Physician practices/retail pharmacies | FL | N/A | C | | | |
| | | | | | | | |
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## 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 | | No |
| **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 | | No |
| **e** Loans or loan guarantees by other organization(s) | 1e | Yes | |
| **f** Sale of assets to other organization(s) | 1f | | No |
| **g** Purchase of assets from other organization(s) | 1g | | No |
| **h** Exchange of assets | 1h | | No |
| **i** Lease of facilities, equipment, or other assets to other organization(s) | 1i | Yes | |
| **j** Lease of facilities, equipment, or other assets from other organization(s) | 1j | Yes | |
| **k** Performance of services or membership or fundraising solicitations for other organization(s) | 1k | | No |
| **l** Performance of services or membership or fundraising solicitations by other organization(s) | 1l | Yes | |
| **m** Sharing of facilities, equipment, mailing lists, or other assets | 1m | Yes | |
| **n** Sharing of paid employees | 1n | Yes | |
| **o** Reimbursement paid to other organization for expenses | 1o | Yes | |
| **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) | | | |
| (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 |
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## Part VII Supplemental Information

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

| Identifier | Return Reference | Explanation |
|---|---|---|

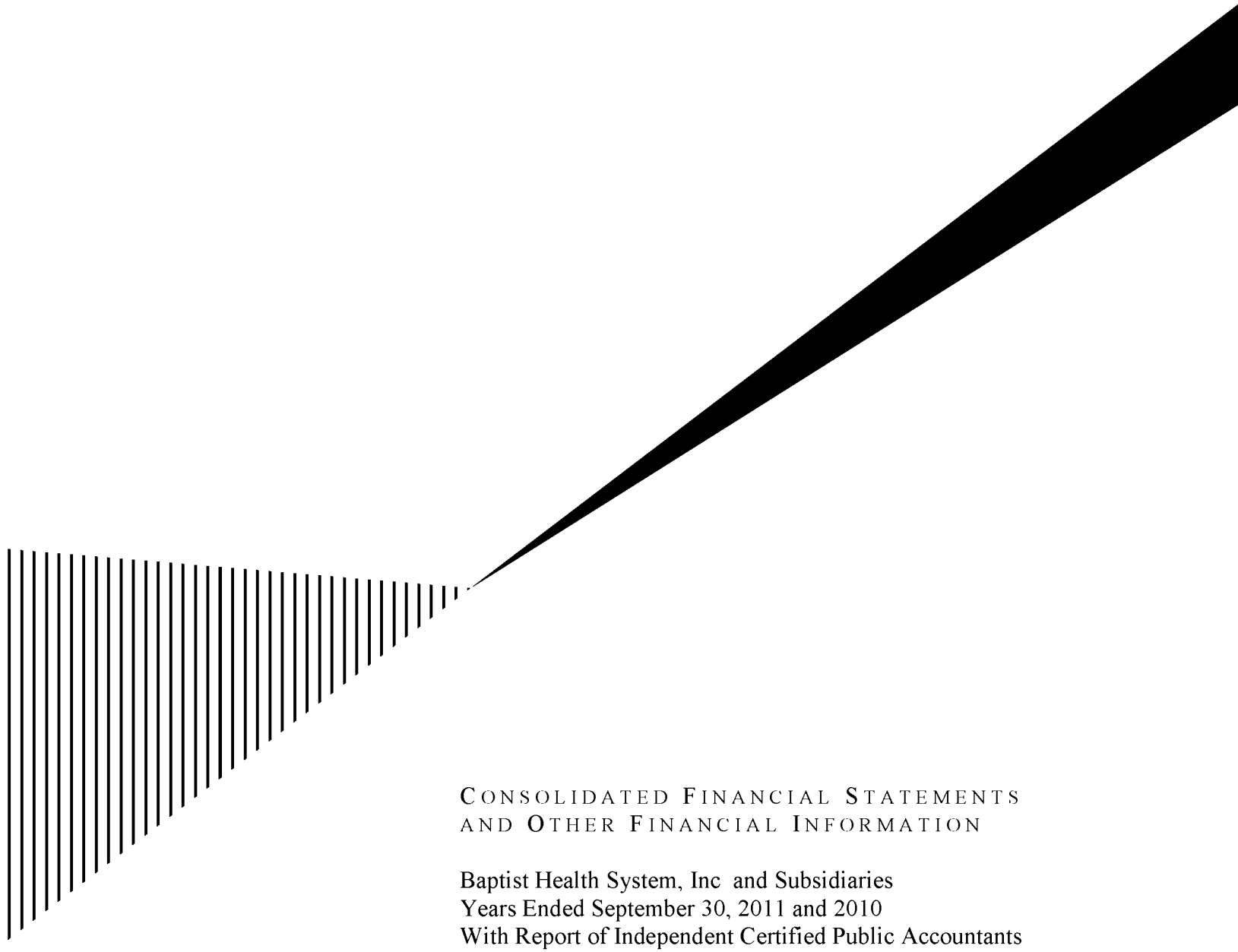
## Additional Data

Return to Form

**Software ID:** 10000077
**Software Version:** v1.00
**EIN:** 59-0747311
**Name:** Southern Baptist Hospital of Florida Inc

### Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled organization | |
|---|---|---|---|---|---|---|---|
| | | | | | | Yes | No |
| Baptist Medical Center of the Beaches Inc<br>1350 13th Ave S<br>Jacksonville Beach, FL32250<br>59-2980620 | Hospital | FL | 501(c)(3) | 3 | Baptist Health System Inc | | No |
| Baptist Medical Center of Nassau Inc<br>1250 S 18th St<br>Fernandina Beach, FL32034<br>59-3234721 | Hospital | FL | 501(c)(3) | 3 | Baptist Health System Inc | | No |
| Baptist Health System Inc<br>800 Prudential Dr<br>Jacksonville, FL32207<br>59-2487136 | Management assistance to health system | FL | 501(c)(3) | 11a | N/A | | No |
| Baptist Health System Foundation Inc<br>841 Prudential Dr<br>Aetna Bld 13th FlrJacksonville, FL32207<br>59-2487135 | Fundraising for health system | FL | 501(c)(3) | 7 | Baptist Health System Inc | | No |
| Baptist Health Properties Inc<br>3563 Philips Hwy<br>Bld A Ste 106Jacksonville, FL32207<br>59-2487133 | Manage property for health system | FL | 501(c)(3) | 11a | Baptist Health System Inc | | No |
| Baptist Health Ambulatory Services Inc<br>3563 Philips Hwy<br>Bld A Ste 106Jacksonville, FL32207<br>59-3410739 | Cancer education & research for health system | FL | 501(c)(3) | 11a | Baptist Health System Inc | | No |



# CONSOLIDATED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

Baptist Health System, Inc and Subsidiaries
Years Ended September 30, 2011 and 2010
With Report of Independent Certified Public Accountants

Ernst & Young LLP

ERNST & YOUNG

Baptist Health System, Inc. and Subsidiaries

Consolidated Financial Statements and
Other Financial Information

Years Ended September 30, 2011 and 2010

## Contents

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www ey com

# Report of Independent Certified Public Accountants

The Board of Directors
Baptist Health System, Inc and Subsidiaries

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

We conducted our audits in accordance with auditing standards generally accepted in the United States Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement We were not engaged to perform an audit of BHS's internal control over financial reporting Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of BHS'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 financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of BHS as of September 30, 2011 and 2010, and the consolidated results of their operations, changes in their net assets and their cash flows for the years then ended, in conformity with U S generally accepted accounting principles

Ernst + Young LLP

January 10, 2012



A member firm of Ernst & Young Global Limited

# Baptist Health System, Inc. and Subsidiaries

## Consolidated Balance Sheets

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| | *(In Thousands)* | |
| **Assets** | | |
| Current assets | | |
| Cash and cash equivalents | **$ 53,539** | $ 74,203 |
| Accounts receivable, less estimated uncollectible accounts of $163,669 in 2011 and $127,063 in 2010 | **159,015** | 147,542 |
| Inventories | **19,314** | 18,206 |
| Prepaid expenses and other current assets | **16,383** | 17,346 |
| Current portion of assets limited as to use | **8,709** | 8,009 |
| Total current assets | **256,960** | 265,306 |
| Assets limited as to use | | |
| Internally designated for capital improvements, debt service and insurance reserves | **695,867** | 625,472 |
| Less amounts required to meet current obligations | **8,709** | 8,009 |
| | **687,158** | 617,463 |
| Property, plant, and equipment, net | **721,489** | 670,018 |
| Investments | **35,725** | 35,282 |
| Other assets | **76,061** | 64,205 |
| Total assets | **$ 1,777,393** | $ 1,652,274 |
| **Liabilities and net assets** | | |
| Current liabilities | | |
| Current portion of long-term debt | **$ 16,099** | $ 15,566 |
| Accounts payable and accrued liabilities | **117,150** | 100,702 |
| Estimated third-party settlements | **12,073** | 9,704 |
| Total current liabilities | **145,322** | 125,972 |
| Long-term debt, net of current portion | **483,296** | 478,474 |
| Other liabilities | **251,655** | 233,409 |
| Total liabilities | **880,273** | 837,855 |
| Net assets | | |
| Unrestricted | **864,192** | 778,121 |
| Temporarily restricted | **22,286** | 25,941 |
| Permanently restricted | **10,642** | 10,357 |
| Total net assets | **897,120** | 814,419 |
| Total liabilities and net assets | **$ 1,777,393** | $ 1,652,274 |

*See accompanying notes*

# Baptist Health System, Inc. and Subsidiaries

## Consolidated Statements of Operations and Changes in Net Assets

| | Year Ended September 30 | |
|---|---|---|
| | **2011** | **2010** |
| | *(In Thousands)* | |
| Unrestricted revenues and other support | | |
| Net patient service revenues, net of charity care of approximately $154,607 in 2011 and $134,639 in 2010 | **$ 1,161,142** | $ 1,100,755 |
| Other revenues | **48,295** | 46,744 |
| Net assets released from restrictions used for operations | **3,689** | 3,968 |
| Total unrestricted revenues and other support | **1,213,126** | 1,151,467 |
| Operating expenses | | |
| Salaries and benefits | **573,726** | 516,110 |
| Professional fees | **33,683** | 27,162 |
| Supplies | **214,749** | 216,501 |
| Provision for bad debts | **106,311** | 86,470 |
| Interest | **6,921** | 5,807 |
| Depreciation and amortization | **67,885** | 61,526 |
| Other expenses | **130,590** | 130,207 |
| Total operating expenses | **1,133,865** | 1,043,783 |
| Income from operations | **79,261** | 107,684 |
| Nonoperating gains (losses) | | |
| Investment income | **5,013** | 50,179 |
| Other, net | **93** | (6,464) |
| Total nonoperating gains, net | **5,106** | 43,715 |
| Excess of revenues and gains over expenses and losses | **84,367** | 151,399 |

*Continued on next page*

# Baptist Health System, Inc. and Subsidiaries

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

| | Year Ended September 30 | |
|---|---|---|
| | **2011** | **2010** |
| | *(In Thousands)* | |
| Unrestricted net assets | | |
| Excess of revenues and gains over expenses and losses | **$ 84,367** | $ 151,399 |
| Other changes in unrestricted net assets | | |
| Changes related to pension and executive compensation other than period costs | **(8,963)** | (31,612) |
| Contributions for the purchase of property, plant, and equipment | **457** | 806 |
| Net assets released from restrictions used for the purchase of property, plant, and equipment | **10,435** | 1,163 |
| Other | **(225)** | 269 |
| Increase in unrestricted net assets | **86,071** | 122,025 |
| Temporarily restricted net assets | | |
| Restricted contributions | **10,593** | 9,002 |
| Investment gain (loss) | **(22)** | 627 |
| Transfer of investment gains from permanently restricted net assets | **35** | 1,112 |
| Net assets released from restrictions | **(14,124)** | (5,270) |
| Other | **(137)** | (570) |
| (Decrease) increase in temporarily restricted net assets | **(3,655)** | 4,901 |
| Permanently restricted net assets | | |
| Contributions | **285** | 247 |
| Investment gain | **35** | 1,112 |
| Transfer of investment gains to temporarily restricted net assets | **(35)** | (1,112) |
| Increase in permanently restricted net assets | **285** | 247 |
| Increase in net assets | **82,701** | 127,173 |
| Net assets, beginning of year | **814,419** | 687,246 |
| Net assets, end of year | **$ 897,120** | $ 814,419 |

*See accompanying notes*

# Baptist Health System, Inc. and Subsidiaries

## Consolidated Statements of Cash Flows

| | Year Ended September 30 | |
|---|---|---|
| | **2011** | **2010** |
| | *(In Thousands)* | |
| **Operating activities** | | |
| Change in net assets | **$ 82,701** | $ 127,173 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | |
| Depreciation and amortization | **67,885** | 61,526 |
| Interest, dividends, and net gains on investments | **(5,013)** | (50,179) |
| Change in market value of interest rate swap | **1,558** | 7,305 |
| Changes related to pension and executive compensation other than period costs | **8,963** | 31,612 |
| Provision for bad debts | **106,311** | 86,470 |
| (Gain) loss on sale of equipment | **(367)** | 83 |
| Loss on impairment of assets | **–** | 526 |
| Contributions for the purchase of property, plant, and equipment | **(457)** | (806) |
| Restricted contributions and investment income received | **(10,891)** | (10,988) |
| Increase in accounts receivable | **(112,626)** | (96,318) |
| Decrease (increase) in inventories and other current assets | **703** | (6,432) |
| Increase in investments classified as trading | **(65,358)** | (91,612) |
| Increase in accounts payable and accrued liabilities | **9,131** | 1,597 |
| Increase (decrease) in estimated third-party settlements | **2,369** | (5,664) |
| Increase in other liabilities | **7,646** | 30,578 |
| Net cash provided by operating activities | **92,555** | 84,871 |
| **Investing activities** | | |
| Purchases of property, plant, and equipment | **(112,049)** | (91,948) |
| Increase in other assets | **(7,050)** | (43,246) |
| Business combinations | **(10,902)** | – |
| Net cash used in investing activities | **(130,001)** | (135,194) |

*Continued on next page*

# Baptist Health System, Inc. and Subsidiaries

## Consolidated Statements of Cash Flows (continued)

| | Year Ended September 30 | |
|---|---|---|
| | **2011** | **2010** |
| | *(In Thousands)* | |
| **Financing activities** | | |
| Issuance of long-term debt | **$ 21,000** | $ 54,000 |
| Repayments of long-term debt | **(15,566)** | (12,976) |
| Contributions for the purchase of property, plant, and equipment | **457** | 806 |
| Contributions and investment income received | **10,891** | 10,988 |
| Net cash provided by financing activities | **16,782** | 52,818 |
| Net (decrease) increase in cash and cash equivalents | **(20,664)** | 2,495 |
| Cash and cash equivalents, beginning of year | **74,203** | 71,708 |
| Cash and cash equivalents, end of year | **$ 53,539** | $ 74,203 |
| **Supplemental disclosure of cash flow information** | | |
| Cash paid for interest, net of amounts capitalized | **$ 6,852** | $ 6,739 |

*See accompanying notes*

Baptist Health System, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
*(In Thousands)*

September 30, 2011

## 1. Organization and Mission

Baptist Health System, Inc (the Parent) is a tax-exempt parent holding company located in Jacksonville, Florida, whose primary purpose is to direct the affairs of a multi-entity healthcare system (BHS), which includes the following subsidiaries

- Southern Baptist Hospital of Florida, Inc (SBHF) – a tax-exempt organization that operates two acute care hospitals, Baptist Medical Center (BMC) and Baptist Medical Center – South (BMCS) The two hospitals have 619 and 225 licensed beds, respectively

- Baptist Medical Center of the Beaches, Inc (BMCB) – a tax-exempt, 146-bed acute care hospital

- Baptist Medical Center of Nassau, Inc (BMCN) – a tax-exempt, 54-bed acute care hospital

- Baptist Health Properties, Inc (BHP) – a tax-exempt real estate holding company

- Baptist Health Ambulatory Services, Inc (ASI) – a tax-exempt entity that provides ancillary healthcare services and health screenings

- Pavilion Health Services, Inc (PHS) – a taxable entity that provides various healthcare and related support services such as retail pharmaceutical services, home infusion services, and primary care services

- Baptist Health System Foundation, Inc (BHSF) – a public foundation with the primary purpose of raising funds to support the activities of the tax-exempt members of BHS

- Baptist Medical Center of Clay, Inc (CLAY) – a development-stage company

BMC, BMCS, BMCB, and BMCN are collectively referred to as the Medical Centers The Parent is the sole member or owner of each of the above affiliates and controls the multi-entity structure through board appointment and approval of all major transactions

BMC, BMCS, BMCB, BMCN, BHP, and ASI comprise the Obligated Group under the terms of a Master Trust Indenture between The Bank of New York and the Obligated Group dated May 1, 2000

## 1. Organization and Mission (continued)

### Operating and Nonoperating Activities

BHS's primary mission is to meet the healthcare needs in the region through an integrated network of affiliated organizations BHS's affiliated organizations are committed to providing a broad range of general and specialized healthcare services, including inpatient primary care, outpatient services, and other healthcare services Activities directly associated with the furtherance of this purpose are considered to be operating activities Other activities that result in gains or losses unrelated to BHS's primary mission are considered to be nonoperating

### Charity Care

BHS accepts patients regardless of their ability to pay A patient is classified as a charity patient in accordance with certain established policies of BHS Essentially, these policies define charity services as those services for which no payment is anticipated These charges are not included in net patient service revenues In addition to providing charity care, the Medical Centers provide other programs and services for the general community The cost of providing these services is included in operating expenses

## 2. Significant Accounting Policies

### Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Parent, SBHF, BMCB, BMCN, BHP, ASI, CLAY, PHS, and BHSF Significant transactions between entities have been eliminated

### Use of Estimates

Management has made estimates that affect the reported amounts of certain assets, liabilities, revenues, and expenses Actual results could differ from those estimates

**2. Significant Accounting Policies (continued)**

**Cash and Cash Equivalents**

Cash and cash equivalents include amounts deposited in operating accounts and cash invested in highly liquid instruments, with a maturity of three months or less when acquired, excluding amounts limited as to use by board designation or other arrangements under trust agreements

**Concentrations of Credit Risk**

Financial instruments that potentially subject BHS to concentration of credit risk consist principally of cash and cash equivalents and trade receivables BHS invests its cash in credit instruments of highly rated financial institutions, five institutions hold 100% of the total cash and cash equivalents

**Assets Limited as to Use**

Assets limited as to use primarily include assets held by a trustee set aside by the Board for future capital improvements, debt service, and insurance reserves, over which the Board retains control and may, at its discretion, subsequently use for other purposes Amounts required to meet current malpractice and workers' compensation liabilities of BHS are reported as current assets

**Investments and Investment Income**

Investments are carried at fair value at the consolidated balance sheet dates Investment income (including realized gains and losses on investments) is included in nonoperating gains and losses unless the income or loss is restricted by donor or law Unrealized gains and losses on investments are included in the excess of revenues and gains over expenses and losses, as substantially all of BHS's investment portfolio is classified as trading

**2. Significant Accounting Policies (continued)**

**Property, Plant, and Equipment**

Property, plant, and equipment are stated at cost or, if donated, at fair market value at the date of the gift Depreciation is determined on the straight-line method over the estimated useful lives of the related assets As of September 30, 2011, BHS had open construction commitments totaling $101,498 for construction projects, which are included in construction-in-progress in Note 5

**Investment in Solantic**

During the year ended September 30, 2010, PHS acquired a 50% interest in Solantic locations only in the northeast Florida area The investment is accounted for using the equity method of accounting and is included in other assets on the accompanying consolidated balance sheets

**Deferred Compensation**

PHS participates in the Pavilion Health Services, Inc Nonqualified Deferred Compensation Plan (the Plan) The purpose of the Plan is to retain quality personnel by allowing them to defer compensation to a later date or upon their death or disability The Plan assets are equal to the Plan liabilities and the value of the Plan at September 30, 2011 and 2010, was $20,773 and $18,216, respectively

**Excess of Revenues and Gains over Expenses and Losses**

The consolidated statements of operations and changes in net assets include excess of revenues and gains over expenses and losses Changes in unrestricted net assets, which are excluded from the excess of revenues and gains over expenses and losses, consistent with industry practice, include changes related to pension and other executive compensation and contributions of long-lived assets, including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets

**2. Significant Accounting Policies (continued)**

**Net Patient Service Revenues, Accounts Receivable, and Provision for Bad Debts**

Net patient service revenues are reported at the estimated realizable amounts from patients, third-party payors, and others for medical services rendered Revenues under third-party payor agreements are subject to audit and retroactive adjustments Provisions for estimated third-party payor settlements and adjustments are estimated in the period the related services are rendered and adjusted in future periods as final settlements are determined During the years ended September 30, 2011 and 2010, respectively, approximately 22% and 23% of net patient service revenues were received under the Medicare program, 9% and 8% under state Medicaid programs, and 64% and 63% from contracts with other third parties During the years ended September 30, 2011 and 2010, net patient service revenues increased by $7,105 and $10,480, respectively, due to changes in estimated prior year settlements

In addition, $357,713 and $345,333 of net patient service revenues was derived from two third-party payors during the years ended September 30, 2011 and 2010, respectively Significant concentrations of patient accounts receivable, prior to allowances, due from payors at September 30, 2011 and 2010, respectively, include 19% and 20% from the Medicare program, 9% and 12% from state Medicaid programs, and 32% and 34% in each year from contracts with other third parties The Medical Centers grant credit without collateral to their patients, most of whom are local residents and are insured under third-party payor agreements

Laws and regulations governing the Medicare and Medicaid programs are extremely 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 Changes in the Medicare and Medicaid programs and the reduction of funding levels could have an adverse impact on BHS

The provision for bad debts is based upon management's assessments of historical and expected net collections considering business and economic conditions, trends in healthcare coverage and other collection indicators Accounts receivable are written off after collection effort has been followed in accordance with the Medical Centers' policies Accounts written off as uncollectible are deducted from the allowance for uncollectible patient accounts, and subsequent recoveries are added Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category

**2. Significant Accounting Policies (continued)**

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 receivables After satisfaction of amounts due from insurance, the Medical Centers follow established guidelines for placing certain past-due patient balances with collection agencies

**Functional Expenses**

BHS does not present expense information by functional classification because its resources and activities are primarily related to providing healthcare services Further, since BHS receives substantially all of its resources from providing healthcare services in a manner similar to a business enterprise, other indicators contained in these consolidated financial statements are considered important in evaluating how well management has discharged its stewardship responsibilities

**Inventories**

Inventories are stated at lower of cost (principally determined by the weighted-average method) or market

**Income Taxes**

The Parent, SBHF, BMCB, BMCN, BHP, ASI, and BHSF are not-for-profit corporations and are exempt from federal income taxes under Section 501(a) as organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and are exempt from state income taxes pursuant to Florida Statute Chapter 220 13 PHS is a taxable corporation and files federal, Florida, and Georgia income tax returns Tax interest and penalties are included in other expense on the consolidated statements of operations and changes in net assets Income taxes related to PHS are not material to BHS

CLAY has not applied for a determination letter from the Internal Revenue Service to determine if it meets the requirements as a corporation organized and operated exclusively for charitable purposes as described in Section 501(c)(3) of the Internal Revenue Code (the Code) However, CLAY believes that it does comply with and is operating in accordance with the requirements of the Code and, therefore, believes it will be exempt from taxation

**2. Significant Accounting Policies (continued)**

With respect to its for-profit entity as well as any unrelated business income generated at the tax-exempt entities, BHS records income taxes using the liability method, under which deferred tax assets and liabilities are determined based on the differences between the financial accounting and tax bases of assets and liabilities Deferred tax assets or liabilities at the end of each period are determined using the currently enacted tax rate expected to apply to taxable income in the period that the deferred tax asset or liability is expected to be realized or to be settled

**Loan Issue Costs**

The costs incurred in connection with the issuance of the various Hospital Revenue Bonds (see Note 8) are being amortized over the term of the related indebtedness on the effective interest method

**Goodwill and Other Intangible Assets**

Goodwill and other intangible assets, included in other assets, consist principally of cost in excess of the net book value of purchased businesses, and purchased provider contracts and treatment protocols Goodwill is not amortized, but is reviewed annually for impairment, or more frequently if impairment indicators arise

If such indicators are present, BHS uses projections of future discounted cash flows and other procedures to determine whether the entity's estimated fair value is less than its carrying amount, and if so, BHS recognizes an impairment loss based on the excess of the carrying amount of the goodwill over its fair value

Intangible assets with a finite useful life are amortized on a straight-line basis over their useful life Intangible assets with an indefinite life are tested annually for impairment

**Donor-Restricted Gifts**

Donor-restricted gifts and endowments are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets or are subject to time restrictions When a donor restriction expires, that is, when a

*(In Thousands)*

**2. Significant Accounting Policies (continued)**

stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements

**Temporarily Restricted Net Assets**

Temporarily restricted net assets are primarily available for operations and to purchase equipment, renovations, and buildings Temporarily restricted net assets are available for the following purposes or periods

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Hospital programs | **$ 6,970** | $ 9,230 |
| Property and equipment | **7,186** | 8,471 |
| Education and research | **3,753** | 3,790 |
| Other program services | **2,004** | 2,527 |
| Community outreach | **2,319** | 1,863 |
| Future time periods | **54** | 60 |
| | **$ 22,286** | $ 25,941 |

*(In Thousands)*

## 2. Significant Accounting Policies (continued)

### Permanently Restricted Net Assets

Permanently restricted net assets are those preserved by donor intent to provide a permanent source of investment income for the operations of the Medical Centers' adult and children's hospital divisions Permanently restricted net assets are restricted to

| | September 30 2011 | 2010 |
|---|---|---|
| Hospital programs | **$ 8,219** | $ 8,124 |
| Community outreach | **1,595** | 1,488 |
| Education and research | **587** | 522 |
| Other program services | **241** | 223 |
| | **$ 10,642** | $ 10,357 |

### Reclassifications

Certain reclassifications have been made to the 2010 financial statements to conform to the 2011 presentation These reclassifications had no effect on net assets previously reported

## 3. Business Combinations

### Acquisition of Jacksonville Orthopaedic Institute

On February 1, 2011, PHS acquired 100% of the capital stock of Jacksonville Orthopaedic Institute (JOI), a group of 31 specialty-trained physicians providing comprehensive orthopedic care, including a medical imaging business unit PHS subsequently sold the medical imaging business unit to SBHF BHS believes this physician acquisition will enhance its competitive position and improve clinical efficiencies

*(In Thousands)*

**3. Business Combinations (continued)**

PHS accounted for the acquisition of JOI using the acquisition method as required in Accounting Standards Codification (ASC) 805, *Business Combinations* As such, fair values have been assigned to the assets and liabilities acquired and the excess of the total purchase price over the fair value of the net assets acquired is recorded as goodwill PHS has estimated fair value of certain intangible assets The goodwill is not expected to be deductible for tax purposes

PHS's purchase price was allocated to tangible and intangible assets as well as current liabilities assumed resulting in goodwill of $2,900, which was subsequently transferred to SBHF The definite lived intangible assets include medical records and other intangible assets and will be amortized over a weighted-average period of 60 months

JOI contributed approximately $34,243 in net patient service revenues from February 1, 2011 through September 30, 2011 For the same period, JOI had net excess of expenses over revenue of $1,968

**4. Investments and Assets Limited as to Use**

**Assets Limited as to Use**

The composition of assets limited as to use is presented below

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Internally designated for capital improvements, debt service, and insurance reserves | | |
| Equity mutual funds | | |
| Domestic | **$ 232,506** | $ 186,276 |
| International | **89,567** | 76,363 |
| Fixed-income mutual funds | | |
| Domestic | **319,726** | 306,010 |
| International | **19,404** | 12,537 |
| U S Corporate bonds | **–** | 530 |
| U S Treasury and agency obligations | **–** | 30,956 |
| Cash and cash equivalents | **33,921** | 11,822 |
| Interest receivable | **743** | 978 |
| | **$ 695,867** | $ 625,472 |

*(In Thousands)*

**4. Investments and Assets Limited as to Use (continued)**

Investment return is summarized as follows

| | September 30 2011 | 2010 |
|---|---|---|
| Interest, dividends, and realized gains | **$ 33,051** | $ 23,325 |
| Net unrealized gains (losses) on investments reported at fair value | **(28,025)** | 28,593 |
| Total investment return | **$ 5,026** | $ 51,918 |
| Included in nonoperating gains | **$ 5,013** | $ 50,179 |
| Reported separately as increase in restricted net assets | **13** | 1,739 |
| Total investment return | **$ 5,026** | $ 51,918 |

**Investments**

Investments include the following

| | September 30 2011 | 2010 |
|---|---|---|
| Equity securities | **$ 97** | $ 93 |
| Equity mutual funds | | |
| Domestic | **13,206** | 12,550 |
| International | **5,113** | 6,188 |
| Fixed-income mutual funds | | |
| Domestic | **10,984** | 10,533 |
| International | **1,165** | 1,216 |
| Cash and cash equivalents | **5,061** | 4,600 |
| Interest receivable | **99** | 102 |
| | **$ 35,725** | $ 35,282 |

*(In Thousands)*

## 5. Property, Plant, and Equipment

BHS had property, plant, and equipment less accumulated depreciation as follows

| | September 30 2011 | 2010 |
|---|---|---|
| Land and improvements | **$ 42,268** | $ 41,734 |
| Building and equipment | **1,244,333** | 1,153,583 |
| | **1,286,601** | 1,195,317 |
| Less accumulated depreciation | **664,614** | 599,198 |
| | **621,987** | 596,119 |
| Construction-in-progress | **99,502** | 73,899 |
| | **$ 721,489** | $ 670,018 |

## 6. Other Assets

Other assets consist of the following

| | September 30 2011 | 2010 |
|---|---|---|
| Investment in land | **$ 8,587** | $ 8,587 |
| Long-term pledge receivables | **4,242** | 4,856 |
| Goodwill and intangible assets | **17,716** | 7,795 |
| Equity investment in Solantic | **18,671** | 18,175 |
| Deferred compensation | **20,773** | 18,216 |
| Other | **6,072** | 6,576 |
| | **$ 76,061** | $ 64,205 |

*(In Thousands)*

## 7. Goodwill and Intangible Assets

BHS's intangible assets are summarized as follows

| | September 30, 2011 | | |
|---|---|---|---|
| | Gross | Accumulated Amortization | Net |
| **Intangible assets subject to amortization** | | | |
| Internally developed software | **$ 8,644** | **$ (269)** | **$ 8,375** |
| Medical records | **1,463** | **(205)** | **1,258** |
| Noncompete agreements | **1,667** | **(1,583)** | **84** |
| Other | **3,406** | **(409)** | **2,997** |
| **Intangible assets not subject to amortization (indefinite life)** | | | |
| Goodwill | **3,524** | **–** | **3,524** |
| Other | **1,400** | **–** | **1,400** |
| Trade name | **78** | **–** | **78** |
| | **$ 20,182** | **$ (2,466)** | **$ 17,716** |

| | September 30, 2010 | | |
|---|---|---|---|
| | Gross | Accumulated Amortization | Net |
| **Intangible assets subject to amortization** | | | |
| Internally developed software | $ 4,915 | $ – | $ 4,915 |
| Medical records | 150 | (20) | 130 |
| Noncompete agreements | 1,667 | (537) | 1,130 |
| **Intangible assets not subject to amortization (indefinite life)** | | | |
| Goodwill | 220 | – | 220 |
| Other | 1,400 | – | 1,400 |
| | $ 8,352 | $ (557) | $ 7,795 |

*(In Thousands)*

**7. Goodwill and Intangible Assets (continued)**

The weighted-average amortization period for the amortizable intangible assets as of September 30, 2011 is approximately 74 months Total amortization expense related to intangible assets was $1,908 and $346 for the years ended September 30, 2011 and 2010, respectively Expected amortization expense for the next five years is as follows

| | |
|---|---|
| 2012 | $ 1,578 |
| 2013 | 1,500 |
| 2014 | 1,495 |
| 2015 | 1,495 |
| 2016 | 911 |

The changes in the carrying amount of goodwill are as follows

| | Year Ended September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Balance, beginning of period | **$ 220** | $ 220 |
| Goodwill due to JOI acquisition | **2,900** | – |
| Goodwill due to Premier MRI acquisition | **404** | – |
| Balance, end of period | **$ 3,524** | $ 220 |

*(In Thousands)*

## 8. Long-Term Debt

BHS was obligated under long-term debt as follows

| | September 30 2011 | 2010 |
|---|---|---|
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds, Series 2001, due in varying amounts from 2012 through 2021 with a variable interest rate not to exceed 12 00% per annum (0 15% and 0 28% as of September 30, 2011 and 2010, respectively) | $ **29,445** | $ 31,850 |
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds, Series 2003A, 2003B and 2003C, due in varying amounts from 2022 through 2033 with a variable interest rate not to exceed 12 00% per annum (0 16% and 0 29% as of September 30, 2011 and 2010, respectively) | **125,000** | 125,000 |
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds, Series 2004, due in varying amounts from 2020 through 2034 with a variable interest rate not to exceed 12 00% per annum (0 21% and 0 31% as of September 30, 2011 and 2010, respectively) | **50,000** | 50,000 |
| Jacksonville Health Facilities Authority Hospital Revenue Bonds, Series 2007A, due in varying amounts from 2023 through 2037 with a fixed interest rate of 5 00%, including unamortized premium of $1,393 and $1,472 at September 30, 2011 and 2010, respectively | **66,393** | 66,472 |
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds, Series 2007B, due in varying amounts from 2012 through 2023 with a variable interest rate not to exceed 12 00% per annum (0 14% and 0 26% as of September 30, 2011 and 2010, respectively) | **27,750** | 29,675 |
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Refunding Bonds, Series 2007C, Series 2007D and Series 2007E, due in varying amounts from 2012 through 2027 with a variable interest rate not to exceed 12 00% per annum (0 17% and 0 29% as of September 30, 2011 and 2010, respectively) | **105,300** | 110,675 |

*(In Thousands)*

**8. Long-Term Debt (continued)**

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Notes, Series 2009, due in varying amounts from 2012 through 2017 with a variable interest rate not to exceed the maximum permitted by United States federal law or Florida law (2 50% and 2 50% as of September 30, 2011 and 2010, respectively) | **22,307** | 26,368 |
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Extendable Notes, Series 2010A, due in varying amounts from 2012 through 2035 with a variable interest rate not to exceed the maximum permitted by United States federal law or Florida law (1 10% and 0 91% as of September 30, 2011 and 2010, respectively) | **24,400** | 18,000 |
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Extendable Notes, Series 2010B, due in varying amounts from 2012 through 2035 with a variable interest rate not to exceed the maximum permitted by United States federal law or Florida law (0 86% and 0 89% as of September 30, 2011 and 2010, respectively) | **24,400** | 18,000 |
| Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Extendable Notes, Series 2010C, due in varying amounts from 2012 through 2035 with a variable interest rate not to exceed the maximum permitted by United States federal law or Florida law (1 08% and 1 20% as of September 30, 2011 and 2010, respectively) | **24,400** | 18,000 |
| | **499,395** | 494,040 |
| Less current portion | **16,099** | 15,566 |
| | **$ 483,296** | $ 478,474 |

During June 2010, November 2010, and December 2010, the Obligated Group issued $54,000, $7,000, and $14,000, respectively, of Jacksonville Health Facilities Authority Hospital Revenue Extendable Notes, Series 2010A, 2010B, and 2010C (Series 2010 Notes) The proceeds of the Series 2010 Notes were used to finance capital expenditures for the planning, development, construction, and equipping of SBHF and BMCB Principal payments of the Series 2010 Notes are due in varying amounts from August 15, 2012 to August 15, 2035

**8. Long-Term Debt (continued)**

During September 2009, the Obligated Group issued $30,000 of Jacksonville Health Facilities Authority Hospital Revenue Notes, Series 2009 (Series 2009 Notes) The proceeds of the Series 2009 Notes were used to reimburse capital expenditures for the planning, development, construction, and equipping of SBHF Principal payments of the Series 2009 Notes are due in varying amounts from October 1, 2011 to October 1, 2016

During May 2007, the Obligated Group issued $125,650 of Jacksonville Health Facilities Authority Hospital Revenue Refunding Bonds, Series 2007C, 2007D, and 2007E (Series 2007CDE Bonds) The proceeds of the Series 2007CDE Bonds were used to pay the costs of its issuance and to refund certain outstanding debt (the Series 1997A Bonds) at SBHF, BMCN, and BMCB Principal payments for the 2007CDE Bonds are due in varying amounts from August 15, 2012 to August 15, 2027

During the year ended September 30, 2008, $111,450 of the Series 2007CDE Bonds was technically defeased and a loss of $1,797 was recognized on the defeasance of these bonds During October 2008, the Obligated Group technically defeased an additional $1,700 of the Series 2007CDE bonds and reissued $113,150 of the Bonds in connection with a mode change to variable rate demand bonds As a result of the mode change, the bond insurance connected with the 2007CDE Bonds was canceled and replaced with a Letter of Credit and Reimbursement Agreement The Letter of Credit and Reimbursement Agreement for the Series 2007C Bonds, in the amount of $42,382, is set to expire on November 15, 2013 The Letter of Credit and Reimbursement Agreement for the Series 2007D Bonds, in the amount of $42,382, is set to expire on July 1, 2014 The Letter of Credit and Reimbursement Agreement for the Series 2007E Bonds, in the amount of $21,747, is set to expire on October 23, 2014

During February 2007, the Obligated Group issued $65,000 of Jacksonville Health Facilities Authority Fixed Rate Hospital Revenue Bonds, Series 2007A (Series 2007A Bonds) and $35,000 of Jacksonville Health Facilities Authority Hospital Revenue Bonds, Series 2007B (Series 2007B Bonds) The proceeds of the Series 2007A Bonds and Series 2007B Bonds were used to finance capital expenditures for the planning, development, construction, and equipping of SBHF and BMCB and pay the costs of issuance Principal payments for the Series 2007A Bonds are due in varying amounts from August 15, 2023 to August 15, 2037

**8. Long-Term Debt (continued)**

During the year ended September 30, 2008, $30,200 of the Series 2007B Bonds were technically defeased and a loss of $496 was recognized on the defeasance of these bonds Principal payments for the remaining Series 2007B Bonds are due in varying amounts from August 15, 2012 to August 15, 2023 During October 2008, the Obligated Group technically defeased an additional $2,625 of the Series 2007B Bonds and reissued $32,825 of the Bonds in connection with a mode change to variable rate demand bonds As a result of the mode change, the bond insurance connected with the Series 2007B Bonds was canceled and replaced with a Letter of Credit and Reimbursement Agreement The Letter of Credit and Reimbursement Agreement for the Series 2007B Bonds, in the amount of $28,069, is set to expire on October 23, 2014

During November 2004, the Obligated Group issued $50,000 of Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds, Series 2004 (Series 2004 Bonds) The proceeds of the Series 2004 Bonds were used to finance capital expenditures for the planning, development, construction, and equipping of SBHF and BMCB The Series 2004 Bonds are variable-rate demand bonds, subject to redemption prior to their stated maturity at the option of the bondholders, however, in the event that they are redeemed and not remarketed by a Remarketing Agent, the Obligated Group entered into a Letter of Credit and Reimbursement Agreement dated as of November 1, 2004, to provide liquidity support The Letter of Credit and Reimbursement Agreement, in the amount of $50,583, is set to expire November 15, 2013 Principal payments for the Series 2004 Bonds are due in varying amounts from August 15, 2020 to August 15, 2034

During June 2003, the Obligated Group issued $125,000 of Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds, Series 2003A, Series 2003B, and Series 2003C (Series 2003 Bonds) The proceeds of the Series 2003 Bonds were used to fund capital improvements, purchase property, and pay the costs of issuance The Series 2003 Bonds are variable-rate demand bonds, subject to redemption prior to their stated maturity at the option of the bondholders, however, in the event that they are redeemed and not remarketed by a Remarketing Agent, the Obligated Group has entered into a Letter of Credit and Reimbursement Agreement dated as of September 22, 2010, to provide liquidity support The Letter of Credit and Reimbursement Agreement for the Series 2003A Bonds, in the amount of $70,817, is set to

**8. Long-Term Debt (continued)**

expire on November 13, 2015 The Letter of Credit and Reimbursement Agreement for the Series 2003B Bonds, in the amount of $35,403, is set to expire on February 1, 2014 The Letter of Credit and Reimbursement Agreement for the Series 2003C Bonds, in the amount of $20,230, is set to expire on July 1, 2014 Principal payments for the Series 2003 Bonds are due in varying amounts from August 15, 2022 to August 15, 2033

During September 2001, the Obligated Group issued $50,000 of Jacksonville Health Facilities Authority Variable Rate Hospital Revenue Bonds, Series 2001 (Series 2001 Bonds) The proceeds of the Series 2001 Bonds were used to fund capital improvements, renovations, purchase property, and pay the costs of issuance The Series 2001 Bonds are variable-rate demand bonds, subject to redemption prior to their stated maturity at the option of the bondholders, however, in the event that they are redeemed and not remarketed by a Remarketing Agent, the Obligated Group has entered into a Letter of Credit and Reimbursement Agreement dated as of September 1, 2001, to provide liquidity support This Letter of Credit and Reimbursement Agreement, in the amount of $29,784, expires on July 1, 2014 Principal payments for the Series 2001 Bonds are due in varying amounts from August 15, 2012 to August 15, 2021

The Medical Centers, BHP and ASI comprise an Obligated Group and have certain joint and several liabilities under a Master Trust Indenture to make all payments required with respect to obligations under the Master Trust Indenture, which totaled approximately $499,395 at September 30, 2011 The Master Trust Indenture requires certain covenants and reporting requirements to be met by the Obligated Group

During the year ended September 30, 2009, the Obligated Group entered into an interest rate swap agreement (Series 2001 swap), which expires on August 15, 2021, to convert its Series 2001 Bonds from variable rate refunding debt into fixed interest rate debt The Obligated Group agreed to exchange, effective June 11, 2009, the receipt of a variable interest rate payment for the payment of a fixed interest rate payment The variable rate payment is based on a percentage of LIBOR, which is reset weekly The variable and fixed payments are calculated on a combined notional amount of $29,445 The differential to be paid or received is accrued as the variable interest rate changes and is recognized in other expenses The related amount payable to or

**8. Long-Term Debt (continued)**

receivable from the counterparty is included in other liabilities or other assets, respectively The Obligated Group recognizes the change in the fair value of this agreement within the excess of revenues and gains over expenses and losses, as this agreement has not been designated as an effective hedge under ASC 815, *Derivatives and Hedging* Included in nonoperating gains (losses) is ($150) and ($1,193) of unrealized loss related to the Series 2001 swap for the years ended September 30, 2011 and 2010, respectively

The fair value of the Series 2001 swap at September 30, 2011 and 2010, is $(2,603) and ($2,452), respectively, which represents the amount the Obligated Group would have to pay to the counterparty should the agreement be terminated, and is included in other liabilities in the accompanying consolidated balance sheets

In addition, during the year ended September 30 2009, the Obligated Group entered into an interest rate swap agreement (Series 2007B swap), which expires on August 15, 2023, to convert its Series 2007B Bonds from variable rate refunding debt to fixed interest rate debt The Obligated Group agreed to exchange, effective June 11, 2009, the receipt of a variable interest rate payment for the payment of a fixed interest rate payment The variable rate payment is based on a percentage of LIBOR, which is reset weekly The variable and fixed payments are calculated on a combined notional amount of $27,750 The differential to be paid or received is accrued as the variable interest rate changes and is recognized in other expenses The related amount payable to or receivable from the counterparty is included in other liabilities or other assets, respectively The Obligated Group recognizes the change in the fair value of this agreement within the excess of revenues and gains over expenses and losses, as this agreement has not been designated as an effective hedge under ASC 815 Included in nonoperating gains (losses) is ($246) and ($1,203) of unrealized loss related to the Series 2007B swap for the years ended September 30, 2011 and 2010, respectively

The fair value of the Series 2007B swap at September 30, 2011 and 2010, is ($2,687) and ($2,441), respectively, which represents the amount the Obligated Group would have to pay to the counterparty should the agreements be terminated, and is included in other liabilities in the accompanying consolidated balance sheets

*(In Thousands)*

**8. Long-Term Debt (continued)**

During the year ended September 30, 2006, the Obligated Group entered into forward interest rate swap agreements (Series 2007CDE swaps), which expire on August 15, 2027, to convert its Series 2007CDE Bonds from variable rate refunding debt into a fixed interest rate debt The Obligated Group agreed to exchange, effective August 15, 2007, the receipt of a variable interest rate payment for the payment of a fixed interest rate payment The variable rate payment is based on a percentage of LIBOR, which is reset weekly The variable and fixed payments are calculated on a combined notional amount of $105,300 The differential to be paid or received is accrued as the variable interest rate changes and is recognized in other expenses The related amount payable to or receivable from the counterparty is included in other liabilities or other assets, respectively The Obligated Group recognizes the change in the fair value of these agreements within the excess of revenues and gains over expenses and losses, as these agreements have not been designated as effective hedges under ASC 815 Included in other nonoperating gains (losses) is ($1,161) and ($4,909) of unrealized loss related to the Series 2007CDE swaps for the years ended September 30, 2011 and 2010, respectively

The fair value of the Series 2007CDE swaps at September 30, 2011 and 2010, is ($19,016) and ($17,855), respectively, which represents the amount the Obligated Group would have to pay to the counterparty should the agreements be terminated, and is included in other liabilities in the accompanying consolidated balance sheets

The following table outlines the terms and fair values of the interest rate swap agreements that are included in other liabilities on the consolidated balance sheets Fair values presented are computed using estimated future cash flows

| | Series 2001 | Series 2007B | Series 2007CDE |
|---|---|---|---|
| Notional amount at September 30, 2011 | $ 29,445 | $ 27,750 | $ 105,300 |
| Effective date | 6/11/2009 | 6/11/2009 | 8/15/2007 |
| Termination date | 8/15/2021 | 8/15/2023 | 8/15/2027 |
| Fixed rate | 2 745% | 2 798% | 3 650% |
| Fair value at September 30, 2011 | $ (2,603) | $ (2,687) | $ (19,016) |

*(In Thousands)*

**8. Long-Term Debt (continued)**

The following table outlines the location and effect of the interest rate swap agreements on the accompanying consolidated balance sheet and statement of operations and changes in net assets

| | Liability Derivatives | | |
|---|---|---|---|
| | September 30, 2011 | | |
| **Derivatives Not Designated as Hedging Instruments** | **Balance Sheet Locations** | **Net Asset Classifications** | **Fair Value** |
| **Interest rate contracts** | | | |
| Series 2001 | Other liabilities | Unrestricted | $ (2,603) |
| Series 2007B | Other liabilities | Unrestricted | (2,687) |
| Series 2007CDE | Other liabilities | Unrestricted | (19,016) |
| Total derivatives not designated as hedging instruments | | | $ (24,306) |

| **Derivatives Not Designated as Hedging Instruments** | **Location of Loss Recognized Within Performance Indicator** | **Amount of Loss Recognized Within Performance Indicator for the Year Ended September 30, 2011** |
|---|---|---|
| Series 2001 | Nonoperating gains (losses) | $ (150) |
| Series 2007B | Nonoperating gains (losses) | (246) |
| Series 2007CDE | Nonoperating gains (losses) | (1,161) |
| Total | | $ (1,557) |

*(In Thousands)*

**8. Long-Term Debt (continued)**

Maturities of long-term debt as of September 30, 2011, are as follows

| | Amount |
|---|---|
| Year ending September 30 | |
| 2012 | $ 16,099 |
| 2013 | 16,683 |
| 2014 | 17,262 |
| 2015 | 17,869 |
| 2016 | 18,523 |
| Thereafter | 411,566 |
| Unamortized bond premium | 1,393 |
| | $ 499,395 |

**9. Fair Value of Financial Instruments**

BHS adopted ASC 820, *Fair Value Measurements and Disclosures*, on October 1, 2008 In accordance with ASC 820, assets and liabilities recorded at fair value in the consolidated financial statements are categorized, for disclosure purposes, based upon whether the inputs used to determine their fair values are observable or unobservable More specifically, ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure assets and liabilities at fair value

Level inputs, as defined by ASC 820, are as follows

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that BHS has the ability to access on the reporting date

Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly If the asset or liability has a specific (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability Level 2 assets and liabilities are valued using a market approach

Level 3 – Inputs that are unobservable for the asset or liability

*(In Thousands)*

**9. Fair Value of Financial Instruments (continued)**

The following tables summarize fair value measurements, by level, at September 30, 2011 and 2010, which are measured on a recurring basis in the consolidated balance sheets

| **September 30, 2011** | **Level 1** | **Level 2** | **Level 3** | **Total** |
|---|---|---|---|---|
| **Assets** | | | | |
| Assets limited as to use | | | | |
| Equity mutual funds | | | | |
| Domestic | **$ 232,506** | **$ –** | **$ –** | **$ 232,506** |
| International | **89,567** | **–** | **–** | **89,567** |
| Fixed-income mutual funds | | | | |
| Domestic | **319,726** | **–** | **–** | **319,726** |
| International | **19,404** | **–** | **–** | **19,404** |
| Long-term investments | | | | |
| Equity securities | **97** | **–** | **–** | **97** |
| Equity mutual funds | | | | |
| Domestic | **13,206** | **–** | **–** | **13,206** |
| International | **5,113** | **–** | **–** | **5,113** |
| Fixed income mutual funds | | | | |
| Domestic | **10,984** | **–** | **–** | **10,984** |
| International | **1,165** | **–** | **–** | **1,165** |
| **Liabilities** | | | | |
| Interest rate swaps | **–** | **(24,306)** | **–** | **(24,306)** |

*(In Thousands)*

**9. Fair Value of Financial Instruments (continued)**

| September 30, 2010 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| Assets limited as to use | | | | |
| Equity mutual funds | | | | |
| Domestic | $ 186,276 | $ – | $ – | $ 186,276 |
| International | 76,363 | – | – | 76,363 |
| Fixed-income mutual funds | | | | |
| Domestic | 306,010 | – | – | 306,010 |
| International | 12,537 | – | – | 12,537 |
| U S corporate bonds | 530 | – | – | 530 |
| U S Treasury and agency obligations | – | 30,956 | – | 30,956 |
| Long-term investments | | | | |
| Equity securities | 93 | – | – | 93 |
| Equity mutual funds | | | | |
| Domestic | 12,550 | – | – | 12,550 |
| International | 6,188 | – | – | 6,188 |
| Fixed income mutual funds | | | | |
| Domestic | 10,533 | – | – | 10,533 |
| International | 1,216 | – | – | 1,216 |
| **Liabilities** | | | | |
| Interest rate swaps | – | (22,748) | – | (22,748) |

**Long-Term Debt**

The fair value of long-term debt is estimated based on dealer quotes for hospital tax-exempt debt with similar terms and maturities and using discounted cash flow analyses based on current interest rates for similar types of borrowing arrangements The estimated fair value at September 30, 2011 and 2010, is $498,071 and $493,356, respectively These values represent a general approximation of possible value and may never actually be realized

## 10. Income Taxes

Deferred income taxes, which as of September 30, 2011 and 2010, have no net carrying value, reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting and the amounts used for income tax purposes As of September 30, 2011 and 2010, BHS had deferred tax assets of $15,901 and $16,536, respectively, relating principally to net operating loss carryovers ASC 740-10-50-3, *Income Taxes: Disclosure*, requires a valuation allowance to reduce the deferred tax assets reported if, based on the weight of the evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized After consideration of all the evidence, both positive and negative, management determined that a $15,901 and $16,536 allowance at September 30, 2011 and 2010, respectively, was necessary to reduce the deferred tax assets to the amount that would more likely than not be realized The change in the valuation allowance for the current year is $635 At September 30, 2011, BHS has available net operating loss carryforwards of $42,255, of which $1,147 expires at the start of fiscal year 2012

## 11. Retirement Plan

The Medical Centers, PHS, and ASI participate in a noncontributory defined benefit retirement plan (the Plan) sponsored by BHS The Plan covers a substantial number of the employees Benefits are based on each participant's years of service and compensation BHS's policy is to contribute annually at least the minimum amount necessary to comply with the requirements of the Employee Retirement Income Security Act of 1974 SBHF funds contributions to the Plan

Included in unrestricted net assets at September 30, 2011, are the following amounts that have not yet been recognized in net periodic pension cost unrecognized prior service cost of $0 and unrecognized actuarial losses of $197,463 The prior service cost and actuarial loss included in unrestricted net assets and expected to be recognized in net periodic pension cost during the year ending September 30, 2012, are $0 and $12,586, respectively

*(In Thousands)*

**11. Retirement Plan (continued)**

The following table provides a reconciliation of the changes in the benefit obligation and fair value of assets for the years ended September 30, 2011 and 2010, and a statement of the funded status as of September 30, 2011 and 2010, the measurement dates, and a reconciliation of the amounts recognized in the accompanying consolidated balance sheets

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Change in benefit obligation | | |
| Benefit obligation at beginning of year | **$ 374,071** | $ 310,656 |
| Service cost | **13,114** | 11,549 |
| Interest cost | **18,557** | 17,097 |
| Actuarial (gain) loss | **(416)** | 41,846 |
| Benefits paid | **(7,251)** | (7,077) |
| Benefit obligation at end of year | **$ 398,075** | $ 374,071 |
| | | |
| Change in plan assets | | |
| Fair value of plan assets at beginning of year | **$ 224,365** | $ 194,728 |
| Actual return on plan assets | **(329)** | 22,274 |
| Employer contributions | **23,925** | 14,440 |
| Benefit payments | **(7,251)** | (7,077) |
| Fair value of plan assets at end of year | **$ 240,710** | $ 224,365 |
| | | |
| Accumulated benefit obligation at end of year | **$ 341,424** | $ 297,020 |
| | | |
| Amounts recognized in the consolidated balance sheets | | |
| Current assets | **$ –** | $ – |
| Noncurrent assets | **–** | – |
| Current liabilities | **–** | – |
| Noncurrent liabilities | **(157,365)** | (149,706) |
| Net liability at end of year | **$ (157,365)** | $ (149,706) |

*(In Thousands)*

**11. Retirement Plan (continued)**

| | September 30 2011 | 2010 |
|---|---|---|
| Components of net periodic benefit cost | | |
| Service cost | **$ 13,114** | $ 11,549 |
| Interest cost | **18,557** | 17,097 |
| Expected return on assets | **(21,504)** | (20,081) |
| Amortization of | | |
| Prior service cost | **–** | 19 |
| Net loss | **12,409** | 8,674 |
| Amount recognized in net periodic benefit cost | **$ 22,576** | $ 17,258 |
| Other changes in plan assets and benefit obligations recognized in unrestricted net assets | | |
| Net actuarial loss | **$ 21,416** | $ 39,653 |
| Amortization of | | |
| Prior service credit | **–** | (19) |
| Actuarial gain | **(12,409)** | (8,674) |
| Total recognized in unrestricted net assets | **$ 9,007** | $ 30,960 |
| Total recognized in net periodic benefit cost and unrestricted net assets | **$ 31,583** | $ 48,218 |

The assumptions used to determine the benefit obligation and net consolidated balance sheet liability at September 30 are set forth below

| | September 30 2011 | 2010 |
|---|---|---|
| Weighted-average discount rate | **4.65%** | 5 01% |
| Weighted-average rate of compensation increase | **3.50%** | 4 50% |
| Weighted-average expected long-term rate of return on plan assets | **8.00%** | 8 50% |

*(In Thousands)*

**11. Retirement Plan (continued)**

**Asset Allocation**

The weighted-average asset allocation for the Plan at the end of fiscal 2011 and 2010, and the target allocation for fiscal 2012, by asset category, are as follows

| | Target Allocation | Percentage of Plan Assets at September 30 | |
|---|---|---|---|
| **Asset Category** | **2012** | **2011** | **2010** |
| Equity securities | 60% | **60%** | 65% |
| Debt securities | 40 | **40** | 35 |
| Total | 100% | **100%** | 100% |

**Composition of Plan Assets**

The composition of Plan assets at September 30, 2011 and 2010, is as follows

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Equity mutual funds – domestic | **$ 100,761** | $ 109,316 |
| Equity mutual funds – international | **43,609** | 36,124 |
| Fixed-income mutual funds – domestic | **86,538** | 73,910 |
| Fixed-income mutual funds – international | **9,492** | 4,744 |
| Interest receivable | **310** | 271 |
| | **$ 240,710** | $ 224,365 |

These assets are exchange-traded funds whose fair value is determined from quoted prices on nationally recognized securities exchanges

**11. Retirement Plan (continued)**

**Investment Strategy**

The Plan's asset allocation and investment strategy are designed to earn returns on plan assets consistent with a reasonable and prudent level of risk Investments are diversified across classes, sectors, and manager style to minimize the risk of large losses BHS uses investment managers specializing in each asset category and, where appropriate, provides the investment managers with specific guidelines which include allowable and/or prohibited investment types BHS regularly monitors manager performance and compliance with investment guidelines

**Expected Rate of Return**

The expected long-term rate of return on plan assets is based on historical and projected rates of return for current and planned asset categories in the Plan's investment portfolio Assumed projected rates of return for each asset category were selected after analyzing historical experience and future expectations of the returns and volatility for assets of that category using benchmark rates Based on the target asset allocation among the asset categories, the overall expected rate of return for the portfolio was developed and adjusted for historical and expected experience of active portfolio management results compared to benchmark returns and for the effect of expenses paid from plan assets

*(In Thousands)*

**11. Retirement Plan (continued)**

**Expected Cash Flows**

Information about the expected cash flows for the Plan follows

| | |
|---|---|
| Expected employer contributions in fiscal year 2012 | $ 21,650 |

Expected benefit payments

| | Amount |
|---|---|
| Year ending September 30 | |
| 2012 | $ 8,124 |
| 2013 | 10,413 |
| 2014 | 11,837 |
| 2015 | 13,269 |
| 2016 | 14,866 |
| 2017 – 2021 | 100,683 |

The benefit payment amounts above reflect the total benefits expected to be paid from the Plan

**12. Supplemental Executive Retirement Plan**

BHS participates in a supplemental executive retirement plan (SERP) and vice president supplemental executive retirement plan (VP SERP) (the Plans) The Plans are unfunded and cover the executive management team and vice presidents of BHS Benefits are based on each participant's years of service and compensation SERP expense under the Plans for the years ended September 30, 2011 and 2010, was $1,928 and $2,349, respectively

**Executive Management Team Supplemental Executive Retirement Plan**

Included in unrestricted net assets at September 30, 2011, are the following amounts that have not yet been recognized in net periodic pension cost unrecognized prior service cost of $66 and unrecognized actuarial losses of $4,571 The prior service cost and actuarial loss included in unrestricted net assets and expected to be recognized in net periodic pension cost during the year ending September 30, 2012, are $33 and $552, respectively

*(In Thousands)*

**12. Supplemental Executive Retirement Plan (continued)**

The following table provides a reconciliation of the changes in the benefit obligation and fair value of assets for the years ended September 30, 2011 and 2010, the measurement dates, and a reconciliation of the amounts recognized in the accompanying consolidated balance sheets

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Change in benefit obligation | | |
| Benefit obligation at beginning of year | **$ 16,717** | $ 15,451 |
| Service cost | **686** | 666 |
| Interest cost | **815** | 801 |
| Actuarial loss | **573** | 1,029 |
| Benefits paid | **(696)** | (1,230) |
| Benefit obligation at end of year | **$ 18,095** | $ 16,717 |
| | | |
| Change in plan assets | | |
| Fair value of plan assets at beginning of year | **$ –** | $ – |
| Actual return on plan assets | **–** | – |
| Employer contributions | **696** | 1,231 |
| Benefit payments | **(696)** | (1,231) |
| Fair value of plan assets at end of year | **$ –** | $ – |
| | | |
| Accumulated benefit obligation at end of year | **$ 16,195** | $ 14,073 |

*(In Thousands)*

**12. Supplemental Executive Retirement Plan (continued)**

| | September 30 2011 | 2010 |
|---|---|---|
| Amounts recognized in the consolidated balance sheets | | |
| Current assets | **$ –** | $ – |
| Noncurrent assets | **–** | – |
| Current liabilities | **(264)** | (670) |
| Noncurrent liabilities | **(17,831)** | (16,047) |
| Net liability at end of year | **$ (18,095)** | $ (16,717) |
| Components of net periodic benefit cost | | |
| Service cost | **$ 686** | $ 666 |
| Interest cost | **815** | 801 |
| Expected return on assets | **–** | – |
| Amortization of | | |
| Prior service cost | **33** | 33 |
| Net loss | **646** | 592 |
| Amount recognized in net periodic benefit cost | **$ 2,180** | $ 2,092 |
| Other changes in plan assets and benefit obligations recognized in unrestricted net assets | | |
| Net actuarial loss | **$ 573** | $ 1,029 |
| Amortization of | | |
| Prior service credit | **(33)** | (33) |
| Actuarial gain | **(646)** | (592) |
| Total recognized in unrestricted net assets | **$ (106)** | $ 404 |
| Total recognized in net periodic benefit cost and unrestricted net assets | **$ 2,074** | $ 2,496 |

*(In Thousands)*

**12. Supplemental Executive Retirement Plan (continued)**

The assumptions used to determine the benefit obligation and net consolidated balance sheet liability at September 30 are set forth below

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Weighted-average discount rate | **4.65%** | 5 01% |
| Weighted-average rate of compensation increase | **3.50%** | 4 50% |
| Weighted-average expected long-term rate of return on plan assets | **N/A** | N/A |

**Expected Cash Flows**

Information about the expected cash flows for the SERP Plan follows

| | |
|---|---|
| Expected employer contributions in fiscal year 2012 | $ 271 |

Expected benefit payments

| | **Amount** |
|---|---|
| Year ending September 30 | |
| 2012 | $ 271 |
| 2013 | 271 |
| 2014 | 271 |
| 2015 | 4,728 |
| 2016 | 796 |
| 2017 – 2021 | 9,766 |

The benefit payment amounts above reflect the total benefits expected to be paid from the SERP Plan

*(In Thousands)*

**12. Supplemental Executive Retirement Plan (continued)**

**Vice President Supplemental Executive Retirement Plan**

Included in unrestricted net assets at September 30, 2011, are the following amounts that have not yet been recognized in net periodic pension cost unrecognized prior service cost of $25 and unrecognized actuarial losses of $578 The prior service cost and actuarial loss included in unrestricted net assets and expected to be recognized in net periodic pension cost during the year ending September 30, 2012, are $4 and $40, respectively

The following table provides a reconciliation of the changes in the benefit obligation and fair value of assets for the years ended September 30, 2011 and 2010, the measurement dates, and a reconciliation of the amounts recognized in the accompanying consolidated balance sheets

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Change in benefit obligation | | |
| Benefit obligation at beginning of year | **$ 2,325** | $ 1,674 |
| Service cost | **397** | 350 |
| Interest cost | **104** | 93 |
| Plan amendments | **–** | 29 |
| Actuarial loss | **136** | 179 |
| Benefits paid | **(243)** | – |
| Benefit obligation at end of year | **$ 2,719** | $ 2,325 |
| | | |
| Change in plan assets | | |
| Fair value of plan assets at beginning of year | **$ –** | $ – |
| Actual return on plan assets | **–** | – |
| Employer contributions | **243** | – |
| Benefit payments | **(243)** | – |
| Fair value of plan assets at end of year | **$ –** | $ – |
| | | |
| Accumulated benefit obligation at end of year | **$ 2,140** | $ 1,708 |

*(In Thousands)*

**12. Supplemental Executive Retirement Plan (continued)**

| | September 30 2011 | 2010 |
|---|---|---|
| Amounts recognized in the consolidated balance sheets | | |
| Current assets | **$ –** | $ – |
| Noncurrent assets | **–** | – |
| Current liabilities | **(283)** | (237) |
| Noncurrent liabilities | **(2,436)** | (2,088) |
| Net liability at end of year | **$ (2,719)** | $ (2,325) |
| Components of net periodic benefit cost | | |
| Service cost | **$ 397** | $ 350 |
| Interest cost | **104** | 93 |
| Expected return on assets | **–** | – |
| Amortization of | | |
| Prior service cost | **4** | – |
| Net loss | **31** | 19 |
| Amount recognized in net periodic benefit cost | **$ 536** | $ 462 |
| Other changes in plan assets and benefit obligations recognized in unrestricted net assets | | |
| Net actuarial loss | **$ 136** | $ 239 |
| Amortization of | | |
| Prior service cost | **(4)** | 28 |
| Actuarial gain | **(31)** | (19) |
| Total recognized in unrestricted net assets | **$ 101** | $ 248 |
| Total recognized in net periodic benefit cost and unrestricted net assets | **$ 637** | $ 710 |

*(In Thousands)*

**12. Supplemental Executive Retirement Plan (continued)**

The assumptions used to determine the benefit obligation and net combined balance sheet liability at September 30 are set forth below

| | September 30 | |
|---|---|---|
| | **2011** | **2010** |
| Weighted-average discount rate | **4.65%** | 5 01% |
| Weighted-average rate of compensation increase | **3.50%** | 4 50% |
| Weighted-average expected long-term rate of return on plan assets | **N/A** | N/A |

**Expected Cash Flows**

Information about the expected cash flows for the VP SERP Plan follows

| | |
|---|---|
| Expected employer contributions in fiscal year 2012 | $ 289 |

Expected benefit payments

| | **Amount** |
|---|---|
| Year ending September 30 | |
| 2012 | $ 289 |
| 2013 | – |
| 2014 | 70 |
| 2015 | 164 |
| 2016 | 27 |
| 2017 – 2021 | 3,157 |

The benefit payment amounts above reflect the total benefits expected to be paid from the VP SERP Plan

*(In Thousands)*

## 13. Malpractice Insurance

The Medical Centers and certain other BHS entities participate in a pooled risk program, whereby BHS entities are the only participants, to insure professional and general liability risks to the extent of certain self-insurance limits A revocable trust fund has been established for the malpractice self-insured program The participants' self-insurance retention is $4,000 per claim with limits of $50,000 per claim and $50,000 annual aggregate through a claims-made policy with a third-party insurance carrier Accrued malpractice losses of approximately $27,031 and $26,276 at September 30, 2011 and 2010, respectively, have been discounted at a rate of 2 5% and 2 5%, respectively Losses are accrued when probable and determinable

In the event that sufficient funds are not available from the trust fund, each participating entity in the program will be assessed its share of the deficiency If contributions exceed the losses eventually paid, the excess will be applied to reduce the contributions for future periods Management believes the trust fund is adequately funded to provide for all professional and general liability claims that have occurred through September 30, 2011

## 14. Leases

Rental expense under various operating leases was approximately $10,618 and $9,950 for the years ended September 30, 2011 and 2010, respectively Future minimum lease payments for noncancelable leases having an initial or remaining lease term in excess of one year are as follows

| | Amount |
|---|---|
| Year ending September 30 | |
| 2012 | $ 5,924 |
| 2013 | 4,998 |
| 2014 | 3,242 |
| 2015 | 2,641 |
| 2016 | 1,764 |
| Thereafter | 5,230 |
| | $ 23,799 |

*(In Thousands)*

## 15. Promises to Give

Pledges receivable, included in prepaid expenses and other current assets and other assets in the accompanying consolidated balance sheets, are composed of the following

| | September 30 2011 | 2010 |
|---|---|---|
| Unconditional promises to give before pledge discount and allowance for uncollectible pledges | **$ 8,780** | $ 9,691 |
| Pledge discount | **(420)** | (521) |
| Allowance for uncollectible pledges | **(1,992)** | (2,242) |
| Net pledges receivable | **$ 6,368** | $ 6,928 |
| | | |
| Amounts due in | | |
| Less than one year | **$ 2,126** | $ 2,072 |
| One to five years | **3,629** | 4,201 |
| Over five years | **613** | 655 |
| Total | **$ 6,368** | $ 6,928 |

**16. Endowments**

BHSF operates under the Florida Uniform Management of Institutional Funds Act (FUMIFA) that was effective in May 2004 The FUMIFA defines an endowment fund as an institutional fund, or any part thereof, not wholly expendable by the institution on a current basis under the terms of the applicable gift instrument Furthermore, the FUMIFA allows a governing board to expend that amount of an endowment fund determined to be prudent for the uses and purposes for which the endowment fund is established and consistent with the goal of conserving the purchasing power of the endowment fund In accordance with FUMIFA, BHSF considers the following in expenditure decisions for its endowment funds

- The purposes of the BHSF,
- The intent of the donors of the endowment fund,
- The terms of the applicable instrument,
- The long-term and short-term needs of the Foundation in carrying out its purposes,
- General economic conditions,
- The possible effect of inflation or deflation,
- The other resources of BHSF, and
- Perpetuation of the endowment

BHSF classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by BHSF in a manner consistent with the standard of prudence prescribed by FUMIFA

*(In Thousands)*

**16. Endowments (continued)**

The investment income and earnings from BHSF's endowment funds are designated for specific purposes It is the policy of BHSF to expend these funds prudently as expenditures arise that satisfy the purpose restrictions

BHSF's endowment investment policies are directed by the BHS Investment Committee (Investment Committee) of the BHS Board of Directors BHSF's return objectives include annualized returns over a three-to-five year period exceeding comparable indices and ranking in the upper tier of a universe of similar funds or managers BHSF maintains moderate risk posture with respect to both time and risk preference These risk postures are developed to provide consistent return patterns over a moderate time horizon and are consistent with conserving the purchasing power of its endowment funds

Strategies employed for achieving BHSF's investment objectives include actively managed funds invested in domestic and international equities, fixed income, and other investments

Changes in endowment net assets for the year ended September 30, 2011, consisted of the following

| | Donor-Restricted Endowment Funds | | |
|---|---|---|---|
| | Temporarily Restricted | Permanently Restricted | Total |
| Endowment net asset composition, September 30, 2010 | $ 8,541 | $ 10,357 | $ 18,898 |
| Investment income | (27) | 35 | 8 |
| Contributions to perpetual endowment | 268 | 280 | 548 |
| Amounts appropriated for expenditure | (648) | – | (648) |
| Reserve adjustment, net | – | 5 | 5 |
| Transfers | 246 | (35) | 211 |
| Endowment net asset composition, September 30, 2011 | $ 8,380 | $ 10,642 | $ 19,022 |

*(In Thousands)*

**16. Endowments (continued)**

Changes in endowment net assets for the year ended September 30, 2010, consisted of the following

| | Donor-Restricted Endowment Funds | | |
|---|---|---|---|
| | Temporarily Restricted | Permanently Restricted | Total |
| Endowment net asset composition, September 30, 2009 | $ 6,944 | $ 10,110 | $ 17,054 |
| Investment income | 588 | 1,112 | 1,700 |
| Contributions to perpetual endowment | 36 | 258 | 294 |
| Amounts appropriated for expenditure | (268) | – | (268) |
| Reserve adjustment, net | – | (11) | (11) |
| Transfers | 1,241 | (1,112) | 129 |
| Endowment net asset composition, September 30, 2010 | $ 8,541 | $ 10,357 | $ 18,898 |

**17. Subsequent Events**

BHS has adopted the provisions of ASC 855, *Subsequent Events*, and has evaluated the impact of subsequent events through January 10, 2012, representing the date on which the financial statements were available to be issued

On December 1, 2011, the Obligated Group extinguished the outstanding bonds of Jacksonville Health Facilities Authority Hospital Revenue Bonds, Series 2003A, Series 2004, and Series 2007C with outstanding principal amounts of $70,000, $50,000, and $41,900, respectively, and simultaneously issued Bank Held Variable Rate Extendable Notes in the same amount and principal amortization schedule In connection with the extinguishment of the Series 2003A, Series 2004, and Series 2007C bonds the associated letters of credit were canceled

No other subsequent events were identified for recognition in the consolidated balance sheet or disclosure in the notes of the accompanying consolidated financial statements

# Other Financial Information

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www ey com

# Report of Independent Certified Public Accountants on Other Financial Information

The Board of Directors
Baptist Health System, Inc and Subsidiaries

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

Ernst & Young LLP

January 10, 2012



A member firm of Ernst & Young Global Limited

# Baptist Health System, Inc. and Subsidiaries

## Consolidating Balance Sheet

### September 30, 2011

| | Baptist Health System, Inc. (Parent Only) | Southern Baptist Hospital of Florida, Inc. | Baptist Medical Center of the Beaches, Inc. | Baptist Medical Center of Nassau, Inc. | Baptist Health Properties, Inc. |
|---|---|---|---|---|---|
| | | | *(In Thousands)* | | |
| **Assets** | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | $ 45,856 | $ 24 | $ 1 | $ 1 | $ – |
| Accounts receivable, net | – | 115,209 | 15,258 | 7,216 | – |
| Inventories | – | 12,828 | 1,591 | 745 | – |
| Prepaid expenses and other current assets | – | 10,912 | 800 | 701 | 109 |
| Due (to) from affiliated organizations | (3,673) | 18,891 | (2,332) | (1,886) | 186 |
| Current portion of assets limited as to use | – | 8,709 | – | – | – |
| Total current assets | 42,183 | 166,573 | 15,318 | 6,777 | 295 |
| Assets limited as to use, less amount required to meet current obligations | – | 645,766 | 34,578 | 6,814 | – |
| Property, plant, and equipment, net | – | 545,341 | 56,489 | 40,439 | 47,144 |
| Advances (from) to affiliated organizations | (43,772) | 25,268 | 24,705 | 24,138 | (31,806) |
| Investments | 51,752 | 5,218 | – | – | – |
| Interest in net assets of Baptist Health System Foundation, Inc | – | 21,864 | 1,922 | 544 | – |
| Other assets | 1,801 | 24,450 | 353 | 702 | – |
| Total assets | $ 51,964 | $ 1,434,480 | $ 133,365 | $ 79,414 | $ 15,633 |

*Continued on next page*

# Baptist Health System, Inc. and Subsidiaries

## Consolidating Balance Sheet (continued)

| | Baptist Health Ambulatory Services, Inc. | Pavilion Health Services, Inc. | Baptist Health System Foundation, Inc. | Baptist Medical Center of Clay, Inc. (Development Stage Company) | Consolidating/ Eliminating Entries | Consolidated Total |
|---|---|---|---|---|---|---|
| **Assets** | | | *(In Thousands)* | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | $ – | $ 7,657 | $ – | $ – | $ – | $ 53,539 |
| Accounts receivable, net | – | 21,332 | – | – | – | 159,015 |
| Inventories | – | 4,150 | – | – | – | 19,314 |
| Prepaid expenses and other current assets | 25 | 1,710 | 2,126 | – | – | 16,383 |
| Due (to) from affiliated organizations | (10) | (6,879) | (4,297) | – | – | – |
| Current portion of assets limited as to use | – | – | – | – | – | 8,709 |
| Total current assets | 15 | 27,970 | (2,171) | – | – | 256,960 |
| Assets limited as to use, less amount required to meet current obligations | – | – | – | – | – | 687,158 |
| Property, plant, and equipment, net | 9 | 31,988 | 79 | – | – | 721,489 |
| Advances from (to) affiliated organizations | 217 | (2,174) | 2,424 | 1,000 | – | – |
| Investments | – | – | 30,507 | – | (51,752) | 35,725 |
| Interest in net assets of Baptist Health System Foundation, Inc | – | – | (1,584) | – | (22,746) | – |
| Other assets | – | 44,495 | 4,260 | – | | 76,061 |
| Total assets | $ 241 | $ 102,279 | $ 33,515 | $ 1,000 | $ (74,498) | $ 1,777,393 |

*Continued on next page*

# Baptist Health System, Inc. and Subsidiaries

## Consolidating Balance Sheet (continued)

| | Baptist Health System, Inc. (Parent Only) | Southern Baptist Hospital of Florida, Inc. | Baptist Medical Center of the Beaches, Inc. | Baptist Medical Center of Nassau, Inc. | Baptist Health Properties, Inc. |
|---|---|---|---|---|---|
| | | | *(In Thousands)* | | |
| **Liabilities and net assets** | | | | | |
| Current liabilities | | | | | |
| Current portion of long-term debt | $ – | $ 14,621 | $ 1,099 | $ 379 | $ – |
| Accounts payable and accrued liabilities | – | 82,583 | 5,783 | 2,373 | 652 |
| Estimated third-party settlements | – | 10,357 | 1,104 | 612 | – |
| Total current liabilities | – | 107,561 | 7,986 | 3,364 | 652 |
| Long-term debt, net of current portion | – | 462,700 | 15,475 | 5,121 | – |
| Other liabilities | 374 | 224,321 | 2,350 | 739 | – |
| Total liabilities | 374 | 794,582 | 25,811 | 9,224 | 652 |
| Net assets | | | | | |
| Unrestricted | 51,590 | 618,916 | 105,850 | 70,047 | 14,981 |
| Temporarily restricted | – | 12,795 | 1,704 | 107 | – |
| Permanently restricted | – | 8,187 | – | 36 | – |
| Total net assets | 51,590 | 639,898 | 107,554 | 70,190 | 14,981 |
| Total liabilities and net assets | $ 51,964 | $ 1,434,480 | $ 133,365 | $ 79,414 | $ 15,633 |

*Continued on next page*

# Baptist Health System, Inc. and Subsidiaries

## Consolidating Balance Sheet (continued)

| | Baptist Health Ambulatory Services, Inc. | Pavilion Health Services, Inc. | Baptist Health System Foundation, Inc. | Baptist Medical Center of Clay, Inc. (Development Stage Company) | Consolidating/ Eliminating Entries | Consolidated Total |
|---|---|---|---|---|---|---|
| | | | *(In Thousands)* | | | |
| **Liabilities and net assets** | | | | | | |
| Current liabilities | | | | | | |
| Current portion of long-term debt | $ – | $ – | $ – | $ – | $ – | $ 16,099 |
| Accounts payable and accrued liabilities | 100 | 25,511 | 148 | – | – | 117,150 |
| Estimated third-party settlements | – | – | – | – | – | 12,073 |
| Total current liabilities | 100 | 25,511 | 148 | – | – | 145,322 |
| Long-term debt, net of current portion | – | – | – | – | – | 483,296 |
| Other liabilities | – | 23,642 | 229 | – | – | 251,655 |
| Total liabilities | 100 | 49,153 | 377 | – | – | 880,273 |
| Net assets | | | | | | |
| Unrestricted | 132 | 53,126 | 302 | 1,000 | (51,752) | 864,192 |
| Temporarily restricted | 9 | – | 22,194 | – | (14,523) | 22,286 |
| Permanently restricted | – | – | 10,642 | – | (8,223) | 10,642 |
| Total net assets | 141 | 53,126 | 33,138 | 1,000 | (74,498) | 897,120 |
| Total liabilities and net assets | $ 241 | $ 102,279 | $ 33,515 | $ 1,000 | $ (74,498) | $ 1,777,393 |

# Baptist Health System, Inc. and Subsidiaries

## Consolidating Statement of Operations and Changes in Net Assets

### Year Ended September 30, 2011

| | Baptist Health System, Inc. (Parent Only) | Southern Baptist Hospital of Florida, Inc. | Baptist Medical Center of the Beaches, Inc. | Baptist Medical Center of Nassau, Inc. | Baptist Health Properties, Inc. |
|---|---|---|---|---|---|
| | | | *(In Thousands)* | | |
| Unrestricted revenues and other support | | | | | |
| Net patient service revenues | $ – | $ 835,083 | $ 117,012 | $ 61,302 | $ – |
| Other revenues | – | 11,606 | 493 | 580 | 3,261 |
| Net assets released from restrictions used for operations | – | 1,077 | 7 | 1 | – |
| Total unrestricted revenues and other support | – | 847,766 | 117,512 | 61,883 | 3,261 |
| Operating expenses | | | | | |
| Salaries and benefits | (6) | 355,223 | 48,447 | 24,116 | – |
| Professional fees | – | 35,868 | 3,274 | 1,574 | 29 |
| Supplies | – | 153,754 | 18,333 | 6,705 | – |
| Provision for bad debts | – | 73,895 | 16,001 | 9,138 | – |
| Interest | – | 6,604 | 161 | 53 | – |
| Depreciation and amortization | – | 48,958 | 6,824 | 3,687 | 1,192 |
| Other expenses | 465 | 95,226 | 16,987 | 9,535 | 1,989 |
| Total operating expenses | 459 | 769,528 | 110,027 | 54,808 | 3,210 |
| Income (loss) from operations | (459) | 78,238 | 7,485 | 7,075 | 51 |
| Nonoperating gains (losses) | | | | | |
| Investment income | 351 | 4,338 | 254 | 50 | – |
| Equity in losses of subsidiaries | (10,182) | – | – | – | – |
| Other, net | 41 | (579) | 96 | 218 | 3 |
| Total nonoperating gains (losses), net | (9,790) | 3,759 | 350 | 268 | 3 |
| Excess (deficiency) of revenues and gains over expenses and losses | (10,249) | 81,997 | 7,835 | 7,343 | 54 |

*Continued on next page*

# Baptist Health System, Inc. and Subsidiaries

## Consolidating Statement of Operations and Changes in Net Assets (continued)

| | Baptist Health Ambulatory Services, Inc. | Pavilion Health Services, Inc. | Baptist Health System Foundation, Inc. | Baptist Medical Center of Clay, Inc. (Development Stage Company) | Consolidating/ Eliminating Entries | Consolidated Total |
|---|---|---|---|---|---|---|
| | | | *(In Thousands)* | | | |
| Unrestricted revenues and other support | | | | | | |
| Net patient service revenues | $ – | $ 147,798 | $ – | $ – | $ (53) | $ 1,161,142 |
| Other revenues | 566 | 49,140 | 304 | – | (17,655) | 48,295 |
| Net assets released from restrictions used for operations | 515 | – | 13,300 | – | (11,211) | 3,689 |
| Total unrestricted revenues and other support | 1,081 | 196,938 | 13,604 | – | (28,919) | 1,213,126 |
| Operating expenses | | | | | | |
| Salaries and benefits | 878 | 135,174 | 1,147 | – | 8,747 | 573,726 |
| Professional fees | 72 | 1,053 | 81 | – | (8,268) | 33,683 |
| Supplies | 11 | 37,043 | 42 | – | (1,139) | 214,749 |
| Provision for bad debts | – | 7,277 | – | – | – | 106,311 |
| Interest | – | 103 | – | – | – | 6,921 |
| Depreciation and amortization | 12 | 5,940 | 10 | – | 1,262 | 67,885 |
| Other expenses | 16 | 20,861 | 15,032 | – | (29,521) | 130,590 |
| Total operating expenses | 989 | 207,451 | 16,312 | – | (28,919) | 1,133,865 |
| Income (loss) from operations | 92 | (10,513) | (2,708) | – | – | 79,261 |
| Nonoperating gains (losses) | | | | | | |
| Investment income | – | 17 | 3 | – | – | 5,013 |
| Equity in losses of subsidiaries | – | (204) | – | – | 10,182 | (204) |
| Other, net | – | 518 | – | – | – | 297 |
| Total nonoperating gains (losses), net | – | 331 | 3 | – | 10,182 | 5,106 |
| Excess (deficiency) of revenues and gains over expenses and losses | 92 | (10,182) | (2,705) | – | 10,182 | 84,367 |

*Continued on next page*

# Baptist Health System, Inc. and Subsidiaries

## Consolidating Statement of Operations and Changes in Net Assets (continued)

| | Baptist Health System, Inc. (Parent Only) | Southern Baptist Hospital of Florida, Inc. | Baptist Medical Center of the Beaches, Inc. | Baptist Medical Center of Nassau, Inc. | Baptist Health Properties, Inc. |
|---|---|---|---|---|---|
| | | | *(In Thousands)* | | |
| Unrestricted net assets | | | | | |
| Excess (deficiency) of revenues and gains over expenses and losses | $ (10,249) | $ 81,997 | $ 7,835 | $ 7,343 | $ 54 |
| Other changes in unrestricted net assets | | | | | |
| Changes related to pension and executive compensation other than period costs | – | (8,963) | – | – | – |
| Transfers from (to) affiliated organizations | 18,713 | (16,491) | (1,465) | (866) | (2,853) |
| Contributions for the purchase of property, plant, and equipment | – | 211 | 41 | 205 | – |
| Net assets released from restrictions used for purchase of property, plant, and equipment | – | 10,400 | 35 | – | – |
| Other | 10 | (1) | – | – | – |
| Increase (decrease) in unrestricted net assets | 8,474 | 67,153 | 6,446 | 6,682 | (2,799) |
| Temporarily restricted net assets | | | | | |
| Restricted contributions | – | 7,755 | 376 | 36 | – |
| Investment gains (losses) | – | 2 | – | – | – |
| Transfer of investment gains from permanently restricted net assets | – | 31 | – | – | – |
| Net assets released from restrictions | – | (11,477) | (42) | (1) | – |
| Other | – | 1 | – | – | – |
| Increase (decrease) in temporarily restricted net assets | – | (3,688) | 334 | 35 | – |
| Permanently restricted net assets | | | | | |
| Contributions | – | (91) | – | 36 | – |
| Investment gain | – | 31 | – | – | – |
| Transfer of investment gains to temporarily restricted net assets | – | (31) | – | – | – |
| Other | – | – | – | – | – |
| Increase (decrease) in permanently restricted net assets | – | (91) | – | 36 | – |
| Increase (decrease) in net assets | 8,474 | 63,374 | 6,780 | 6,753 | (2,799) |
| Net assets, beginning of year | 43,116 | 576,524 | 100,774 | 63,437 | 17,780 |
| Net assets, end of year | $ 51,590 | $ 639,898 | $ 107,554 | $ 70,190 | $ 14,981 |

*Continued on next page*

# Baptist Health System, Inc. and Subsidiaries

## Consolidating Statement of Operations and Changes in Net Assets (continued)

| | Baptist Health Ambulatory Services, Inc. | Pavilion Health Services, Inc. | Baptist Health System Foundation, Inc. | Baptist Medical Center of Clay, Inc. (Development Stage Company) | Consolidating/ Eliminating Entries | Consolidated Total |
|---|---|---|---|---|---|---|
| | | | *(In Thousands)* | | | |
| Unrestricted net assets | | | | | | |
| Excess (deficiency) of revenues and gains over expenses and losses | $ 92 | $ (10,182) | $ (2,705) | $ – | $ 10,182 | $ 84,367 |
| Other changes in unrestricted net assets | | | | | | |
| Changes related to pension and executive compensation other than period costs | – | – | – | – | – | (8,963) |
| Transfers from (to) affiliated organizations | – | 17,507 | 3,002 | – | (17,547) | – |
| Contributions for the purchase of property, plant, and equipment | – | – | – | – | – | 457 |
| Net assets released from restrictions used for purchase of property, plant, and equipment | – | – | – | – | – | 10,435 |
| Other | 1 | (229) | – | – | (6) | (225) |
| Increase (decrease) in unrestricted net assets | 93 | 7,096 | 297 | – | (7,371) | 86,071 |
| Temporarily restricted net assets | | | | | | |
| Restricted contributions | 525 | – | 10,060 | – | (8,159) | 10,593 |
| Investment gains (losses) | – | – | (22) | – | (2) | (22) |
| Transfer of investment gains from permanently restricted net assets | – | – | 35 | – | (31) | 35 |
| Net assets released from restrictions | (515) | – | (13,300) | – | 11,211 | (14,124) |
| Other | (1) | – | (137) | – | – | (137) |
| Increase (decrease) in temporarily restricted net assets | 9 | – | (3,364) | – | 3,019 | (3,655) |
| Permanently restricted net assets | | | | | | |
| Contributions | – | – | 285 | – | 55 | 285 |
| Investment gain | – | – | 35 | – | (31) | 35 |
| Transfer of investment gains to temporarily restricted net assets | – | – | (35) | – | 31 | (35) |
| Other | – | – | – | – | – | – |
| Increase (decrease) in permanently restricted net assets | – | – | 285 | – | 55 | 285 |
| Increase (decrease) in net assets | 102 | 7,096 | (2,782) | – | (4,297) | 82,701 |
| Net assets, beginning of year | 39 | 46,030 | 35,920 | 1,000 | (70,201) | 814,419 |
| Net assets, end of year | $ 141 | $ 53,126 | $ 33,138 | $ 1,000 | $ (74,498) | $ 897,120 |

Ernst & Young LLP

Assurance | Tax | Transactions | Advisory

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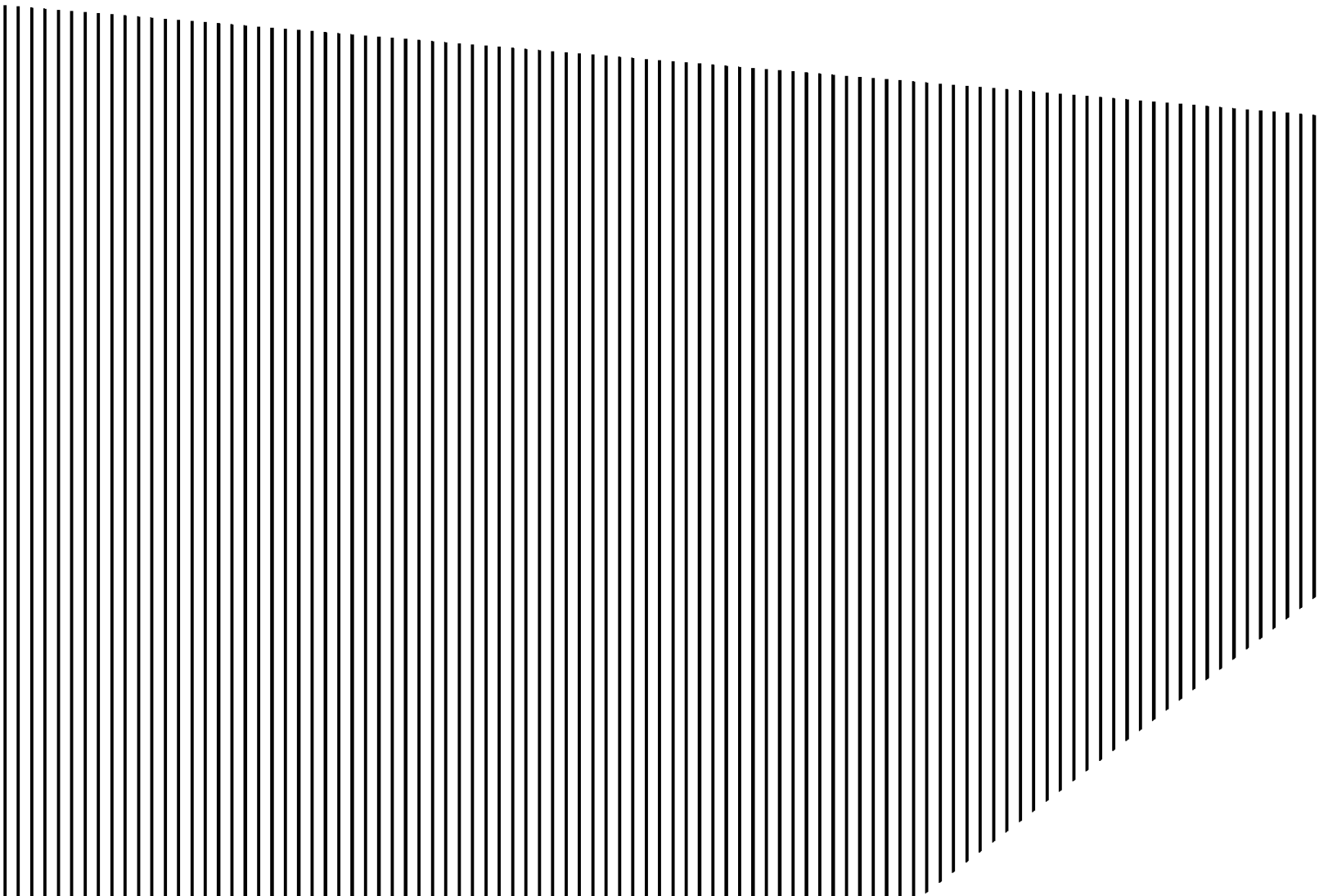

## Additional Data

**Software ID:** 10000077
**Software Version:** v1.00
**EIN:** 59-0747311
**Name:** Southern Baptist Hospital of Florida 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 | | | |
| M C Harden III<br>Chairman & Director | 2 | X | | X | | | | 0 | 0 | 0 |
| Charles E Hughes Jr<br>Vice Chairman & Director | 2 | X | | X | | | | 0 | 0 | 0 |
| A Hugh Greene<br>President/CEO & Director | 40 | X | | X | | | | 935,923 | 0 | 406,991 |
| Richard L Sisisky<br>Secretary/Treasurer & Director | 2 | X | | X | | | | 0 | 0 | 0 |
| Charles C Baggs<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| Joe Louis Barrow Jr<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| Richard D Glock MD<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| Jack R Groover MD<br>Director | 0 | X | | | | | | 0 | 0 | 0 |
| Preston H Haskell<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| Robert E Hill Jr<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| Barbara G Jaffe<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| William C Mason<br>Director | 2 | X | | | | | | 18,043 | 0 | 0 |
| Christine R Milton<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| Ava Parker<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| Carol C Thompson<br>Director | 2 | X | | | | | | 1,391 | 0 | 0 |
| John H Williams Jr<br>Director | 2 | X | | | | | | 0 | 0 | 0 |
| John F Wilbanks<br>Executive VP/COO | 40 | | | X | | | | 520,205 | 0 | 182,738 |
| Harvey Granger<br>SVP/General Counsel/Asst Secretary/Asst Treasurer | 40 | | | X | | | | 441,702 | 0 | 171,606 |
| Michael Lukaszewski<br>SVP/CFO | 40 | | | X | | | | 504,752 | 0 | 47,190 |
| Keith L Stein MD<br>SVP/Chief Medical Officer | 40 | | | X | | | | 486,688 | 0 | 86,605 |
| Michael Aubin<br>SVP/Administrator of WCH | 40 | | | X | | | | 0 | 0 | 0 |
| Joseph M Mitrick<br>SVP/Administrator of BMC | 40 | | | X | | | | 347,558 | 0 | 79,153 |
| Ronald Robinson<br>VP/Administrator of BMCS | 40 | | | X | | | | 256,884 | 0 | 67,522 |
| Larry Freeman<br>SVP/Administrator of WCH | 40 | | | X | | | | 254,712 | 0 | 89,251 |
| Roland A Garcia<br>SVP/CIO | 40 | | | | | X | | 411,253 | 0 | 78,171 |

**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 | | | |
| Marlene Spalten<br>Vice President, Baptist Health System | 40 | | | | | X | | 361,592 | 0 | 23,817 |
| Jerry A Bridgham MD<br>Chief Medical Officer WCH | 40 | | | | | X | | 325,502 | 0 | 28,017 |
| Gerardo Olivera<br>Inpatient Psychiatrist | 40 | | | | | X | | 312,239 | 0 | 18,695 |
| Carolyn Johnson<br>Nursing administrator | 40 | | | | | X | | 300,079 | 0 | 39,992 |