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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011

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

C Name of organization
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 2520 5TH STREET NORTH

Room/suite

City or town, state or country, and ZIP + 4
COLUMBUS, MS 39701

D Employer identification number
62-1519754

E Telephone number
(601) 244-1500

G Gross receipts $ 150,299,316

F Name and address of principal officer
STEPHEN C REYNOLDS
350 N HUMPHREYS BLVD
MEMPHIS,TN 38120

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

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

H(c) Group exemption number ▶

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

J Website: ▶ BMHCC ORG

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

L Year of formation 1983

M State of legal domicile MS

Part I Summary

1 Briefly describe the organization's mission or most significant activities
BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PROVIDES QUALITY HEALTH CARE (SEE SCHEDULE O, PG 51) SERVICES TO THE COMMUNITY REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, OR AGE

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**	6
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	6
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	1,098
6	Total number of volunteers (estimate if necessary)	**6**	127
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	12,371
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)	1,252,371	904,576
9	Program service revenue (Part VIII, line 2g)	146,921,249	144,685,304
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	19,062	559,259
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,143,194	1,737,063
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	149,335,876	147,886,202
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	224,078	250,789
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)	49,529,781	51,012,167
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)	85,225,343	88,220,190
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	134,979,202	139,483,146
19	Revenue less expenses Subtract line 18 from line 12	14,356,674	8,403,056

Revenue / Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	113,911,885	115,038,707
21	Total liabilities (Part X, line 26)	26,260,501	25,250,891
22	Net assets or fund balances Subtract line 21 from line 20	87,651,384	89,787,816

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: 2012-08-08

STEPHEN C REYNOLDS PRESIDENT/CEO
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

BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PROVIDES QUALITY MEDICAL HEALTH CARE SERVICES TO THE COMMUNITY REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, OR AGE

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 $ 130,290,171 including grants of $) (Revenue $ 145,702,344)

BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PROVIDES QUALITY MEDICAL HEALTHCARE REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, OR AGE ALTHOUGH REIMBURSEMENT FOR SERVICES RENDERED IS CRITICAL TO THE OPERATION AND STABILITY OF BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE, IT IS RECOGNIZED THAT NOT ALL INDIVIDUALS POSSESS THE ABILITY TO PURCHASE ESSENTIAL MEDICAL SERVICES, AND FURTHER, THAT OUR MISSION IS TO SERVE THE COMMUNITY WITH RESPECT TO PROVIDING HEALTH CARE SERVICES AND HEALTHIER EDUCATION (SEE CONTINUATION AT SCHEDULE O, pg 51) THEREFORE, IN KEEPING WITH ITS COMMITMENT TO SERVE ALL MEMBERS OF ITS COMMUNITY, BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PROVIDES THE FOLLOWING --FREE CARE AND/OR SUBSIDIZED CARE WHERE THE NEED AND/OR AN INDIVIDUAL'S INABILITY TO PAY COEXIST,--CARE PROVIDED TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS AT BELOW COST, AND--HEALTH ACTIVITIES AND PROGRAMS TO SUPPORT THE COMMUNITYTHESE ACTIVITIES INCLUDE WELLNESS PROGRAMS, COMMUNITY EDUCATION PROGRAMS, SPECIAL PROGRAMS FOR THE ELDERLY, HANDICAPPED, MEDICALLY UNDERSERVED, AND A VARIETY OF BROAD COMMUNITY SUPPORT ACTIVITIES BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PROVIDED SERVICES TO MORE THAN 7,197 INPATIENTS, AND PROVIDED MORE THAN 97,828 OUTPATIENT SERVICES DURING THE FISCAL YEAR ENDING SEPTEMBER 30, 2011 DURING THE YEAR ENDING SEPTEMBER 30, 2011, BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PROGRAM SERVICES PRODUCED THE FOLLOWING RESULTS --THE SKILLED NURSING DEPARTMENT HAD 34,699 PATIENT VISITS AT A COST OF $13,250,746 --THE LABORATORY DEPARTMENT PERFORMED 360,099 PROCEDURES AT A COST OF $5,304,663 --THE PHARMACY DISPENSED 1,438,008 UNIT DOSES OF MEDICATION AT A COST OF $9,548,765 --THE RADIOLOGY DEPARTMENT PERFORMED 90,921 PROCEDURES AT A COST OF $9,427,793 BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PROVIDES CARE TO PERSONS COVERED BY GOVERNMENTAL PROGRAMS FROM WHICH THE HOSPITAL RECEIVES AT LESS THAN MARKET VALUE REIMBURSEMENT RECOGNIZING ITS MISSION TO THE COMMUNITY, SERVICES ARE PROVIDED TO BOTH MEDICARE AND MEDICAID PATIENTS TO THE EXTENT REIMBURSEMENT IS BELOW COST, BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE RECOGNIZES THESE AMOUNTS AS CHARITY CARE IN MEETING ITS MISSION TO THE ENTIRE COMMUNITY DURING THE YEAR ENDING SEPTEMBER 30, 2011, THE UNREIMBURSED VALUE OF PROVIDING CARE TO THESE PATIENTS WAS $182 556,492 CHARITY CARE IS ALSO PROVIDED THROUGH MANY REDUCED PRICE SERVICES AND FREE PROGRAMS OFFERED THROUGHOUT THE YEAR BASED UPON ACTIVITIES AND SERVICES WHICH BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE BELIEVES WILL SERVE A BONA FIDE COMMUNITY HEALTH NEED BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE HAS PROVIDED A NUMBER OF SERVICES IN THE COMMUNITY SUCH AS -- DIABETES SUPPORT GROUPS--BACK TO SCHOOL HEALTH FAIR--FREE BLOOD PRESSURE CHECKS AND SCREENINGS AT UNIVERSITY MALL FOR THE ENTIRE COMMUNITY--SENIOR EXERCISE CLASSES AT FIRST BAPTIST CHURCH FOR NO-CHARGE--SPEAKERS FOR VARIOUS EVENTS--A FREE MATERNITY FAIR--BREAST CANCER WORKSHOPS--RELAY FOR LIFE-AMERICAN CANCER SOCIETY BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE FEELS THAT ITS PEOPLE ARE ITS MOST VALUABLE ASSET TO SHARE THIS ASSET WITH THE COMMUNITY AT LARGE, ALL PERSONNEL ARE ENCOURAGED TO GET INVOLVED BY VOLUNTEERING A PARTIAL LIST OF ORGANIZATIONS AND ACTIVITIES IN WHICH BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PARTICIPATES THROUGH ITS VOLUNTEERS EFFORTS INCLUDE THE FOLLOWING --LOWNDES COUNTY BOYS AND GIRLS CLUBS--SIBLING CLASSES--CHILDBIRTH CLASSES --COMMUNITY CPR CLASSES--CPR AND FIRST AID CLASSES--DIABETIC EDUCATION CLASS--BABY-SITTING CLASSES--AMERICAN HEART ASSOCIATION--AMERICAN CANCER SOCIETY--MARCH OF DIMES--DIABETES SUPPORT GROUP--LOWNDES COUNTY UNITED WAY--GIRL SCOUTS OF AMERICA--COLUMBUS KIWANIS CLUB--BOY SCOUTS OF AMERICA--ALZHEIMER SUPPORT GROUPS--BEREAVEMENT CAMP--DEPRESSION & POSTPARTUM CLASSESBAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE ALSO CONTRIBUTED TO NUMEROUS OTHER HELPFUL ORGANIZATIONS AND ACTIVITIES THROUGH DONATED USE OF HOSPITAL FACILITIES SOME OF THESE ARE AS FOLLOWS --MISSISSIPPI UNIVERSITY FOR WOMEN NURSING STUDENTS --VOLUNTEER CHAPLAIN'S BREAKFAST (MONTHLY)--GOLDEN TRIANGLE FOUNDATION--AMERICAN HEART WALK MEETINGS--COMMUNITY EDUCATION PROGRAMS --MARCH OF DIMES--MULTIPLE SCLEROSIS--COMMUNITY CPR COURSE--COLUMBUS LOWNDES CHAMBER OF COMMERCE

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

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

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 130,290,171

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		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c	Yes	
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *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**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
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**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
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**	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

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	0		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	1,098		
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	6		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	6		
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	Yes	
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	Yes	
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	Yes	

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		No
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		

Section C. Disclosure

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

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 ▶

JIMMY ROBERTSON
2520 5TH STREET NORTH
COLUMBUS, MS 39701
(601) 244-2568

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			
(1) DON DAVIS DIRECTOR	20	X						0	0	0
(2) JAMES WOODWARD MD DIRECTOR	20	X						0	0	0
(3) JOEL BUTLER MD DIRECTOR	20	X						0	0	0
(4) ALLEN B PUCKETT III DIRECTOR	20	X						0	0	0
(5) ALLEGRA BRIGHAM DIRECTOR	20	X						0	0	0
(6) MIKE WATERS DIRECTOR	20	X						0	0	0
(7) RICHARD ROLLINS DIRECTOR	20	X						0	0	0
(8) EDWIN P CADE CEO/ADMINISTRATOR	40 00			X				0	249,320	55,477
(9) GREGORY M DUCKETT SECRETARY	20			X				0	645,685	65,419
(10) DAVID C HOGAN V P	20			X				0	1,997,734	64,393
(11) STEPHEN C REYNOLDS PRESIDENT	20			X				0	3,203,534	69,866
(12) JAMES A ROBERTSON CFO	40 00			X				122,810	0	32,282
(13) JASON M LITTLE V P	20			X				0	567,768	45,787
(14) BRAD H PARSON CEO/ADMINISTRATOR	40 00			X				140,071	0	0
(15) WALTER A KLEIS PHARMACIST	40 00					X		153,072	0	33,418
(16) SAUL J VYDAS PHYSICIAN	40 00					X		145,981	0	46,482

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(17) SALEEM A ALI PHYSICIAN	40 00					X		183,854	0	6,553
(18) WILLIAM P KOWALSKY PHYSICIST	40 00					X		200,413	0	42,505
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								946,201	6,664,041	462,182

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 ▶ 20

			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
COLUMBUS ANESTHESIA ASSOC 65 FIRST COLONY CR COLUMBUS, MS 39702	ANESTHESIA SERVICES	1,762,416
COLUMBUS ORTHO CLINIC 670 LEIGH DR COLUMBUS, MS 39705	PHYSICIAN SERVICES	386,782
JAN T MCCLANAHAN 260 5TH ST N COLUMBUS, MS 39703	PHYSICIAN SERVICES	236,323
MICHAEL J BOLAND MD 255 BAPTIST BLVD 402 COLUMBUS, MS 39705	PHYSICIAN SERVICES	205,493
RICHARD C VALLETTE MD 2600 5TH ST N COLUMBUS, MS 39703	PHYSICIAN SERVICES	129,044

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 ▶ 5

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . . 1a					
	b Membership dues 1b					
	c Fundraising events 1c					
	d Related organizations . . . 1d	204,461				
	e Government grants (contributions) 1e	700,115				
	f All other contributions, gifts, grants, and similar amounts not included above 1f					
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		904,576			
Program Service Revenue		Business Code				
	2a HOSPITAL REVENUE, NET	900099	144,451,045	144,438,674	12,371	
	b OTHER OPERATING REVENU	900099	234,259	234,259		
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f . . . . . ▶		144,685,304			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		255,047			255,047
	4 Income from investment of tax-exempt bond proceeds . . ▶					
	5 Royalties . . . . . ▶					
		(i) Real / (ii) Personal				
	6a Gross Rents	707,652 /				
	b Less rental expenses	/				
	c Rental income or (loss)	707,652 /				
	d Net rental income or (loss) . . . . . ▶		707,652			707,652
		(i) Securities / (ii) Other				
	7a Gross amount from sales of assets other than inventory	2,639,826 / 77,500				
	b Less cost or other basis and sales expenses	2,404,326 / 8,788				
	c Gain or (loss)	235,500 / 68,712				
	d Net gain or (loss) . . . . . ▶		304,212			304,212
Other Revenue	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a					
	b Less direct expenses . . . b					
	c Net income or (loss) from fundraising events . . ▶					
	9a Gross income from gaming activities See Part IV, line 19 . a					
	b Less direct expenses . . . . . b					
	c Net income or (loss) from gaming activities . . ▶					
	10a Gross sales of inventory, less returns and allowances . a					
	b Less cost of goods sold . . b					
	c Net income or (loss) from sales of inventory . . ▶					
	Miscellaneous Revenue	Business Code				
	11a CAFETERIA REVENUE	900099	529,077	529,077		
	b P/S INVESTMENT INCOME	621400	461,487	461,487		
	c PAT /EMP CONVENIENCES	900099	38,847	38,847		
	d All other revenue					
	e **Total.** Add lines 11a–11d . . . . . ▶		1,029,411			
	12 **Total revenue.** See Instructions . . . ▶		147,886,202	145,702,344	12,371	1,266,911

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	250,789	250,789		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	193,323	177,857	15,466	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	40,066,085	36,860,798	3,205,287	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,536,145	1,413,253	122,892	
9	Other employee benefits	6,302,594	5,798,386	504,208	
10	Payroll taxes	2,914,020	2,680,898	233,122	
a	Fees for services (non-employees) Management				
b	Legal				
c	Accounting				
d	Lobbying				
e	Professional fundraising services *See Part IV, line 17* . .				
f	Investment management fees				
g	Other	6,834,451	6,287,695	546,756	
12	Advertising and promotion	355,922	327,448	28,474	
13	Office expenses	28,398,395	26,126,523	2,271,872	
14	Information technology				
15	Royalties . .				
16	Occupancy	2,808,781	2,584,079	224,702	
17	Travel	156,369	143,859	12,510	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	56,153	51,661	4,492	
20	Interest	769,891	708,300	61,591	
21	Payments to affiliates	13,387,860	12,316,831	1,071,029	
22	Depreciation, depletion, and amortization	7,226,289	6,648,186	578,103	
23	Insurance				
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	BAD DEBT, NET OF RECOVE	24,319,472	24,319,472	0	
b	REPAIRS & MAINTENANCE	3,081,806	2,835,262	246,544	
c	RECRUITING EXP	558,091	513,444	44,647	
d	DUES & SUBSCRIPTIONS	207,879	191,249	16,630	
e	PATIENT/EMPLOYEE/VISITO	28,699	26,403	2,296	
f	All other expenses	30,132	27,778	2,354	
25	**Total functional expenses.** Add lines 1 through 24f	139,483,146	130,290,171	9,192,975	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	6,500	1	6,827
	2	Savings and temporary cash investments	5,724,066	2	2,355,694
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	15,043,070	4	12,813,232
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	6,404,601	8	5,723,381
	9	Prepaid expenses and deferred charges	1,619,420	9	1,482,361
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D* — 10a: 159,149,747			
	b	Less accumulated depreciation — 10b: 82,826,124	81,549,778	10c	76,323,623
	11	Investments—publicly traded securities		11	
	12	Investments—other securities See Part IV, line 11		12	
	13	Investments—program-related See Part IV, line 11	1,508,528	13	9,128,504
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	2,055,922	15	7,205,085
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	113,911,885	16	115,038,707
Liabilities	17	Accounts payable and accrued expenses	5,857,298	17	6,038,459
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities Complete Part X of Schedule D	20,403,203	25	19,212,432
	26	**Total liabilities.** Add lines 17 through 25	26,260,501	26	25,250,891
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	87,651,384	27	89,787,816
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	87,651,384	33	89,787,816
	34	Total liabilities and net assets/fund balances	113,911,885	34	115,038,707

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	147,886,202
2	Total expenses (must equal Part IX, column (A), line 25)	2	139,483,146
3	Revenue less expenses Subtract line 2 from line 1	3	8,403,056
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	87,651,384
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-6,266,624
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	89,787,816

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC

Employer identification number
62-1519754

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
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC	62-1519754

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?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		20,430
j	Total lines 1c through 1i			20,430
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
Explanation of Other Lobbying Activities	Part II-B, Line 1i	BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PAYS ANNUAL MEMBERSHIP DUES TO THE MISSISSIPPI HOSPITAL ASSOCIATION AND THE AMERICAN HOSPITAL ASSOCIATION A PORTION OF THE DUES IS RELATED TO LOBBYING EXPENDITURES THE PARENT, BAPTIST MEMORIAL HEALTH CARE CORPORATION, PAYS CONSULTANTS WHO MONITOR AND ADVISE THE ORGANIZATION ON LEGISLATIVE AND REGULATORY MATTERS THAT MAY AFFECT THE ORGANIZATION AND ITS AFFILIATES THESE CONSULTANTS MAY ADVOCATE POSITIONS WITH THE LEGISLATIVE AND REGULATORY BODIES OF GOVERNMENT AT LOCAL, STATE AND FEDERAL LEVELS

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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
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC

Employer identification number
62-1519754

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		832,513		832,513
b Buildings		94,028,790	31,305,517	62,723,273
c Leasehold improvements				
d Equipment		64,085,228	51,380,858	12,704,370
e Other		203,216	139,749	63,467
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				76,323,623

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) INVESTMENT IN PENSION PLAN	93,886	C
(2) INVESTMENT IN COLUMBUS IMAGING CENTER, LLC	1,975,977	C
(3) GROUP ASSET FUND	7,058,641	C
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶	9,128,504	

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

(a) Description	(b) Book value
(1) ESTIMATED SETTLEMENTS WITH THIRD PARTIES	783,006
(2) CONSTRUCTION IN PROCESS	6,422,079
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	7,205,085

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
DUE TO AFFILIATES	17,213,154
ESTIMATED SETTLEMENTS WITH THIRD PARTIES	1,431,567
OTHER L/T LIABILITIES	320,865
OTHER CURRENT LIABILITIES	246,846
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	19,212,432

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

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

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Description of Uncertain Tax Positions Under FIN 48	Part X	BAPTIST MEMORIAL HEALTH CARE CORPORATION ADOPTED THE PROVISIONS OF FASB ASC TOPIC 740, INCOME TAXES, ON OCTOBER 1, 2009 FOR UNCERTAIN TAX POSITIONS APPLICATION OF ASC TOPIC 740 TO A TAX-EXEMPT ORGANIZATION IS PRIMARILY DIRECTED AT THE CHARACTERIZATION OF INCOME AS TAX EXEMPT (RELATED OR EXCLUDED EXEMPT FUNCTION INCOME) AND/OR TAXABLE AS UNRELATED BUSINESS INCOME AS DEFINED IN THE CODE BAPTIST MEMORIAL HEALTH CARE CORPORATION EVALUATED THE EFFECT OF FASB ASC TOPIC 740 FOR UNCERTAIN TAX POSITIONS AND DETERMINED THAT NO ADJUSTMENTS TO ITS COMBINED FINANCIAL STATEMENTS WERE REQUIRED UPON THE ADOPTION AS OF SEPTEMBER 30, 2011 AND 2010, BAPTIST MEMORIAL HEALTH CARE CORPORATION HAD NOT IDENTIFIED ANY UNCERTAIN TAX POSITIONS UNDER FASB ASC TOPIC 740 REQUIRING ADJUSTMENTS TO ITS COMBINED FINANCIAL STATEMENTS IN THE EVENT BAPTIST MEMORIAL HEALTH CARE CORPORATION WERE TO RECOGNIZE INTEREST AND PENALTIES RELATED TO UNCERTAIN TAX POSITIONS, IT WOULD BE RECOGNIZED IN THE COMBINED FINANCIAL STATEMENTS AS INTEREST EXPENSE GENERALLY TAX YEARS 2007 THROUGH 2010 ARE OPEN TO EXAMINATION BY THE FEDERAL AND STATE TAXING AUTHORITIES, RESPECTIVELY THERE ARE NO INCOME TAX EXAMINATIONS CURRENTLY IN PROCESS

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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
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC

Employer identification number
62-1519754

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a .	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☑ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care . . . . . ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? . . .	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Does the organization prepare a community benefit report during the tax year?	6a	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)		17,087	6,287,915	2,276,038	4,011,877	3 480 %
b Unreimbursed Medicaid (from Worksheet 3, column a)		22,029	21,803,735	21,009,639	794,096	0 690 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)		1,694	927,098	2,194,986	-1,267,888	0 %
d **Total** Financial Assistance and Means-Tested Government Programs		40,810	29,018,748	25,480,663	3,538,085	4 170 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	19	45,286	77,913	8,100	69,813	0 060 %
f Health professions education (from Worksheet 5)	1	41	270,889	5,200	265,689	0 230 %
g Subsidized health services (from Worksheet 6)		51,307	44,081,982	40,481,280	3,600,702	3 130 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)	5	28,904	37,279	0	37,279	0 030 %
j **Total** Other Benefits	25	125,538	44,468,063	40,494,580	3,973,483	3 450 %
k **Total.** Add lines 7d and 7j	25	166,348	73,486,811	65,975,243	7,511,568	7 620 %

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	1	50	203	0	203	0 %
9	Other						
10	**Total**	1	50	203		203	

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	Yes		
2	Enter the amount of the organization's bad debt expense (at cost)	2	5,203,809		
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	67,621		
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	21,299,421
6	Enter Medicare allowable costs of care relating to payments on line 5	6	23,762,573
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-2,463,152
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☑ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures

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

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	BAPTIST MEM HOSPITAL-GOLDEN TRIANGLE 2520 FIFTH ST COLUMBUS,MS 39703	X	X					X		

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

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

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

Part VI Supplemental Information

Complete this part to provide the following information

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

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

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

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

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

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		Part I, Line 7 OUR COST ACCOUNTING PROCESS REFLECTS FULLY LOADED COST FOR ALL OF OUR PATIENT POPULATIONS FULLY LOADED COST INCLUDES DIRECT, CAPITAL, AND INDIRECT COST AFTER WORKING WITH OUR DEPARTMENT DIRECTORS AND CFOS TO MAKE SURE THE DOLLARS IN THE GENERAL LEDGER ARE IN THE CORRECT PLACE TO REFLECT OUR TIME AND EFFORTS SPENT THROUGHOUT THE YEAR, WE DEVELOP RELATIVE VALUE UNITS TO ALLOCATE THE ACTUAL GENERAL LEDGER COST DOWN TO THE PROCEDURE CHARGE CODES FROM OUR PATIENT ACCOUNTING SYSTEM ALL OVERHEAD IS ALLOCATED DOWN TO THE REVENUE PRODUCING DEPARTMENTS BASED ON VARIOUS STATISTICS ONCE EVERY CHARGE CODE HAS GONE THROUGH THE COST AND AUDIT PROCESS, WE CAN RUN THE PATIENT LEVEL REPORTS USED FOR THE FORM 990 TO GET TO THE COST INFORMATION NEEDED

Identifier	ReturnReference	Explanation
		Part I, Line 7g SUBSIDIZED HEALTH SERVICES DOES NOT INCLUDE ANY COSTS ATTRIBUTABLE TO PHYSICIAN CLINICS

Identifier	ReturnReference	Explanation
		Part I, L7 Col(f) PER IRS INSTRUCTIONS, BAD DEBT EXPENSE WAS NOT INCLUDED IN THE CALCULATION OF THE PERCENTAGE OF TOTAL CHARITY CARE AND COMMUNITY BENEFITS COST ON SCHEDULE H, LINE 7, COLUMN (F) PART I, LINE 7c, COLUMN (F) DUE TO SOFTWARE LIMITATIONS, THE PERCENT OF TOTAL EXPENSES FOR LINE 7C COLUMN (F) UNREIMBURSED COSTS-OTHER MEANS TESTED GOVERNMENT PROGRAMS IS REPORTED AS ZERO, BUT THE ACTUAL AMOUNT OF LINE 7C IS -1 1%

Identifier	ReturnReference	Explanation
		Part II BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE CONDUCTS SEVERAL HEALTH FAIRS, SEMINARS AND CLASSES THROUGHOUT THE YEAR FOR THE COMMUNITIES IT SERVES BAPTIST ALSO IS INVOLVED IN LOCAL COMMUNITY AND NON-PROFIT ORGANIZATIONS SUCH AS THE AMERICAN CANCER SOCIETY RACE FOR THE CURE, WALK AMERICA, ST JUDE, AND MANY OTHERS NOT ONLY DO WE PROVIDE MONETARY DONATIONS, BUT OUR EMPLOYEES ARE ACTIVE VOLUNTEERS IN THESE WORTHY CAUSES

Identifier	ReturnReference	Explanation
		Part III, Line 4 FROM THE CONSOLIDATED AUDITED FINANCIAL STATEMENT OF BAPTIST MEMORIAL HEALTH CARE CORPORATION AND SUBSIDIARIES IN JULY 2011, THE FASB ISSUED ASU NO 2011-07, HEALTH CARE ENTITIES (TOPIC 954) PRESENTATION AND DISCLOSURE OF NET PATIENT SERVICE REVENUE, PROVISION FOR BAD DEBTS, AND THE ALLOWANCE FOR DOUBTFUL ACCOUNTS FOR CERTAIN HEALTH CARE ENTITIES, A CONSENSUS OF THE FASB EMERGING ISSUES TASK FORCE, WHICH PROVIDES FOR GREATER TRANSPARENCY REGARDING A HEALTH CARE ENTITY'S NET PATIENT REVENUE AND THE RELATED ALLOWANCE FOR DOUBTFUL ACCOUNTS ASU NO 2001-07 REQUIRES CERTAIN HEALTH CARE ENTITIES TO CHANGE THE PRESENTATION OF THE PROVISION FOR BAD DEBTS ASSOCIATED WITH PATIENT SERVICE REVENUE BY RECLASSIFYING THE PROVISION FROM OPERATING EXPENSES TO A DEDUCTION FROM NET PATIENT REVENUE AND REQUIRES ENHANCED DISCLOSURES ABOUT NET PATIENT REVENUE AND THE POLICIES FOR RECOGNIZING REVENUE AND ASSESSING BAD DEBTS, THE ADOPTION OF ASU NO 2011-07 IS EFFECTIVE FOR BAPTIST MEMORIAL HEALTH CARE CORPORATION FOR THE FISCAL YEAR 2013 BAPTIST MEMORIAL HEALTH CARE CORPORATION IS PRESENTLY EVALUATING THE IMPACT OF THIS STANDARD THE COSTING METHODOLGY USED IN DETERMINING THE AMOUNTS REPORTED ON LINES 2 AND 3 A BAD DEBT REPORT IS RUN TO PULL ALL PATIENTS THAT HAVE BEEN MOVED TO A BAD DEBT ACCOUNT LOCATION WE TAKE THE TOTAL ACCOUNT BALANCE OF ALL THE PATIENTS IN THE BAD DEBT LOCATION AND DIVIDE IT BY THE TOTAL CHARGES OF THE SAME PATIENT POPULATION WE MULTIPLY THE RESULTING RATIO BY THE TOTAL COST OF THE SAME PATIENT POPULATION THIS GIVES US THE COST ASSOCIATED WITH THE TOTAL AMOUNT OF THE ACCOUNT BALANCE MOVED TO THE BAD DEBT STATUS WE RUN A QUERY OUT OF OUR INTERNAL DATA WAREHOUSE SYSTEM THAT IDENTIFIES THIS PATIENT POPULATION THIS INFORMATION IS ENTERED INTO THE STANDARD NOTE SECTION OF EACH PATIENT RECORD WE QUALIFY OUR PATIENT QUERY BY THE STANDARD NOTES THAT REPRESENT WHEN A PATIENT REFUSES TO COMPLETE THE PAPERWORK, IF THE INFORMATION PROVIDED BY THE PATIENT IS INCOMPLETE, OR WHEN A SELF-PAY MINIMUM DISCOUNT NOTE IS ENTERED ON THE PATIENT RECORD WE THEN TAKE THIS PATIENT POPULATION AND RUN A REPORT THAT GIVES US THE TOTAL COST OF THE PATIENT POPULATION

Identifier	ReturnReference	Explanation
		Part III, Line 8 WE CAN'T GET THE PAYMENT AND MEDICARE ALLOWABLE COST INFORMATION FROM THE COST REPORT IN THE FORMAT THAT WE NEED, SO WE DO THE FOLLOWING FOR LINE 5, WE TAKE THE TOTAL PAYMENTS FOR MEDICARE PATIENTS FROM SCHEDULE 6 PATIENT POPULATION AND DIVIDE THAT BY THE TOTAL HOSPITAL MEDICARE PAYMENTS WE MULTIPLY THE RESULTING RATIO BY THE REVENUE NUMBERS THAT COME FROM THE COST REPORT FOR LINE 6, WE USE THE SAME CONCEPT TO GET THE COST INFORMATION WE GET THE TOTAL COST OF MEDICARE PATIENTS FROM SCHEDULE 6 AND DIVIDE THAT NUMBER BY THE TOTAL COST OF THE TOTAL MEDICARE PATIENT POPULATION OF THE HOSPITAL WE THEN MULTIPLY THIS RATIO BY THE COST INFORMATION FROM THE COST REPORT

Identifier	ReturnReference	Explanation
		Part III, Line 9b MEDICAL FINANCIAL SERVICES, INC , THE HOSPITAL'S COLLECTION AGENCY, WILL DETERMINE IF THE PATIENT HAS A CHARITY APPLICATION ON FILE AND IS DEEMED TO BE A CHARITY CASE IF IT IS DETERMINED THAT THE PATIENT IS A CHARITY CASE, THEN MEDICAL FINANCIAL SERVICES, INC WILL LOOK AT THE AMOUNT OF THE CHARITY DISCOUNT TO DETERMINE WHETHER TO MAKE A SETTLEMENT OFFER DEPENDING UPON THE CIRCUMSTANCES AT THE TIME, THE ENTIRE AMOUNT OWED MAY BE WRITTEN OFF OTHER PATIENTS, WHO ARE NOT CHARITY PATIENTS, GENERALLY ARE NOT OFFERED A DISCOUNT ON THE AMOUNT OWED IF THE ACCOUNT IS 0-6 MONTHS OLD MEDICAL FINANCIAL SERVICES, INC WILL TRY TO SET UP A PAYMENT PLAN IF THE PATIENT HAS INSURANCE AND THE BILL WAS FILED WITH THEIR INSURANCE COMPANY, THE PRIOR PPO ADJUSTMENT IS GIVEN THE AMOUNT OF DISCOUNT INCREASES AS THE AGE OF THE DEBT INCREASES AS THE AGE OF THE DEBT INCREASES, DETERMINING FACTORS ARE ALSO CONSIDERED SUCH AS THE ABILITY OF THE PATIENT TO PAY, THE AGE AND HEALTH OF THE PATIENT, FAMILY CIRCUMSTANCES, CREDIT SCORE, ETC RISK FACTORS ARE ALSO CONSIDERED WHEN DETERMINING WHETHER TO SETTLE AN ACCOUNT RISK FACTORS INCLUDE HARDSHIP AND CATASTROPHE, OTHER DEBTS, AND FUTURE EXPECTANCIES

Identifier	ReturnReference	Explanation
		PART I, LINE 6a THE COMMUNITY BENEFIT REPORT IS PREPARED BY THE HOSPITAL'S SOLE MEMBER, BAPTIST MEMORIAL HEALTH CARE CORPORATION THE COMMUNITY BENEFIT REPORT IS MADE AVAILABLE TO THE PUBLIC BY MAIL AND AVAILABLE AT EACH AFFILIATE OF BAPTIST MEMORIAL HEALTH CARE CORPORATION

Identifier	ReturnReference	Explanation
		Part VI, Line 2 BAPTIST MEMORIAL HEALTH CARE CORPORATION, AS SOLE MEMBER OF THE HOSPITAL, PROVIDES NEEDS ASSESSMENTS THROUGH THE HEALTH SERVICES RESEARCH DEPARTMENT IN ADDITION, LOCAL ADVISORY BOARDS PROVIDE FEEDBACK TO THE LOCAL HOSPITAL ADMINISTRATORS THE HEALTH SERVICES RESEARCH DEPARTMENT USES VARIOUS TOOLS TO ASSIST THEM IN THE ASSESSMENTS ONE OF THE TOOLS USED BY HEALTH SERVICES RESEARCH DEPARTMENT IS YACOUBIAN RESEARCH, INC COMMUNITY OPINION SURVEY THIS IS A QUARTERLY RANDOM-DIGIT DIALING TELEPHONE SURVEY THE MEMPHIS METRO MARKET HAS 500 RESPONDENTS PER QUARTER SURVEYS INCLUDE QUESTIONS ASKING RESPONDENTS TO GRADE THE QUALITY OF HEALTH CARE SERVICES IN THEIR COMMUNITY THE SERVICES ARE GRADED FROM A-F IF A SERVICE IS GIVEN A RATING OF C OR BELOW, THE RESPONDENTS ARE ASKED FOR IDEAS FOR IMPROVEMENT THESE CAN BE REVIEWED BY AREA, COUNTY, TOWN, ZIP CODE, AGE, GENDER, AND RACE THE IMPROVEMENTS REQUESTED GENERALLY INVOLVE REQUESTS FOR MORE AND BETTER DOCTORS AND STAFF, AND LESS WAIT TIME MEDICAL STAFF SURVEYS ARE ALSO USED TO ASSESS NEEDS THESE ARE CONDUCTED BY MAIL OR INTERNET (WHICH EVER IS PREFERRED BY THE RESPONDENT) BY PRESS-GANEY, A NATIONALLY KNOWN RESEARCH COMPANY FOR BOTH PATIENT SATISFACTION AND PHYSICIAN SATISFACTION IN THIS SURVEY, CONDUCTED EVERY OTHER YEAR, RESPONDENTS ARE QUESTIONED ABOUT THE NEED FOR NEW SERVICES OR PHYSICIAN SPECIALTIES IN THE HOSPITAL OR COMMUNITY THERE ARE USUALLY MULTI-PHYSICIAN RECOMMENDATIONS FOR ADDITIONAL EQUIPMENT AND CERTAIN TYPES OF PHYSICIAN SPECIALISTS THIS IS USED AS A STARTING POINT FOR DETERMINING POTENTIAL PRIORITIES FOR PHYSICIAN RECRUITING COMMUNITY NEEDS ASSESSMENT FOR ADDITIONAL PHYSICIANS IN THE COMMUNITY IS ALSO CONDUCTED POPULATION-BASED DEMAND ESTIMATES ARE OBTAINED FROM THE MEDSTAT INFORUM MEDI-EDGE SOFTWARE, AND TAKES INTO ACCOUNT THE AGE AND GENDER OF THE POPULATION THIS IS THEN COMPARED TO THE SUPPLY OF PHYSICIANS AS DETERMINED THROUGH SEVERAL DIFFERENT SOURCES-INCLUDING OUR OWN CALLING OF OFFICES TO DETERMINE THE FULL TIME EQUIVALENT OF PHYSCIANS AVAILABLE IN THE SPECIALTY OF INTEREST THE DEMAND MINUS THE SUPPLY GIVES THE "NET NEED" CURRENTLY, AND IN 5 YEARS THE REQUEST FOR THESE ANALYSES ARE MADE BY THE HOSPITAL'S CHIEF EXECUTIVE OFFICERS' BASED ON THE PRIORITIES GIVEN BY THE MEDICAL STAFF AND ACCORDING TO KNOWLEDGE OF CERTAIN PHYSICIANS THAT ARE LIKELY TO BE LEAVING THE AREA IN THE NEXT YEAR OR TWO GENERALLY THE DEMAND AND SUPPLY ESTIMATES ARE FOR A GEOGRAPHIC AREA DEFINED BY THE HALF-WAY MARK BETWEEN OUR FACILITY AND THE COMMUNITY HAVING A SIMILAR SIZED MEDICAL FACILITY OF A COMPETITOR IN LARGER MARKET AREAS, THE PHYSICIAN NEEDS ARE GENERALLY CONCENTRATED AROUND HIGHLY SPECIALIZED PHYSICIANS WHO MAY BE LEAVING OR RETIRING THE SOFTWARE PACKAGE HAS MODULES THAT ARE USED TO DETERMINE THE NEED FOR NEW FACILITIES, SUCH AS HOSPITALS, URGENT CARE CENTERS, EXPANDED EMERGENCY ROOMS, ETC THIS IS REVIEWED IF THERE IS AN INCREASE IN POPULATION GROWTH PATIENT SATISFACTION SURVEYS ARE ANOTHER TOOL USED TO ASSESS NEED PRESS GANEY MAILS SURVEYS EVERY TWO WEEKS TO A RANDOM SAMPLE OF DISCHARGED PATIENTS THE GOAL IS TO GET APPROXIMATELY 350 COMPLETED SURVEYS PER YEAR IN EACH OF THE VARIOUS CARE SETTINGS PER FACILITY THESE CARE SETTINGS INCLUDE INPATIENT, OUTPATIENT, EMERGENCY ROOMS, OUTPATIENT SURGERY, OUTPATIENT DIAGNOSTICS, HOME HEALTH CARE, URGENT CARE CENTERS, ETC BASED ON THESE SURVEYS, THE NEED FOR SPECIFIC CHANGES IN PROCESSES OR TYPES OF PERSONNEL ARE ASSESSED TO MEET THE NEEDS OF THE COMMUNITIES WE SERVE NATIONAL RESEARCH CORPORATION IS A RESEARCH COMPANY THAT INTERVIEWS 600 PEOPLE IN OUR COMMUNITY SERVICE AREA EACH YEAR VIA THE INTERNET THESE PEOPLE ARE A PART OF A PANEL SELECTED TO REPRESENT THE CHARACTERISTICS OF THE COMMUNITY THIS SURVEY PROVIDES AN ON-LINE TOOL FOR DETERMINING SELF-REPORTED PERCENTAGES WITH CHRONIC CONDITIONS AND USE OF PREVENTIVE SERVICES IN AREAS OF SIMILAR SIZE AND CHARACTERISTICS AROUND THE COUNTRY

Identifier	ReturnReference	Explanation
		Part VI, Line 3 PATIENTS ARE INFORMED OF THEIR ELIGIBILTY FOR ASSISTANCE IN PERSON UPON ENTERING THE HOSPITAL FACILITY EACH PATIENT IS ASSIGNED AN ADMISSIONS PERSON WHO PROVIDES WRITTEN INFORMATION AS WELL AS VERBAL INFORMATION

Identifier	ReturnReference	Explanation
		Part VI, Line 4 BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE SERVICES THE LOWNDES COUNTY, MISSISSIPPI AND GOLDEN TRIANGLE AREA SOME PATIENTS COME FROM ALABAMA AND OTHER MISSISSIPPI COUNTIES SURROUNDING THE GOLDEN TRIANGLE AREA THE AFRICAN-AMERICAN COMMUNITY COMPRISES ABOUT 41 9% OF OUR PRIMARY SERVICE AREA HISPANICS MAKE UP ABOUT 1 5%, AND CAUCASIONS ARE ABOUT 55 1% DEMOGRAPHIC SNAPSHOTS ARE PROVIDED BY THE INDEPENDENT OUTSIDE FIRM OF CLARITAS, INC OUR OWN HEALTH SERVICES RESEARCH DEPARTMENT AT BAPTIST MEMORIAL HEALTH CARE CORPORATION (AS SOLE MEMBER) CALCULATES THE DISTRIBUTION OF INPATIENT DISCHARGES (EXCLUDING NEWBORNS) BY COUNTY THIS IS SORTED IN DESCENDING NUMBER PER COUNTY AND DETERMINES THOSE COUNTIES WITH UP TO 75-77% OF THE DISCHARGES AND THESE CONTIGUOUS COUNTIES COMPRISE THE PRIMARY MARKET AREA COUNTIES COMPRISING 78-95% OF THE DISCHARGES ARE DESIGNATED THE SECONDARY MARKET, WHILE THE REMAINING 5% IS THE TERTIARY MARKET BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE'S PRIMARY MARKET SERVICE AREA HAS 107,504 PERSONS WITH THE COMBINED PRIMARY AND SECONDARY AREA HAVING 234,499 PERSONS OTHER ITEMS SUCH AS AGE, HOUSEHOLD INCOME, AND RACE/ETHNICITY PERCENTAGES, AS COMPARED TO THE NATION AS A WHOLE, ARE ALSO USED IN THE MIX DUNN AND BRADSTREET DATA IS ALSO USED TO DETERMINE THE COMMUNITIES LARGEST EMPLOYERS

Identifier	ReturnReference	Explanation
		Part VI, Line 6 THE HOSPITALS HAVE OPEN MEDICAL STAFFS, COMMUNITY BOARD INVOLVMENT, SUPPORT SERVICES, FREE AND/OR REDUCED MAMMOGRAMS, HEALTH FAIRS, DONATION OF SUPPLIES AND MONEY, AND MANY OTHER THINGS

Identifier	ReturnReference	Explanation
		Part VI, Line 7 BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE IS AN AFFILIATE OF BAPTIST MEMORIAL HEALTH CARE CORPORATION BAPTIST MEMORIAL HEALTH CARE CORPORATION IS THE SOLE MEMBER OF A NUMBER OF HOSPITALS, MINOR MEDICAL CENTERS, HOME CARE AND HOSPICE SERVICES, AND PHYSICIAN SERVICES IN WEST TENNESSEE, NORTH MISSISSIPPI, AND EAST ARKANSAS

Identifier	ReturnReference	Explanation
Reports Filed With States	Part VI, Line 7	TN,MS,AR

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC

Employer identification number
62-1519754

Part I General Information on Grants and Assistance

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

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

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

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) MISSISSIPPI UNIVERSITY FOR WOMEN FOUNDATION110 COLLEGE ST COLUMBUS,MS 397015800	23-7050717	501(c)(3)	238,289				NURSING PROGRAM AND GENERAL DONATION
(2) COLUMBUS LOWNDES DEVELOPMENT LINKPO BOX 1328 COLUMBUS,MS 39703	64-0387161	501(c)(6)	12,500				GENERAL DONATION

2 Enter total number of section 501(c)(3) and government organizations . . . ▶ 1

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
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 ALL ORGANIZATIONS ARE REQUIRED TO SUBMIT PROOF OF TAX EXEMPT STATUS THAT IS VERIFIED BY THE IRS DATABASE BEFORE THEY CAN PROCEED WITH THEIR REQUEST THEY MAY USE OUR ONLINE CHARITABLE REQUEST APPLICATION TO SUBMIT A REQUEST IF THEY ARE NOT A 501(c)(3) ORGANIZATION, THEY ARE REQUIRED TO SUBMIT A COPY OF THEIR DETERMINATION LETTER FROM THE IRS VALIDATING THEIR EXEMPT STATUS BEFORE WE CAN PROVIDE ANY IN-KIND GIVEAWAYS OR SERVICES WE ALSO MONITOR THE FUNDS TO ENSURE THEY ARE USED FOR THE PURPOSE GRANTED WE MAKE EVERY EFFORT TO DIRECT OUR FUNDING TO A PROGRAM FOR A SPECIFIC PURPOSE ORGANIZATIONS ARE ASKED TO SHOW RESULTS AND DOCUMENTATION ANNUALLY BEFORE THEIR REQUEST CAN BE CONSIDERED FOR FUTURE FUNDING THE REQUESTS ARE REVIEWED AND APPROVED BY VARIOUS INDIVIDUALS DEPENDING UPON THE TYPE AND AMOUNT OF THE REQUEST SMALL AMOUNTS MAY BE APPROVED BY THE SYSTEM COORDINATOR, CASH SPONSORSHIPS MAY BE APPROVED BY THE SYSTEM DIRECTOR OF COMMUNICATIONS, ANYTHING OVER $10,000 MAY BE APPROVED BY THE BAPTIST MEMORIAL HEALTH CARE FOUNDATION SENIOR V P , AND ANYTHING OVER $50,000 NEEDS APPROVAL BY THE CORPORATE PRESIDENT/CEO FOR MORE INFORMATION ABOUT BAPTIST CHARITABLE GIVING GUIDELINES, PLEASE VISIT HTTP //WWW BAPTISTONLINE ORG/SERVICES/COMMUNITY/INVOLVEMENT/GIVING ASP

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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
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC

Employer identification number
62-1519754

Part I Questions Regarding Compensation

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

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) EDWIN P CADE	(i)	0	0	0	0	0	0	0
	(ii)	183,687	41,965	23,668	35,161	20,316	304,797	0
(2) GREGORY M DUCKETT	(i)	0	0	0	0	0	0	0
	(ii)	341,408	238,951	65,326	36,750	28,669	711,104	0
(3) DAVID C HOGAN	(i)	0	0	0	0	0	0	0
	(ii)	631,021	438,378	928,335	46,500	17,893	2,062,127	0
(4) STEPHEN C REYNOLDS	(i)	0	0	0	0	0	0	0
	(ii)	1,017,704	752,307	1,433,523	46,500	23,366	3,273,400	0
(5) JAMES A ROBERTSON	(i)	107,315	11,235	4,260	13,301	18,981	155,092	0
	(ii)	0	0	0	0	0	0	0
(6) JASON M LITTLE	(i)	0	0	0	0	0	0	0
	(ii)	348,403	194,405	24,960	24,500	21,287	613,555	0
(7) WALTER A KLEIS	(i)	153,072	0	0	13,837	19,581	186,490	0
	(ii)	0	0	0	0	0	0	0
(8) SAUL J VYDAS	(i)	132,606	0	13,375	29,965	16,517	192,463	0
	(ii)	0	0	0	0	0	0	0
(9) SALEEM A ALI	(i)	183,800	0	54	0	6,553	190,407	0
	(ii)	0	0	0	0	0	0	0
(10) WILLIAM P KOWALSKY	(i)	200,413	0	0	27,131	15,374	242,918	0
	(ii)	0	0	0	0	0	0	0
(11)								
(12)								
(13)								
(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
	Part I, Line 1a	THE OFFICERS RECEIVE A PERQUISITE ALLOWANCE WHICH IS INCLUDED IN THEIR SALARIES
	Part I, Line 1b	THE PRESIDENT, VICE PRESIDENTS, AND ADMINISTRATORS RECEIVE A PERQUISITE ALLOWANCE THE ALLOWANCE IS INCLUDED IN THEIR SALARIES AND IS TAXABLE TO THEM AS ADDITIONAL INCOME THE ORGANIZATION ALSO HAS AN ACCOUNTABLE PLAN, BUT A DISCRETIONARY SPENDING ACCOUNT IS NOT PART OF AN ACCOUNTABLE PLAN IF ANY OF THE OTHER ITEMS LISTED ON SCHEDULE J, PART I, LINE 1a WERE APPLICABLE, THE RECIPIENTS WOULD BE REQUIRED TO FOLLOW THE ORGANIZATION'S WRITTEN POLICY REGARDING PAYMENT OR REIMBURSEMENT
Supplemental Information	Part III	PART I, LINE 3 BAPTIST MEMORIAL HEALTH CARE CORPORATION, AS SOLE MEMBER, HAS A GOVERNANCE COMMITTEE MADE UP OF THE BOARD OF DIRECTORS, WHO ALONG WITH THE HUMAN RESOURCE DEPARTMENT, UTILIZES INDEPENDENT COMPENSATION CONSULTANTS, COMPENSATION STUDIES, AND APPROVAL BY THE COMPENSATION COMMITTEE TO ESTABLISH THE COMPENSATION OF THE ORGANIZATION'S CEO/EXECUTIVE DIRECTOR AND OTHER KEY PERSONNEL

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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
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC

Employer identification number
62-1519754

Identifier	Return Reference	Explanation
	PART IV, LINE 20B AUDITED FINANCIAL STATEMENTS	ATTACHED ARE THE BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES COMBINED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND SEPTEMBER 30, 2010, AND INDEPENDENT AUDITORS' REPORT ALTHOUGH NOT SEPARATELY SHOWN, THE COMBINED FINANCIAL STATEMENTS INCLUDE THE FINANCIAL STATEMENTS OF THE ORGANIZATION

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 3		BAPTIST MEMORIAL HEALTH CARE CORPORATION AS SOLE MEMBER OF BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE PROVIDES CERTAIN LEGAL, FINANCE, QUALITY, AND PERSONNEL SERVICES PURSUANT TO A SHARED SERVICES AGREEMENT

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE IS A NON-STOCK CORPORATION WHOSE SOLE MEMBER IS BAPTIST MEMORIAL HEALTH CARE CORPORATION

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7a		BAPTIST MEMORIAL HEALTH CARE CORPORATION AS THE SOLE MEMBER OF BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE ELECTS ITS BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7b		BAPTIST MEMORIAL HEALTH CARE CORPORATION AS THE SOLE MEMBER OF BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE APPROVES THE BOARD OF DIRECTORS ACTIONS

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		THE FORM 990 IS REVIEWED BY BAPTIST MEMORIAL HEALTH CARE CORPORATION'S PRESIDENT/CEO, SR V P/CFO, THE V P OF CORPORATE FINANCE, AND THE HOSPITAL CFO IN ADDITION, THE FORM 990 IS REVIEWED ON A ROTATING BASIS OF EVERY THREE YEARS BY AN OUTSIDE INDEPENDENT ACCOUNTING AND TAX FIRM THE FORM 990 HAS NOT BEEN REVIEWED BY THE BOARD OF DIRECTORS HOWEVER, BAPTIST MEMORIAL HEALTH CARE CORPORATION, AS SOLE MEMBER, HAS A GOVERNANCE COMMITTEE THAT IS APPOINTED BY ITS BOARD OF DIRECTORS THE BAPTIST MEMORIAL HEALTH CARE CORPORATION GOVERNANCE COMMITTEE CONSISTS OF THREE OR MORE MEMBERS ALL OF WHICH MAY OR MAY NOT BE MEMBERS OF THE BOARD OF DIRECTORS THE BAPTIST MEMORIAL HEALTH CARE CORPORATION GOVERNANCE COMMITTEE WILL REVIEW THE FORM 990 AFTER SUBMITTING IT TO THE IRS

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 12c	BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE REQUIRES THAT ALL EMPLOYEES, INCLUDING OFFICERS AND KEY EMPLOYEES, PERIODICALLY COMPLETE A CERTIFICATION AND ACKNOWLEDGEMENT OF THE BAPTIST MEMORIAL HEALTH CARE CORPORATION STANDARDS OF CONDUCT, WHICH INCORPORATES THE CONFLICT OF INTEREST POLICY BOARD MEMBERS DISCLOSE AND SIGN A CONFLICT OF INTEREST STATEMENT EACH DECEMBER IN THE EVENT THAT AN EMPLOYEE OR BOARD MEMBER BECOMES AWARE OF A POTENTIAL CONFLICT OF INTEREST, HE/SHE IS REQUIRED TO REPORT IT TO THEIR CHIEF EXECUTIVE OFFICER BEFORE TAKING ANY ACTION IF HE/SHE IS THE CHIEF EXECUTIVE OFFICER, THEN HE/SHE IS TO REPORT TO THE CHAIRMAN OF THE BOARD OF DIRECTORS THE SIGNED CONFLICT OF INTEREST STATEMENTS ARE REVIEWED BY THE SENIOR V P AND CORPORATE COUNSEL, AND ARE MAINTAINED IN THE BAPTIST MEMORIAL HEALTH CARE CORPORATION LEGAL DEPARTMENT IF A CONFLICT OF INTEREST IS FOUND TO EXIST, IT WILL BE THE RESPONSIBILITY OF THE CEO, WITH THE INVOLVEMENT OF THE BAPTIST MEMORIAL HEALTH CARE CORPORATION LEGAL DEPARTMENT, TO RESOLVE THE ISSUE.

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 15	BAPTIST MEMORIAL HEALTH CARE CORPORATION'S HUMAN RESOURCE DEPARTMENT, THE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS, AND AN INDEPENDENT COMPENSATION CONSULTING FIRM PERFORM ANNUAL REVIEWS EACH DECEMBER AND APPROVE COMPENSATION OF THE CEO AND OTHER TOP MANAGEMENT PERSONNEL THEY USE COMPARABILITY DATA AND OTHER SOURCES AS NEEDED THE CEO AND OTHER TOP MANAGEMENT USE THE SAME TYPE OF INFORMATION TO APPROVE COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES ON DECEMBER 14, 2009 THE COMPENSATION WAS REVIEWED AND APPROVED FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2010 FOR THE PRESIDENT, THE VICE PRESIDENTS, AND THE CEO/ADMINISTRATOR

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 18	BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE MAKES COPIES OF ITS FORMS 1023, 990, AND 990T AVAILABLE FOR PUBLIC INSPECTION TO ANY ONE WHO REQUESTS THEM AS REQUIRED BY THE IRS

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section C, line 19	BAPTIST MEMORIAL HOSPITAL-GOLDEN TRIANGLE MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

Identifier	Return Reference	Explanation
Contact Addresses for Officers, Directors, Etc	Form 990, Part VII	GREGORY M DUCKETT - 350 N HUMPHREYS BLVD , MEMPHIS, TN 381202177 DAVID C HOGAN - 350 N HUMPHREYS BLVD , MEMPHIS, TN 381202177 STEPHEN C REYNOLDS - 350 N HUMPHREYS BLVD , MEMPHIS, TN 381202177

Identifier	Return Reference	Explanation
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 5	Net unrealized gains on investments 188,510 Prior period adjustments 255,156 TRANSFERS TO/FROM BAPTIST MEMORIAL HOME CARE, INC -1,000,000 TRANSFERS TO/FROM BAPTIST MEMORIAL MEDICA GROUP, INC -5,566,962 TRANSFERS TO/FROM BAPTIST MEMORIAL MEDICAL GROUP, INC -MS -230,829 P/S LOSS REPORTED ON BOOKS 87,501 Total to Form 990, Part XI, Line 5 -6,266,624

Identifier	Return Reference	Explanation
	PART XII, LINE 2c FINANCIAL STATEMENTS AND REPORTING	BAPTIST MEMORIAL HEALTH CARE CORPORATION, AS SOLE MEMBER, HAS AN AUDIT COMMITTEE THAT CHOOSES THE AUDIT FIRM, OVERSEES AND REVIEWS THE AUDIT REPORTS, AND THEN FOLLOWS UP ON ANY NECESSARY CHANGES AND RECOMMENDATIONS THE PROCESS HAS NOT CHANGED FROM PRIOR YEARS

Identifier	Return Reference	Explanation
	PART V STATEMENTS REGARDING OTHER IRS FILINGS & TAX COMPLIANCE	LINE 1a ALL FORMS 1099 ARE PREPARED BY THE ACCOUNTS PAYABLE DEPARTMENT OF THE SOLE MEMBER, BAPTIST MEMORIAL HEALTH CARE CORPORATION ALL FORMS 1099 ARE ISSUED USING THE FEDERAL TAX IDENTIFICATION NUMBER OF BAPTIST MEMORIAL HEALTH CARE CORPORATION THE 1099S ARE NOT PROCESSED BY ENTITY, BUT BY VENDOR GROUP MANY VENDORS PERFORM SERVICES FOR MULTIPLE BAPTIST ENTITIES, SO ONLY ONE 1099 IS ISSUED PER VENDOR WITH THE TOTAL AMOUNT PAID FOR SERVICES THIS NUMBER IS REPORTED ON BAPTIST MEMORIAL HEALTH CARE CORPORATION'S FORM 990, PART V, LINE 1a LINE 2a THE PAYROLL FUNCTION IS CENTRALIZED AT THE PAYROLL DEPARTMENT OF THE SOLE MEMBER, BAPTIST MEMORIAL HEALTH CARE CORPORATION THE CORPORATE PAYROLL DEPARTMENT IS RESPONSIBLE FOR ALL SALARIES AND WAGES OF THE EMPLOYEES FOR ENTIRE THE BAPTIST SYSTEM THE W-3s AND W-2s ARE SUBMITTED ELECTRONICALLY TO THE IRS USING BAPTIST MEMORIAL HEALTH CARE CORPORATION'S FEDERAL TAX IDENTIFICATION NUMBER, ACCORDING TO THE GUIDELINES ASSOCIATED WITH COMMON PAYMASTER HOWEVER, THE EMPLOYEE INFORMATION IS ALLOCATED TO ITS RESPECTIVE FACILITY FOR FINANCIAL REPORTING PURPOSES AND THEY ARE REPORTED TO THE STATE BY EACH FACILITY THUS, THE AMOUNT REPORTED ON PART V, LINE 2a REFLECTS THE NUMBER OF EMPLOYEES AT THIS FACILITY WHO RECEIVED A W-2 THE TOTAL NUMBER OF W-2S FOR ALL BAPTIST ENTITIES IS REPORTED ON THE BAPTIST MEMORIAL HEALTH CARE CORPORATION W-3 LINE 7g THE ORGANIZATION DID NOT RECEIVE ANY CONTRIBUTIONS OF QUALIFIED INTELLECTUAL PROPERTY REQUIRING IT TO FILE A FORM 8899 Line 7h THE ORGANIZATION DID NOT RECEIVE ANY CONTRIBUTIONS OF CARS, BOATS, AIRPLANES, OR OTHER VEHICLES REQUIRING IT TO FILE A FORM 1098-C

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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
BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE INC

Employer identification number
62-1519754

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
(1) NORTHEAST ARKANSAS BAPTIST MEMORIAL HEALTH CARE LLC 3024 STADIUM BLVD JONESBORO, AR 72401 81-0572898	OPERATION OF BAPTIST MEMORIAL HOSPITAL-JONESBORO, INC	AR			N/A
(2) NORTHEAST ARKANSAS BAPTIST HEALTH SERVICES GROUP LLC 3024 STADIUM BLVD JONESBORO, AR 72401 27-1471186	OPERATE A PREFERRED PROVIDER ORGANIZATON	AR			N/A

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
See Additional Data Table							

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
See Additional Data Table												

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) HEALTH TECH AFFILIATES INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1278576	BUYING AND LEASING REAL & PERSONAL PROPERTY	TN	N/A	C			
(2) BAPTIST HEALTH SERVICES GROUP OF THE MIDSOUTH INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1534210	HEALTH INSURANCE CONTRACTING	TN	N/A	C			
(3) SOUTHCREST PROPERTY OWNERS ASSOCIATION 7601 SOUTHCREST PKWY SOUTHAVEN, MS38671 64-0768703	BOOKKEEPING/DATA PROCESSING FOR SOUTHCREST DEV	MS	N/A	C			
(4) GERMANTOWN BUSINESS PARK OWNERS ASSOCIATION 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 20-1158216	BOOKKEEPING DATA PROCESSING FOR GERMANTOWN BUS PARK DEV	TN	N/A	C			

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**	**No**
c	Gift, grant, or capital contribution from other organization(s)	**1c**	**Yes**
d	Loans or loan guarantees to or for other organization(s)	**1d**	**Yes**
e	Loans or loan guarantees by other organization(s)	**1e**	**Yes**
f	Sale of assets to other organization(s)	**1f**	**No**
g	Purchase of assets from other organization(s)	**1g**	**No**
h	Exchange of assets	**1h**	**No**
i	Lease of facilities, equipment, or other assets to other organization(s)	**1i**	**No**
j	Lease of facilities, equipment, or other assets from other organization(s)	**1j**	**No**
k	Performance of services or membership or fundraising solicitations for other organization(s)	**1k**	**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**	**No**
n	Sharing of paid employees	**1n**	**No**
o	Reimbursement paid to other organization for expenses	**1o**	**No**
p	Reimbursement paid by other organization for expenses	**1p**	**No**
q	Other transfer of cash or property to other organization(s)	**1q**	**Yes**
r	Other transfer of cash or property from other organization(s)	**1r**	**Yes**

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

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

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

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

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

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 62-1519754
Name: BAPTIST MEMORIAL HOSPITAL- GOLDEN TRIANGLE 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 MEMORIAL HEALTH CARE CORPORATION 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 58-1521475	MANAGEMENT, ADMINISTRATIVE, & FINANCIAL SERVICES	TN	501(c)(3)	509(a)(3)	N/A		No
BAPTIST MEMORIAL HEALTH CARE SYSTEM INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 58-1456556	CARRY OUT THE HEALTH CARE MISSIONS OF THE BAPTIST CONVENTIONS OF AR, MS ,TN	TN	501(c)(3)	509(a)(3)	N/A		No
BAPTIST MEMORIAL COLLEGE OF HEALTH SCIENCES INC 1003 MONROE MEMPHIS, TN38104 62-1599670	EDUCATION OF HEALTH CARE PROFESSIONALS	TN	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HOSPITAL INC		No
BAPTIST MEMORIAL HEALTH SERVICES INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1509127	PROVISION OF HEALTH CARE PROVIDERS & HOME MEDICAL EQUIPMENT/SERVICES	TN	501(c)(3)	509(a)(2)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-0123940	HEALTH CARE FACILITY/HOSPITAL	TN	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
MEDICAL FINANCIAL SERVICES INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1112364	COLLECTION AGENCY FOR BAPTIST ENTITIES	TN	501(c)(3)	509(a)(3)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL-BOONEVILLE INC 100 HOSPITAL ST BOONEVILLE, MS38829 64-0663760	HEALTH CARE FACILITY/HOSPITAL	MS	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL-DESOTO INC 7601 SOUTHCREST PKWY SOUTHAVEN, MS38671 64-0682111	HEALTH CARE FACILITY/HOSPITAL	MS	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL-HUNTINGDON INC 631 R B WILSON DR HUNTINGDON, TN38344 62-1166050	HEALTH CARE FACILITY/HOSPITAL	TN	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL-LAUDERDALE INC 326 ASBURY RIPLEY, TN38063 62-1088703	HEALTH CARE FACILITY/HOSPITAL	TN	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL-NORTH MISSISSIPPI INC 2301 S LAMAR OXFORD, MS38655 64-0772726	HEALTH CARE FACILITY/HOSPITAL	MS	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL-TIPTON INC 1995 HWY 51 SOUTH COVINGTON, TN38019 62-1113167	HEALTH CARE FACILITY/HOSPITAL	TN	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No

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 MEMORIAL HOSPITAL-UNION CITY INC 1201 BISHOP ST UNION CITY, TN38261 62-1138045	HEALTH CARE FACILITY/HOSPITAL	TN	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL-UNION COUNTY INC 200 HWY 30 WEST NEW ALBANY, MS38652 63-0997281	HEALTH CARE FACILITY/HOSPITAL	MS	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL REGIONAL REHABILITATION SERVICESINC 2100 EXETER RD GERMANTOWN, TN38138 58-1645396	HEALTH CARE FACILITY/HOSPITAL	TN	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOME CARE INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 58-1562973	HOME HEALTH CARE & HOSPICE SERVICES	TN	501(c)(3)	509(a)(2)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL MEDICAL GROUP INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1545731	PROVISION OF HEALTH CARE PROVIDERS FOR TN FACILITIES	TN	501(c)(3)	509(a)(2)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HEALTH SERVICES INC-MS 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1545710	PROVISION OF HEALTH CARE PROVIDERS FOR MS FACILITIES	MS	501(c)(3)	509(a)(2)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL MEDICAL MINISTRIES EMP HLTH & WELFARE TRUST 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1407946	BAPTIST EMPLOYEE HEALTH PLAN	TN	501(c)(9)		BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MINOR MEDICAL CENTERS INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1538114	NON-EMERGENCY MEDICAL CLINICS	TN	501(c)(3)	509(a)(1)	BAPTIST MEMORIAL MEDICAL GROUP INC		No
BAPTIST MEMORIAL HEALTH CARE FOUNDATION INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 58-1544781	SOLICIT, RAISE, MANAGE, APPLY, & INVEST FUNDS IN SUPPORT OF BAPTIST ENTITIES	TN	501(c)(3)	509(a)(3)	BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL HOSPITAL-JONESBORO INC 3024 STADIUM BLVD JONESBORO, AR72401 26-1214372	HEALTH CARE FACILITY/HOSPITAL	AR	501(c)(3)	509(a)(1)	NEA BAPTIST HEALTH SYSTEM INC		No
NEA BAPTIST HEALTH SYSTEM INC 3024 STADIUM BLVD JONESBORO, AR72401 27-1799652	HEALTH CARE SERVICE PROVIDER	AR	501(c)(3) PENDING		BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
NEA CLINIC CHARITABLE FOUNDATION INC 3024 STADIUM BLVD JONESBORO, AR72401 71-0850123	HEALTH CARE SERVICE PROVIDER	AR	501(c)(3)	509(a)(1)	NEA BAPTIST HEALTH SYSTEM INC		No

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
THE STERN CARDIOVASCULAR FOUNDATION INC 8060 WOLF RIVER BLVD GERMANTOWN, TN38138 27-4396698	HEALTH CARE SERVICE PROVIDER	TN	501(c)(3) PENDING		BAPTIST MEMORIAL MEDICAL GROUP INC		No
FAMILY CANCER CENTER FOUNDATION INC 6029 WALNUT GROVE RD MEMPHIS, TN38120 45-2842963	HEALTH CARE SERVICE PROVIDER	TN	501(c)(3) PENDING		BAPTIST MEMORIAL MEDICAL GROUP INC		No
INTEGRITY ONCOLOGY FOUNDATION INC 6286 BRIARCREST AVE STE 308 MEMPHIS, TN38120 45-3303687	HEALTH CARE SERVICE PROVIDER	TN	501(c)(3) PENDING		BAPTIST MEMORIAL MEDICAL GROUP INC		No
MEMPHIS LUNG PHYSICIANS FOUNDATION INC 6025 WALNUT GROVE RD MEMPHIS, TN38120 45-2832975	HEALTH CARE SERVICE PROVIDER	TN	501(c)(3) PENDING		BAPTIST MEMORIAL MEDICAL GROUP INC		No
BOSTON BASKIN CANCER FOUNDATION INC 6029 WALNUT GROVE RD MEMPHIS, TN38120 45-3303607	HEALTH CARE SERVICE PROVIDER	TN	501(c)(3) PENDING		BAPTIST MEMORIAL MEDICAL GROUP INC		No
BAPTIST CLINICAL RESEARCH INSTITUTE INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 45-3032246	FACILITATE MEDICAL & SCIENTIFIC RESEARCH	TN	501(c)(3) PENDING		BAPTIST MEMORIAL HEALTH CARE CORPORATION		No
BAPTIST MEMORIAL PATIENT SAFETY ORGANIZATION INC 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 45-3032372	ESTABLISHING, MAINTAINING & MANAGING A PATIENT SAFTY ORGANIZATION	TN	501(c)(3) PENDING		BAPTIST MEMORIAL HEALTH CARE CORPORATION		No

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(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?		(i) Code V-UBI amount on Box 20 of K-1 ($)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
BAPTIST-DESOTO SURGERY CENTER 40 BURTON HILLS BLVD STE 500 NASHVILLE, TN37215 20-0804946	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
BAPTIST-EAST MEMPHIS SURGERY CENTER 80 HUMPHREYS CENTER 101 MEMPHIS, TN38120 62-1846584	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
BAPTIST & PHYSICIANS OP SURGERY CENTER OF N MS 40 BURTON HILLS BLVD STE 500 NASHVILLE, TN37215 62-0925692	AMBULATORY SURGERY	MS	N/A	N/A				No			No	
BAPTIST-GERMANTOWN SURGERY CENTER LP 40 BURTON HILLS BLVD STE 500 NASHVILLE, TN37215 62-1829424	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
BAPTIST N MS IMAGING SERVICES LLC 504 AZALEA DR OXFORD, MS38655 26-2641267	DIAGNOSTIC SERVICES	MS	N/A	N/A				No			No	
EAST MEMPHIS UROLOGY CENTER LP 40 BURTON HILLS BLVD STE 500 NASHVILLE, TN37215 62-1810940	AMBULATORY UROLOGICAL SERVICES	TN	N/A	N/A				No			No	
HAMILTON EYE INSTITUTE SURGERY CENTER LP 930 MADISON AVE MEMPHIS, TN38103 20-2873438	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
MEDICAL ALTERNATIVES 4565 SHELBY RD MEMPHIS, TN38083 62-1488427	HOME INFUSION PRODUCTS & SERVICES TO PATIENTS	TN	N/A	N/A				No			No	

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(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?		(i) Code V-UBI amount on Box 20 of K-1 ($)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
MEMPHIS BIOMED VENTURES I LP 17 W PONTOTOC STE 200 MEMPHIS, TN38103 94-3424417	MEDICAL RESEARCH	TN	N/A	N/A				No			No	
MEMPHIS SURGERY CENTER LTD LP 3000 RIVERCHASE GALLERIA STE 500 BIRMINGHAM, AL35244 62-1218330	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
MEMPHIS-SC LLC 3000 RIVERCHASE GALLERIA STE 500 BIRMINGHAM, AL35244 62-1590322	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
MEMPHIS-SP LLC 3000 RIVERCHASE GALLERIA STE 500 BIRMINGHAM, AL35244 62-1590324	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
MIDTOWN SURGERY CENTERM LP 40 BURTON HILLS BLVD STE 500 NASHVILLE, TN37215 62-1619344	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
NORTHWEST TENNESSEE SURGERY CENTER LLC 1722 E REELFOOT UNION CITY, TN38261 62-1685508	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
SM-B BUILDING LLC 5900 POPLAR AVE STE 100 MEMPHIS, TN38119 62-1834236	AMBULATORY SURGERY	TN	N/A	N/A				No			No	
TENNESSEE LITHOTRIPERS LP 9825 SPECTRUM DR BLDG 3 AUSTIN, TX78717 56-1720365	LITHOTRIPSY SERVICES	TN	N/A	N/A				No			No	

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(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?		(i) Code V-UBI amount on Box 20 of K-1 ($)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
WOLF RIVER MEDICAL CENTER LP 350 N HUMPHREYS BLVD MEMPHIS, TN381202177 62-1510287	MEDICAL OFFICE BLDG	TN	N/A	N/A				No			No	
CANCER CARE CENTER OF UNION CITY LP 322 HOSPITAL BLVD JACKSON, TN38305 26-3425045	CANCER CARE SERVICES	TN	N/A	N/A				No			No	
MAYS & SCHNAPP PAIN CENTER 55 HUMPHREYS CENTER BLVD STE 200 MEMPHIS, TN38120 62-1512849	PAIN MANAEMENT SERVICES	TN	N/A	N/A				No			No	
CONVENIENT CARE DIAGNOSTIC CENTER PLLC 555 HWY 6 EAST BATESVILLE, MS38606 64-0914382	RADIOLOGY & DIAGNOSTIC SERVICES	MS	N/A	N/A				No			No	

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	BAPTIST MEMORIAL HEALTH CARE CORPORATION	L	13,387,856	FMV
(2)	BAPTIST MEMORIAL HEALTH CARE FOUNDATION	C	250,245	FMV
(3)	BAPTIST MEMORIAL HOSPITAL-DESOTO	D	18,250,820	FMV
(4)	BAPTIST MEMORIAL HEALTH SERVICES INC-MS	Q	230,829	FMV
(5)	BAPTIST MEMORIAL MEDICAL MINISTRIES EMPLOYEE HEALTH & WELFARE TRUST	Q	5,924,124	FMV
(6)	BAPTIST MEMORIAL MEDICAL GROUP INC	Q	5,566,962	FMV
(7)	BAPTIST MEMORIAL HEALTH CARE CORPORATION	E	7,753,970	FMV
(8)	BAPTIST MEMORIAL HOME CARE INC	Q	1,000,000	FMV
(9)	BAPTIST MEMORIAL HOSPITAL INC	R	157,516	FMV

Baptist Memorial Health Care Corporation and Affiliates

Combined Financial Statements as of and for the Years Ended September 30, 2011 and 2010, and Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Baptist Memorial Health Care Corporation
Memphis, Tennessee

We have audited the accompanying combined balance sheets of Baptist Memorial Health Care Corporation (a Tennessee nonprofit corporation) and affiliates (collectively, BMHCC) as of September 30, 2011 and 2010, and the related combined statements of operations and changes in net assets and cash flows for the years then ended. These combined financial statements are the responsibility of BMHCC's management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 BMHCC'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, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such combined financial statements present fairly, in all material respects, the combined financial position of BMHCC as of September 30, 2011 and 2010, and the combined results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

December 20, 2011

BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

COMBINED BALANCE SHEETS
AS OF SEPTEMBER 30, 2011 AND 2010
(Amounts in thousands)

	2011	2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 94,413	$ 114,362
Short-term investments	1,600	4,290
Patient accounts receivable — net of estimated uncollectible amounts of $55,853 in 2011 and $43,597 in 2010	205,317	189,589
Other receivables — net	13,153	12,098
Inventory, prepaid expenses, and other assets	69,991	67,788
Estimated settlements with third parties	5,504	7,819
Total current assets	389,978	395,946
INVESTMENTS	905,469	965,238
ASSETS WHOSE USE IS LIMITED	16,063	15,887
PROPERTY AND EQUIPMENT — Net	990,235	900,760
GOODWILL	52,483	30,295
OTHER LONG-TERM ASSETS	25,488	24,384
TOTAL	$2,379,716	$2,332,510
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term debt and capital lease obligations	$ 94,896	$ 78,132
Accounts payable	31,991	36,777
Accrued expenses and other	133,903	113,041
Estimated settlements with third parties	17,963	17,283
Total current liabilities	278,753	245,233
LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS — Net of current portion	256,527	276,258
OTHER LONG-TERM LIABILITIES	149,042	152,105
COMMITMENTS AND CONTINGENCIES (Note 18)		
NET ASSETS		
Unrestricted net assets	1,657,467	1,628,734
Temporarily and permanently restricted net assets	37,927	30,180
Total net assets	1,695,394	1,658,914
TOTAL	$2,379,716	$2,332,510

See notes to combined financial statements

BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010
(Amounts in thousands)

	2011	2010
UNRESTRICTED REVENUES AND OTHER SUPPORT:		
Net patient service revenue	$1,702,461	$1,614,867
Other revenue	55,492	44,158
Total unrestricted revenues and other support	1,757,953	1,659,025
EXPENSES:		
Salaries and benefits	810,925	730,383
Supplies and drugs	355,496	340,598
Purchased services and other	193,445	171,895
Professional fees	80,683	61,907
Depreciation and amortization	103,802	101,028
Interest	12,853	13,597
Provision for bad debts	193,847	172,799
Total expenses	1,751,051	1,592,207
INCOME FROM OPERATIONS	6,902	66,818
NONOPERATING INCOME (LOSS):		
Interest and dividend income from marketable portfolio	34,066	33,748
Net realized gains on investments from marketable portfolio	31,997	2,863
Minority interest and other — net	(733)	(400)
Total nonoperating income (loss)	65,330	36,211
REVENUES IN EXCESS OF EXPENSES	72,232	103,029

(Continued)

BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010
(Amounts in thousands)

	2011	2010
UNRESTRICTED NET ASSETS:		
Revenues in excess of expenses	$ 72,232	$ 103,029
Net unrealized (losses) gains on investments	(40,070)	46,361
Net (distributions) contributions made (to) from joint venture partners	(3,429)	3,235
Change in unrestricted net assets	28,733	152,625
TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS:		
Gifts and donations	13,493	8,566
Investment income	37	62
Net unrealized (losses) gains on investments	(1,526)	1,438
Net distributions made to affiliates and others	(4,257)	(4,502)
Increase in temporarily and permanently restricted net assets	7,747	5,564
CHANGE IN NET ASSETS	36,480	158,189
NET ASSETS — Beginning of year	1,658,914	1,500,725
NET ASSETS — End of year	$1,695,394	$1,658,914

See notes to combined financial statements.

BAPTIST MEMORIAL HEALTH CARE CORPORATION AND AFFILIATES

COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010
(Amounts in thousands)

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES AND NONOPERATING INCOME:		
Change in net assets	$ 36,480	$ 158,189
Adjustments to reconcile change in net assets to net cash provided by operating activities and nonoperating income:		
Depreciation and amortization	103,802	101,028
Net realized gain on sales of investments and fixed assets	(28,230)	(2,823)
Net unrealized loss (gain) on investments	41,273	(47,799)
Changes in operating assets and liabilities — net of effect of acquisition:		
Net patient accounts receivable	(15,727)	(18,567)
Inventory, prepaid expenses, and other assets	1,427	5,606
Accounts payable, accrued expenses, and other liabilities	17,082	29,797
Other long-term liabilities	(5,651)	(12,981)
Net cash provided by operating activities and nonoperating income	150,456	212,450
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisitions	(26,783)	(21,830)
Capital expenditures	(187,990)	(86,228)
Purchases of long-term investments	(284,724)	(402,223)
Sales of long-term investments	337,081	269,636
Decrease in short-term investments	3,440	7,423
Increase in assets whose use is limited	(176)	(1,523)
Other	(616)	(9,910)
Net cash used in investing activities	(159,768)	(244,655)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of debt	15,924	72,607
Principal payments on debt and capital lease obligations	(26,561)	(83,056)
Net cash used in financing activities	(10,637)	(10,449)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(19,949)	(42,654)
CASH AND CASH EQUIVALENTS — Beginning of year	114,362	157,016
CASH AND CASH EQUIVALENTS — End of year	$ 94,413	$ 114,362
CASH PAID FOR INTEREST DURING THE YEAR	$ 12,247	$ 12,847

See notes to combined financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Affiliation and Combination — Baptist Memorial Health Care Corporation (the "Corporation") is a nonprofit corporation. The accompanying combined financial statements include the financial statements of the Corporation and its affiliates under common ownership and common management (collectively, BMHCC). The Corporation is the member (parent) organization of most of the not-for-profit affiliates that comprise BMHCC. Such affiliates include hospitals offering both inpatient and outpatient services, as well as surgery centers, physician practices, and other ancillary businesses. Significant intercompany accounts and transactions have been eliminated. Investments in 50% or less owned companies and partnerships are generally accounted for using the equity method.

Estimates — The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ significantly from those estimates.

Cash and Cash Equivalents — For purposes of the combined statements of cash flows, BMHCC considers certificates of deposit, overnight reverse repurchase agreements, and other highly liquid investments with original maturities of less than three months to be cash equivalents.

Investments — Investments classified as current assets are available to BMHCC entities for current working capital needs. Investments classified as noncurrent are managed under BMHCC's long-term investment policy. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in the excess of revenues over expenses, unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from the excess of revenues over expenses

Financial Instruments and Hedging — BMHCC is using an interest rate swap agreement to convert a portion of its variable rate debt to a fixed rate. This derivative was originally designated as a cash flow hedge, however, it no longer qualifies for hedge accounting. Therefore, all changes in market value are included in earnings immediately.

Inventory — Inventory is stated at the lower of cost (weighted-average method) or market (replacement cost).

Property and Equipment — Property and equipment is recorded at cost when purchased or at fair market value when received by donation. Property and equipment is depreciated on a straight-line basis over its estimated useful life. Property and equipment held under capital leases is amortized evenly over the lesser of the lease term or its estimated useful life. BMHCC evaluates the carrying value of its property and equipment under the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 360, *Property, Plant, and Equipment*. Under ASC Topic 360, when events, circumstances, and operating results indicate that the carrying value of

property and equipment assets may be impaired, BMHCC prepares projections of the undiscounted future cash flows expected to result from the use of the assets and their eventual disposition If the projections indicate that the recorded amounts are not expected to be recoverable, such amounts are reduced to estimated fair value.

BMHCC capitalizes interest on borrowings during the active construction period of major capital projects. Capitalized interest is added to the cost of underlying assets and is amortized over the useful lives of the assets. There are no amounts of interest capitalized for the years ended September 30, 2011 and 2010

Goodwill — Goodwill is included in other long-term assets in the accompanying combined balance sheets and represents the excess of costs over the fair value of assets of businesses acquired. As of October 1, 2010, goodwill acquired in purchase business combinations and determined to have indefinite useful lives are not amortized, but instead are subject to impairment tests performed at least annually. See Note 10 regarding the change in accounting for goodwill for the year ended September 30, 2011. For goodwill, BMHCC performs the test at the reporting unit level when events occur that require an evaluation to be performed or at least annually. If BMHCC determines the carrying value of goodwill is impaired, or if the carrying value of a business that is to be sold or otherwise disposed of exceeds its fair value, then we reduce the carrying value, including any allocated goodwill, to fair value. Estimates of fair value are based on appraisals, established market prices for comparative assets or internal estimates of future net cash flows and presume stable, improving or, in some cases, declining results at BMHCC's hospitals, depending on their circumstances.

Temporarily and Permanently Restricted Net Assets — Temporarily restricted net assets are those whose use by BMHCC has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by BMHCC in perpetuity

Net Patient Service Revenue — Net patient service revenue is reported at the estimated net amounts realizable from patients, third-party payors, and others for services rendered, including estimated settlements under reimbursement agreements with third-party payors. Settlements are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, if necessary, as final settlements are determined. Amounts relative to the reopening or appeal of prior-year cost report filings are recognized as revenue when cash is received.

Charity Care — BMHCC provides care to medically indigent patients (those patients with a demonstrated inability to pay) at either no charge or at substantially reduced rates. No effort is made to pursue collection of any amounts charged after the determination of medical indigency of the patient has been made. Since management does not expect payment for charity care, the charges forgone are excluded from net patient service revenue.

Income Taxes — The majority of BMHCC is a nonprofit corporation and has been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code (the "Code") Certain affiliates are subject to income taxes Such activities and income taxes are not significant to the combined financial statements.

BMHCC adopted the provisions of FASB ASC Topic 740, *Income Taxes*, on October 1, 2009 for uncertain tax positions. Application of ASC Topic 740 to a tax-exempt organization is primarily directed at the characterization of income as tax exempt (related or excluded exempt function income) and/or taxable as unrelated business income as defined in the Code.

BMHCC evaluated the effect of FASB ASC Topic 740 for uncertain tax positions and determined that no adjustments to its combined financial statements were required upon the adoption. As of September 30, 2011 and 2010, BMHCC had not identified any uncertain tax positions under FASB ASC Topic 740 requiring adjustments to its combined financial statements. In the event BMHCC were to recognize interest and penalties related to uncertain tax positions, it would be recognized in the combined financial statements as interest expense. Generally, tax years 2007 through 2010 are open to examination by the federal and state taxing authorities, respectively. There are no income tax examinations currently in process.

Recent Accounting Pronouncements — In April 2009, the FASB issued Accounting Standards Update (ASU) No. 2010-07, *Not-for-Profit Entities (Topic 958) Not-for-Profit Entities Mergers and Acquisitions*. This statement provides guidance on accounting for a combination of not-for-profit entities or an acquisition by a not-for-profit entity. This statement amends FASB ASC 350, *Goodwill and Other Intangible Assets*, to make their provisions fully applicable to not-for-profit entities. The provisions of ASU No. 2010-07, which are to be applied prospectively for business combinations, were effective for BMHCC October 1, 2010. BMHCC adopted the provisions related to goodwill as of October 1, 2010, and ceased amortization of goodwill. The adoption did not have a material impact on BMHCC's combined financial statements. See Note 10 for additional information relative to the adoption of this standard for the year ended September 30, 2011.

In January 2010, the FASB issued ASU No. 2010-06, *Improving Disclosures about Fair Value Measurements*, which amends ASC Topic 820, *Fair Value Measurements and Disclosures*, to add new requirements for disclosures about transfers into and out of Levels 1 and 2 measurements and separate disclosures about purchases, sales, issuances, and settlements relating to Level 3 measurements. This ASU also clarifies existing fair value disclosure requirements about the level of disaggregation and about inputs and valuation techniques used to measure fair value. This standard is effective for the first reporting period beginning after December 15, 2009, except for the requirement to provide the Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010. BMHCC prospectively adopted the new guidance in 2011, except for the Level 3 reconciliation disclosures, which are required in 2012. The adoption in 2011 did not materially affect, and the future adoption is not expected to materially affect, BMHCC's financial statements.

In August 2010, the FASB issued ASU No. 2010-23, *Health Care Entities (Topic 954) Measuring Charity Care for Disclosure*, which prescribes a specific measurement basis of charity care disclosure. The guidance provided in this ASU is effective for fiscal years beginning after December 15, 2010. BMHCC is presently evaluating the impact of this standard.

In August 2010, the FASB issued ASU No. 2010-24, *Health Care Entities (Topic 954) Presentation of Insurance Claims and Related Insurance Recoveries*, which clarifies that a health care entity should not net insurance recoveries against a related claim liability. The guidance provided in this ASU is effective for the fiscal years beginning after December 15, 2010. BMHCC is presently evaluating the impact of this standard.

In July 2011, the FASB issued ASU No. 2011-07, *Health Care Entities (Topic 954) Presentation and Disclosure of Net Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities, a Consensus of the FASB Emerging Issues Task Force*, which provides for greater transparency regarding a health care entity's net patient revenue and the related allowance for doubtful accounts. ASU No. 2001-07 requires certain health care entities to change the presentation of the provision for bad debts associated with patient service revenue by reclassifying the provision from operating expenses to a deduction from net patient revenue and requires enhanced

disclosures about net patient revenue and the policies for recognizing revenue and assessing bad debts. The adoption of ASU No 2011-07 is effective for BMHCC for the fiscal year 2013. BMHCC is presently evaluating the impact of this standard.

Subsequent Events — BMHCC follows the authoritative guidance in ASC Topic 855, *Subsequent Events*. Management has evaluated events and transactions that have occurred between September 30, 2011 and December 20, 2011, which is the date that the combined financial statements were available to be issued for possible recognition or disclosure in the combined financial statements.

2. ACQUISITIONS

During 2011, Baptist Memorial Medical Group, Inc ("BMMG"), a nontaxable affiliate of BMHCC, purchased the assets of ten physician practices for approximately $34,484,000. Five of these transactions include promissory notes to the sellers for a total of approximately $7,668,000.

The consideration paid for the assets acquired during the year ended September 30, 2011, is as follows (in thousands):

Cash consideration for real and personal property	$	26,816
Debt assumed		7,668
Total purchase price	$	34,484

Allocation of purchase price (including assumed liabilities) (in thousands).

Current assets	$	3,120
Property, plant, and equipment		10,926
Goodwill		22,188
Current liabilities		(1,750)
Total purchase price	$	34,484

On February 1, 2010, Baptist Memorial Hospital- Jonesboro, Inc. (BMHJ), a nontaxable affiliate of BMHCC, purchased the remaining membership interest in Northeast Arkansas Baptist Memorial Health Care, LLC (NEAJ) from Northeast Arkansas Clinic Hospital Partners II, LLC for approximately $8,848,000. Additionally on February 1, 2010, Northeast Arkansas Clinic Charitable Foundation, Inc., doing business as NEA Baptist Clinic, a nontaxable affiliate of BMHCC, purchased the personal property of Northeast Arkansas Clinic, P.A. and Northeast Arkansas Management, LLC for approximately $12,982,000. The transaction includes a promissory note to the sellers for approximately $4,773,000.

The consideration paid for the assets acquired on February 1, 2010, is as follows (in thousands):

Cash consideration from BMHJ for membership interest	$	8,848
Cash consideration from NEA Baptist Clinic for real and personal property		8,209
Seller promissory note		4,773
Total purchase price	$	21,830

Allocation of purchase price (including assumed liabilities) (in thousands):

Current assets	$ 2,002
Property, plant, and equipment	6,261
Goodwill	14,278
Current liabilities	(711)
Total purchase price	$ 21,830

3. COMMUNITY BENEFIT

The summary of certain of BMHCC's community services, based upon charges forgone, provided to the indigent and to the broader community for the years ended September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Benefits for the indigent:		
Traditional charity care	$ 151,568	$ 131,388
Unpaid amounts of Medicaid/TennCare programs	339,061	283,269
Total benefits for the indigent	490,629	414,657
Benefits for the broader community — unpaid amounts of Medicare programs	1,644,566	1,437,298
Total	$2,135,195	$1,851,955

Benefits for the indigent include services provided to persons who cannot afford health care because of inadequate resources or who are uninsured. This includes traditional charity care and the unpaid amounts for treating Medicaid/TennCare beneficiaries at charges, which exceed the related payments. The charges foregone are excluded from net patient service revenue in the accompanying combined statements of operations and changes in net assets.

Benefits for the broader community are unpaid amounts in excess of government payments for treating Medicare beneficiaries.

BMHCC provides many educational programs and activities, including professional and technical schools, a graduate medical education program, and numerous continuing education programs for doctors, nurses, and other staff. BMHCC also broadly participates in medical research activities.

BMHCC engages in numerous health promotion and other community service activities. It sponsors health fairs and screenings, including inner-city health screenings for cancer detection and prevention, diabetes, and high blood pressure, etc. It also works through other community organizations, such as United Way, Goals for Memphis, and charitable foundations for medical research, such as the American Cancer Society, American Heart Association, and Kidney Foundation, among others.

The value of BMHCC's overall charitable, educational, health promotion, and community services is not readily determinable.

4. NET PATIENT SERVICE REVENUE

BMHCC has agreements with third parties that provide for payments to BMHCC at amounts different from its established rates. Net patient service revenue included in the accompanying combined statements of operations and changes in net assets is stated net of contractual adjustments of approximately $2,772,581,000 and $2,395,359,000 in 2011 and 2010, respectively. A summary of the payment arrangements with major third-party payors is as follows:

Medicare — Payment for inpatient services and most outpatient services is generally based on prospectively determined rates.

Arkansas and Mississippi Medicaid — Payment for inpatient services is generally based on prospectively determined daily rates. For most outpatient and selected inpatient services, payment is generally based on a percentage of cost.

TennCare — TennCare covers the medical needs of Tennessee's indigent and uninsured population. Eligible enrollees are generally persons who previously qualified for Medicaid and certain uninsured persons. TennCare is administered by state-approved managed care organizations (MCOs). The MCOs are third-party administrators, which enroll eligible participants and contract with providers (both physicians and hospitals) for medical services.

Blue Cross — Inpatient services are reimbursed at prospectively determined daily rates.

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

The final settlements of amounts to be paid to or from BMHCC by the Medicare and Medicaid programs are subject to audit and adjustment by the respective programs. Estimated settlements to or from Medicare and Medicaid represent the difference between interim payments and tentative settlements received and estimated reimbursable costs.

During 2011 and 2010, BMHCC adjusted its estimates of settlement of prior years' cost reports and other revenue recognition estimates. The revised estimates reflect filings during 2011 and 2010 of the cost reports for 2010 and 2009, final settlement of previously filed cost reports, reopening or appeal of past cost report filings, as well as other changes in revenue recognized for prior years' services. The net effect of these adjustments was to increase net patient service revenue by approximately $5,699,000 and $12,228,000 for the years ended September 30, 2011 and 2010, respectively.

5. BUSINESS AND CREDIT CONCENTRATIONS

BMHCC provides health care services through both inpatient and outpatient care facilities in Tennessee, Mississippi, and Arkansas. The hospitals grant credit to patients, substantially all of whom are local area residents. The hospitals generally do not require collateral or other security in extending credit to patients; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits from Medicare, Medicaid, Blue Cross, health maintenance organizations, and commercial insurance policies or similar insurance programs or policies.

The mix of accounts receivable, net of contractual allowances from patients, and third-party payors as of September 30, 2011 and 2010, is as follows:

	2011	2010
Medicare	36 %	36 %
Commercial and Blue Cross	25	26
Managed care	9	9
Medicaid	9	8
Patients (self pay)	19	19
Other third-party payors	2	2
Total	100 %	100 %

6. INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value on the combined balance sheets.

The composition of investments at September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Investments with readily determinable market values:		
Cash and short-term investments	$ 3,610	$ 19,894
Government debt obligations	228,176	243,800
Corporate and other debt obligations	214,934	218,652
Corporate stocks	451,811	493,647
Mutual funds	12,148	13,429
	910,679	989,422
Less cash	(3,610)	(19,894)
Less short-term investments	(1,600)	(4,290)
Total	$905,469	$965,238

The composition of net investment income for the marketable investment portfolio for the years ended September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Interest and dividend income	$34,066	$33,748
Net realized gains on investments	31,997	2,863
Total	$66,063	$36,611

The following table shows the gross unrealized losses and fair value of BMHCC's investments with unrealized losses that are not deemed to be other-than-temporarily impaired (in millions), aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at September 30, 2011 and September 30, 2010.

As of September 30, 2011

	Less than 12 Months		12 Months or Greater		Total	
Description of Securities	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**
Marketable equity securities	$97.2	$(22.2)	$112.8	$(16.4)	$210.0	$ (38.6)

As of September 30, 2010

	Less than 12 Months		12 Months or Greater		Total	
Description of Securities	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**
Marketable equity securities	$60.8	$ (7.1)	$ 68.9	$ (5.9)	$129.7	$ (13.0)

Marketable Equity Securities — Within the common stock portion of the portfolio (marketable equity securities), BMHCC considers them only temporarily impaired. BMHCC believes the stocks owned represent financially strong companies and over time will experience growth in earnings and dividends resulting in long-term price appreciation. BMHCC intends to hold the remaining common stocks for a period of time sufficient to experience the recovery of fair value

Investment and Equity Securities Carried at Cost — BMHCC does not own any private securities which would be carried at cost. All investments have public market values and are actively traded

ASC Topic 820 provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as follows Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. To the extent that fair value is based on inputs that are less observable in the market, the determination of fair value requires a significant amount of management judgment.

For the value of certain government and corporate debt securities, common and preferred stock, and common stock mutual funds at September 30, 2011 and 2010, quoted prices in principal active markets for identical assets as of the valuation date were used (Level 1)

The fair value of the interest rate swap agreement is primarily determined using valuation techniques consistent with the market approach. Significant observable inputs to the valuation model include interest rates, Treasury yields, and credit spreads (Level 2)

BMHCC's assets and liabilities by fair value hierarchy level at September 30, 2011, are presented in the following table (in thousands):

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Totals
Assets — investments				
Cash	$ 3,610	$ -	$ -	$ 3,610
U S Treasury	228,176	-	-	228,176
Corporate debt	214,934	-	-	214,934
Corporate stock	451,811	-	-	451,811
Mutual funds	12,148	-	-	12,148
Total assets — investments	$910,679	$ -	$ -	$910,679
Liabilities — interest rate swap	$ -	$ (3,923)	$ -	$ (3,923)

BMHCC's assets and liabilities by fair value hierarchy level at September 30, 2010, are presented in the following table (in thousands):

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Totals
Assets — investments				
Cash	$ 19,894	$ -	$ -	$ 19,894
U S Treasury	243,800	-	-	243,800
Corporate debt	218,652	-	-	218,652
Corporate stock	493,647	-	-	493,647
Mutual funds	13,429	-	-	13,429
Total assets — investments	$989,422	$ -	$ -	$989,422
Liabilities — interest rate swap	$ -	$ (4,158)	$ -	$ (4,158)

There were no significant transfers between Level 1, Level 2, or Level 3 assets during the years ended September 30, 2011 and 2010.

7. ASSETS WHOSE USE IS LIMITED

The composition of long-term assets whose use is limited at September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Baptist Memorial Health Care Foundation Scholarships	$ 16,063	$ 15,887

Assets whose use is limited are invested at September 30, 2011 and 2010, in the following (in thousands):

	2011	2010
Government debt obligations	$ 1,446	$ 1,118
Corporate and other debt obligations	3,800	3,788
Corporate stocks	10,817	10,981
Total	$ 16,063	$ 15,887

For the value of certain government and corporate debt securities, common and preferred stock, and common stock mutual funds at September 30, 2011 and 2010, quoted prices in principal active markets for identical assets as of the valuation date were used (Level 1).

8. PROPERTY AND EQUIPMENT

The composition of property and equipment at September 30, 2011 and 2010, is as follows (in thousands):

	Useful Lives in Years	2011	2010
Owned:			
Land and land improvements	3–25	$ 134,131	$ 120,325
Buildings and improvements	5–47	1,048,370	969,763
Equipment	2–25	781,374	731,506
Construction in progress		64,210	27,522
Total owned		2,028,085	1,849,116
Held under capital leases	5–35	6,092	12,391
Total property and equipment		2,034,177	1,861,507
Less accumulated depreciation and amortization		(1,043,942)	(960,747)
Property and equipment — net		$ 990,235	$ 900,760

9. OTHER LONG-TERM ASSETS

The composition of other assets at September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Cash surrender value of life insurance	$ 4,577	$ 4,018
Notes receivable	219	222
Deferred charges and other assets	4,410	4,697
Land held for investment	10,143	10,143
Investments in affiliates	6,139	5,304
Total	$25,488	$24,384

10. GOODWILL

During the year ended September 30, 2011, BMHCC adopted the requirements of FASB ASC Topic 958, *Not-for-Profit Entities*, which changed the reporting requirements for not-for-profit mergers and acquisitions. BMHCC is now required to perform an annual impairment assessment of goodwill and to cease amortization of goodwill acquired in a business combination (such amortization was approximately $640,000 for the year ended September 30, 2010). BMHCC has selected June 30 as the date on which it will perform its annual impairment assessment. Such an assessment was performed as of June 30, 2011, and no impairment of goodwill was indicated.

Information on changes in the carrying value of goodwill which is included in other long-term assets in the accompanying combined statement of financial position as of September 30, 2011 and 2010, is as follows (in thousands):

Balance — October 1, 2009	$ 16,689
Amortization expense during the year	(640)
Goodwill acquired during the year	14,246
Balance — September 30, 2010	30,295
Goodwill acquired during the year	22,188
Balance — September 30, 2011	$52,483

11. LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS

A summary of long-term debt and capital lease obligations at September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Series 2009 Taxable Commercial Paper, variable interest from 0.12% to 0.40%	$ 70,500	$ 55,500
Series 2004A Revenue bonds — due in installments through 2020, fixed interest rate from 2.00% to 5.00%	147,108	161,953
Series 2004B1 and 2004B2 Revenue bonds — due in installments through 2024, fixed interest from 4.50% to 5.00% (B1) and variable less than 0.50% (B2)	118,820	122,992
Notes payable to banks — due in installments through 2016, variable interest from less than 0.50%–5.00%	10,656	5,557
Capital lease obligations	4,339	8,388
Total long-term debt and capital obligations	351,423	354,390
Less current portion	(94,896)	(78,132)
Long-term debt and capital lease obligations — net	$256,527	$276,258

On October 27, 2009, BMHCC adopted a resolution to issue Commercial Paper Notes ("Commercial Paper") in the amount of $150,000,000 through a taxable commercial paper program. The Commercial Paper is available to be drawn for any corporate purpose Each note issued from the Commercial Paper will mature on a business day not later than 270 days after the date of issuance of such note. Interest on a note is payable at maturity and the notes are not subject to redemption prior to their maturity date The notes are general obligations of BMHCC and treated as short-term debt for accounting purposes. On December 3, 2009, BMHCC issued Commercial Paper notes in the amount of $25,000,000 and $30,500,000 and utilized the proceeds to retire debt with First Tennessee Bank in the amount of $43,500,000 and $12,000,000 (which were included in notes payable to banks at September 30, 2009) On August 29, 2011, BMHCC issued additional Commercial Paper notes in the amount of $15,000,000 utilized to fund the new hospital construction in Jonesboro, Arkansas. There is approximately $79,500,000 of available borrowing capacity under the Commercial Paper program as of September 30, 2011.

A system trust indenture was entered into in September 2004, which replaced and superseded the previous existing master loan agreement dated May 1, 2000 (the "System Trust Indenture"). Under the terms of the System Trust Indenture, an obligated group was established, composed of BMHCC and certain hospitals and affiliated corporations (the "Obligated Group") All members of the Obligated Group are jointly and severally liable for obligations due under the System Trust Indenture. Obligations under the System Trust Indenture are secured by pledge of the gross revenue of each member of the Obligated Group. The System Trust Indenture includes certain covenants and restrictions with which the Obligated Group must comply

The Health, Education, and Housing Facility Board of the County of Shelby, Tennessee Revenue Bonds Series 2004A ("Series 2004A Bonds") were issued during September 2004, in the principal amount of $229,360,000 to refund the Tennessee Variable Rate Revenue Bonds Series 2000, issued on May 11, 2000 ("Series 2000 Bonds") At the time of refunding, the outstanding principal of the Series 2000

Bonds was $245,600,000. On October 21, 2009, BMHCC entered into a bond purchase agreement with Merrill Lynch. This bond purchase agreement relates to the remarketing in the fixed-rate mode of $186,355,000 aggregate principal amounts, including $167,970,000, which represented the remaining outstanding balance of the Series 2004A Revenue bonds. The bonds were originally issued as multimodal variable rate bonds and on November 5, 2009, the bonds were remarketed in the fixed-rate mode. Interest on the bonds is payable on March 1 and September 1 of each year, commencing March 1, 2010, and range in rates from 2.50% to 5.00%, with maturities from 2010 to 2024.

The Mississippi Hospital Equipment and Facilities Authority Revenue Bonds Series 2004B1 ("Series 2004B1 Bonds") and Revenue Bond Series 2004B2 ("Series 2004B2 Bonds") were issued during September 2004, in the principal amounts of $86,000,000 and $73,385,000, respectively, to refund the Mississippi Variable Rate Revenue Bonds Series 2001, issued on May 24, 2001 ("Series 2001 Bonds") and to provide a significant portion of the funding of a construction, renovation, and improvement project at Baptist Memorial Hospital-DeSoto. At the time of refunding, the outstanding principal of the Series 2001 Bonds was $34,320,000. The Series 2004B1 Bonds were issued as fixed-rate bonds and interest will be payable on March 1 and September 1 of each year. The Series 2004B2 Bonds were originally issued as all multimodal variable rate bonds and interest will be payable on March 1 and September 1 of each year. The October 21, 2009, bond purchase agreement with Merrill Lynch also included remarketing $18,385,000 of the Series 2004B1 Bonds. The bonds were originally issued as multimodal variable rate bonds and on November 5, 2009, the bonds were remarketed in the fixed-rate mode. Interest on this portion of the bonds is payable on March 1 and September 1 of each year, commencing March 1, 2010, and range in rates from 0.61% to 5.00%, with maturities from 2010 to 2024.

A Rate Maintenance Agreement (RMA) was entered into during September 2004 between BMHCC, Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), and Merrill Lynch Capital Services, Inc. (MLCS). The Series 2004A Bonds and Series 2004B2 Bonds are subject to the RMA Under this agreement, MLCS guarantees BMHCC an effective variable rate debt service yield based upon the Securities Industry and Financial Markets Association Municipal Swap Index (SIFMA), plus 55 basis points During 2006 and 2005, certain bonds reset their respective interest rates. Based on the current conditions at the time of reset, the RMA guarantees BMHCC an effective variable rate debt service yield based upon the SIFMA, plus 45 basis points. The initial term of the RMA was five years, but upon the reset of the bonds the RMA term was extended through 2016. The RMA is accounted for as a derivative, however, the fair value has been deemed to be $0 as of September 30, 2011 and 2010, respectively.

Certain affiliated hospitals issued revenue bonds under the June 1, 1997, master loan agreement to provide funds to defease the outstanding revenue bonds under the master trust indenture dated March 1, 1991. Assets are held in trust, irrevocably restricted, to satisfy the debt service requirements on the defeased issues. The outstanding principal of these defeased issues, which is considered extinguished for financial reporting purposes, is $15,605,000 as of September 30, 2011.

During 2001, BMHCC entered into an interest rate swap agreement relating to $38,000,000 of the above Revenue Bonds (due in installments through 2021) The interest rate swap agreement was intended to convert the bonds from a variable interest rate based on 70% of one-month London InterBank Offered Rate to a fixed rate of 4.12%. The market deficit of the swap agreement was approximately $3,923,000 and $4,158,000 as of September 30, 2011 and 2010, respectively, and was included in other long-term liabilities in the accompanying combined balance sheets. Upon redemption of the bonds in 2004, the swap agreement was intended to relate to the bonds issued in 2004. The swap no longer qualified for hedge accounting; therefore, the change in market value has been included in earnings

Most of the above notes and bonds include certain restrictive covenants. The Company believes it is in compliance with all such covenants at September 30, 2011 and 2010, and for the years then ended.

Certain affiliate hospitals are obligated to their respective counties under capital leases. The initial lease terms range from 30 to 35 years.

The scheduled maturities of long-term debt and capital lease obligations (including interest) subsequent to September 30, 2011, are as follows (in thousands):

Years Ending September 30	Long-Term Debt	Capital Lease Obligations
2012	$ 94,111	$ 785
2013	19,706	678
2014	20,698	248
2015	20,976	-
2016	20,298	-
Thereafter	171,295	6,869
	$347,084	8,580
Less amounts representing interest on capital lease obligations		(4,241)
		$ 4,339

12. ACCRUED EXPENSES

The composition of accrued expenses at September 30, 2011 and 2010, is as follows:

	2011	2010
Accrued compensation and benefits	$ 63,068	$ 53,564
Accrued health claims incurred but not reported	16,729	16,757
Accrued other	28,619	28,093
Other current liabilities	22,991	12,479
Current portion of postretirement healthcare benefits	2,496	2,148
Total	$ 133,903	$ 113,041

13. FINANCIAL INSTRUMENTS

The carrying amounts of all applicable asset and liability financial instruments reported in the combined balance sheets (except debt instruments) approximate their estimated fair values, in all significant respects, at September 30, 2011 and 2010. Fair value of a financial instrument is defined as the amount at which the instrument could be exchanged in a current transaction between willing parties

The fair values of the debt instruments have been estimated using interest rates currently available to BMHCC for borrowings having similar character, collateral, and duration. The aggregate fair value approximated $348,823,000 and $353,652,000 at September 30, 2011 and 2010, respectively

14. OTHER LONG-TERM LIABILITIES

The composition of other long-term liabilities at September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Reserve for self insurance	$ 82,678	$ 90,165
Postretirement benefit obligations	41,995	40,159
Other long-term liabilities	12,068	9,546
Minority interests	12,301	12,235
	$ 149,042	$ 152,105

15. EMPLOYEE RETIREMENT PLANS

Defined Contribution Plan — Certain BMHCC entities sponsor a Section 403(b) defined contribution employee benefit plan administered through the Guidestone Financial Resources of the Southern Baptist Convention. For those entities, employees who are at least 21 years of age and have completed 1,000 hours of service during a 12-month period are eligible to participate. Participants may make matched tax-deferred contributions of 2% to 5% of eligible earnings, as defined These contributions are then matched on a graduated scale based on years of service from 50% of eligible contributions up to 200% of eligible contributions by BMHCC, up to 5% of the participants' annual base salaries. Participants may also make unmatched tax-deferred contributions up to applicable Internal Revenue Service limitations. Participants vest in BMHCC's matching contributions 20% after two years of service, with subsequent annual increases of 20% up to 100% after six years of service. During 2011 and 2010, BMHCC's matching contribution approximated $26,635,000 and $23,327,000, respectively.

Postretirement Health Care Benefits — BMHCC provides medical and dental benefits to certain retirees of BMHCC. Employees are generally eligible for postretirement benefits upon retirement and completion of a specified number of years of credited service. Participation in this plan is currently frozen to those employees having met these requirements in prior years. The plan is contributory, with retiree payments based on the year of retirement, age at retirement, and years of employment BMHCC does not prefund these benefits and has the right to modify or terminate the plan in the future.

Net periodic postretirement benefit cost for the years ended September 30, 2011 and 2010, includes the following components (in thousands):

	2011	2010
Service cost	$ 705	$ 739
Interest cost on accumulated postretirement benefit obligation	1,302	1,658
Net amortizations	(90)	155
	$ 1,917	$ 2,552

The change in benefit obligation and reconciliation of funded status at September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Benefit obligation — beginning of year	$32,066	$34,329
Service cost	705	739
Interest cost	1,302	1,658
Plan participants' contributions	1,252	1,291
Actuarial loss (gain)	845	(2,653)
Benefits paid	(3,349)	(3,298)
Benefit obligation — end of year	$32,821	$32,066
Funded status	$32,821	$32,066

Amounts recognized in the combined balance sheets as of September 30, 2011 and 2010, consist of the following (in thousands):

	Other Benefits	
	2011	2010
Current liabilities	$ 2,496	$ 2,148
Noncurrent liabilities	30,325	29,918

Amounts recognized as changes in unrestricted net assets arising from a postretirement benefit plan, but not yet included in net periodic benefit cost as of September 30, 2011 and 2010, consist of the following (in thousands):

	Other Benefits	
	2011	2010
Net gain	$(7,262)	$(8,680)
Prior service cost	2,545	3,027
Total	$(4,717)	$(5,653)

Other Changes in Plan Assets and Benefits — Obligations recognized in unrestricted net assets at September 30, 2011 and 2010, are as follows (in thousands).

	2011	2010
Net loss (gain)	$ 845	$(2,653)
Amortization of net gain	573	328
Amortization of prior service cost	(483)	(483)
Total recognized in unrestricted net assets	$ 935	$(2,808)
Total recognized in net periodic benefit cost and unrestricted net assets	$2,852	$ (256)

The estimated net gain and prior service cost for the postretirement benefit plan that will be amortized from accumulated unrestricted net assets into net periodic benefit cost over the next fiscal year are approximately $431,000 and $483,000, respectively.

The following benefit payments, net of plan participants' contributions, are expected to be paid (in thousands):

Years Ending September 30	Amount
2012	$2,496
2013	2,494
2014	2,513
2015	2,463
2016	2,448
2017–2021	12,131

Weighted-average assumptions used to determine net periodic benefit cost for years ended September 30, 2011 and 2010, consist of the following:

	Other Benefits	
	2011	2010
Discount rate	4.20 %	5.00 %

Weighted-average assumptions used to determine benefit obligations at September 30, 2011 and 2010, consist of the following:

	Other Benefits	
	2011	2010
Discount rate	3.95 %	4.20 %

Assumed health care cost trend rates at September 30, 2011 and 2010, consist of the following:

	2011	2010
Post-65 health care cost trend rate assumed for next year	8.50 %	8.50 %
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.00 %	5.00 %
Year that the rate reaches the ultimate trend rate	2018	2017

BMHCC expects to contribute approximately $2,496,000 to its postretirement benefit plan in 2012.

In 2006, eligible retirees of BMHCC had available to them the Medicare Part D Prescription Drug plan BMHCC has chosen to continue to offer comparable prescription drug coverage which the organization believes to be actuarially equivalent to the Medicare Part D coverage and as a result receives a direct subsidy of 28% of eligible plan expenses from the federal government.

Supplemental Retirement Benefits – BMHCC has an unfunded, noncontributory supplemental retirement benefit plan that covers certain employees.

Net periodic benefit cost for the years ended September 30, 2011 and 2010, includes the following components (in thousands):

	2011	2010
Service cost	$ 627	$ 666
Interest cost on accumulated benefit obligation	542	685
Amortization of unrecognized gain	174	174
Recognized loss	110	75
Net periodic benefit cost	$ 1,453	$ 1,600

The change in benefit obligation and reconciliation of funded status at September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Benefit obligation — beginning of year	$ 6,660	$ 7,981
Net periodic benefit cost	1,453	1,600
Benefits paid (BMHCC contributions)	(1,807)	(2,921)
Benefit obligation — end of year	6,306	6,660
Change in unrestricted reserves	5,365	3,581
Net amount recognized	$ 11,671	$ 10,241

Benefit payments expected to be paid at September 30, 2011, consist of the following (in thousands):

Years Ending September 30	Amount
2012	$ 497
2013	155
2014	573
2015	95
2016	941
2017–2020	10,414

Future benefit costs were estimated assuming a 6.00% earnings rate, a 4.50% discount rate for liabilities, and a salary increase assumption of 4.00%

16. RESTRICTED NET ASSETS

Temporarily Restricted Net Assets — The composition of temporarily restricted net assets at September 30, 2011 and 2010, is as follows (in thousands)

	2011	2010
Specific purpose:		
Educational activities	$ 6,886	$ 7,004
Charitable and religious activities	5,655	7,720
Capital additions	3,596	137
Science and research	439	498
Charitable remainder trusts	1,185	1,229
	$ 17,761	$ 16,588

Permanently Restricted Net Assets — The composition of permanently restricted net assets at September 30, 2011 and 2010, is as follows (in thousands):

	2011	2010
Permanent endowment funds — the income from which is expendable to support:		
Educational activities	$ 13,549	$ 7,050
Charitable and religious activities	3,739	3,735
Capital additions	1,106	1,013
Science and research	1,450	1,459
Charitable remainder trusts	322	335
	$ 20,166	$ 13,592

17. ENDOWMENT FUNDS

BMHCC's endowment consists of approximately 104 individual funds established for a variety of purposes Its endowment includes only donor-restricted endowment funds. There are no board-designated endowment funds.

As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. All permanently restricted net assets as of September 30, 2011 and 2010, are donor-restricted endowments

Changes in endowment net assets all of which are permanently restricted for the years ended September 30, 2011 and 2010, are as follows (in thousands):

	Permanently Restricted	
	2011	2010
Endowment net assets — beginning of year	$13,541	$11,917
Contributions and bequests	6,689	756
Interest and dividends	21	17
Net realized and unrealized (loss) gain	(136)	851
Endowment net assets — end of year	$20,115	$13,541

18. COMMITMENTS AND CONTINGENCIES

Operating Leases — Leases that do not meet the criteria for capitalization are classified as operating leases, with related rentals charged to operations as incurred.

The schedule, by year, of minimum lease payments for the next five years under operating leases at September 30, 2011, that have initial or remaining lease terms in excess of one year consists of the following (in thousands):

Years Ending September 30	Minimum Lease Payments
2012	$11,176
2013	10,737
2014	10,247
2015	9,859
2016	10,145
Thereafter	4,797
	$56,961

Total rental expense in 2011 and 2010 for all operating leases was approximately $13,628,000 and $10,876,000, respectively.

Liabilities for Self Insurance — The entities comprising BMHCC participate in a pooled risk program managed by the Corporation Premiums are assessed by the Corporation to BMHCC entities based on their claims history and other factors. Except as provided below, BMHCC is self-insured for general and professional liability, employee health, and workers' compensation risks, and employment practices

Professional and General Liability BMHCC accrues an estimated liability for its uninsured exposure and self-insured retention based on historical loss patterns and actuarial projections. BMHCC's estimated liability for the self-insured portion of professional and general liability claims was approximately $69,567,000 and $78,986,000 as of September 30, 2011 and 2010, respectively. These estimated liabilities represent the present value of estimated future professional liability claims payments based on expected loss patterns using a weighted-average discount rate of 3.5% in 2011 and 2010, respectively.

As of September 30, 2011 and 2010, BMHCC has claims against Reciprocal of America due it under previous insurance contracts but considers these amounts to be gain contingencies, which are accounted for in accordance with ASC Topic 450, *Contingencies*. BMHCC will recognize amounts due from the Reciprocal of America when substantially all uncertainties about the timing and amount of realization are resolved. These amounts, if realized by BMHCC, are not expected to be material to the combined financial statements.

BMHCC has procured excess hospital and general liability insurance through Lexington Insurance Company on a claims-made basis. As of September 30, 2010, BMHCC's deductible is the first $5,000,000 per claim, including defense costs for the Tennessee and Mississippi facilities. In Arkansas, the deductible is the first $1,000,000 per claim. The policy has liability limits of $25,000,000 per occurrence for the Tennessee, Mississippi, and Arkansas facilities.

In addition, BMHCC and its other affiliates are defendants in various actions arising from their health care service activities. It is the opinion of management that the foregoing actions will not have a material adverse effect on BMHCC's financial position.

Employee Health — BMHCC offers subsidized health insurance to its employees through a self-insured plan. Self-insurance reserves for the employee health program were approximately $16,729,000 and $16,757,000 as of September 30, 2011 and 2010, respectively. The estimated reserve for employee health claims is based on actual claims history.

Workers' Compensation — BMHCC is self-insured for workers' compensation liability for the first $350,000 per accident in the states of Arkansas and Mississippi and $400,000 per accident in the state of Tennessee and has excess coverage up to applicable statutory limits for each state on a claims-made basis. The workers' compensation self-insurance reserves are approximately $10,652,000 and $9,023,000 as of September 30, 2011 and 2010, respectively.

Employment Practices Liability — BMHCC is self-insured for employment practices liability (EPL) for the first $200,000 per claim. The reserves are approximately $2,500,000 and $2,156,000 as of September 30, 2011 and 2010, respectively. BMHCC has EPL coverage as part of the Directors and Officers liability policy, which has a $10,000,000 limit.

Physician Commitments — BMHCC has committed to provide certain financial assistance pursuant to recruiting agreements with various physicians practicing in the communities it serves. In consideration for a physician relocating to one of its communities and agreeing to engage in private practice for the benefit of the respective community, BMHCC may provide loans to those physicians, normally over a period of one year, to assist in the establishment of the physician's practice. The actual amount of such commitments to be advanced to physicians often depends upon the financial results of a physician's private practice during the term of the agreement. At September 30, 2011, the maximum potential amount of future payments under these commitments is approximately $4,390,000. A portion of such payments are recoverable by BMHCC from physicians who do not fulfill their commitment period, which varies by contract, to the respective community.

Property Operating Agreements — During the period from 1999 to 2002, BMHCC entered into five individual property operating agreements with a third party. The third party agreed to lease land from BMHCC, develop medical office buildings, and manage the medical office buildings pursuant to the property operating agreements. In turn, BMHCC agreed to guarantee the third party's net cash flows from the medical office buildings.

The original term for each agreement is 180 months with 14 successive options to renew (each for a five-year period) which begin to expire in 2015. In addition, there is an option for BMHCC to purchase a facility from the third party. As of September 30, 2011, the estimated remaining maximum potential future payments related to these guarantees are approximately $54,635,000, which assumes no future tenants, therefore, zero rental income. Amounts actually funded under these guarantees were approximately $5,224,000 and $4,958,000 for the years ended September 30, 2011 and 2010, respectively As these guarantees incepted before the initial recognition requirements of FASB ASC Topic 460, *Guarantees*, there is no liability recorded related to these instruments

Commitments to Build Hospital Facilities — As of September 30, 2011, BMHCC had commitments to build replacement facilities for its Northeast Arkansas and North Mississippi hospitals The Northeast Arkansas commitment is for an approximate $300,000,000 facility to be completed by 2013 and the North Mississippi commitment is for an approximate $250,000,000 facility to be completed no later than 2017.

19. FUNCTIONAL EXPENSES

BMHCC provides general health care and other services to residents within its geographic location. Expenses related to providing these services for the years ended September 30, 2011 and 2010, are as follows (in thousands):

	2011	2010
Health care services	$1,401,934	$1,259,004
Managed care	2,190	1,865
Student instruction	11,505	10,585
General and administrative	335,422	320,753
	$1,751,051	$1,592,207

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