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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

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

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

C Name of organization
BMH INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
98 POPLAR STREET

City or town, state or country, and ZIP + 4
BLACKFOOT, ID 832211799

D Employer identification number
20-5126945

E Telephone number
(208)785-4100

G Gross receipts $ 85,491,412

F Name and address of principal officer
LOUIS KRAML
98 POPLAR STREET
BLACKFOOT,ID 832211799

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

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

H(c) Group exemption number ▶

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

J Website: ▶ WWW BINGHAMMEMORIAL ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 2006 | **M** State of legal domicile ID

Part I Summary

1 Briefly describe the organization's mission or most significant activities
SEE SCHEDULE O FOR DESCRIPTIONBINGHAM MEMORIAL HOSPITAL IS COMMITTED TO THE PURSUIT OF EXCELLENCE IN ITS ENDEAVOR TO PROVIDE A CONTINUUM OF QUALITY, COMPASSIONATE HEALTHCARE SERVICES FOR OUR RESIDENTS AND FOR VISITORS TO BINGHAM COUNTY, IN THE MOST EFFECTIVE AND COST EFFECTIVE MANNER POSSIBLE

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**	9
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	7
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	869
6	Total number of volunteers (estimate if necessary)	**6**	45
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
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)	46,396	315,480
9	Program service revenue (Part VIII, line 2g)	72,208,252	77,035,131
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,742,362	292,960
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,188,056	1,076,290
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	76,185,066	78,719,861
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	73,542
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)	36,652,142	39,496,701
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,175		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	36,067,588	38,506,529
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	72,719,730	78,076,772
19	Revenue less expenses Subtract line 18 from line 12	3,465,336	643,089

Revenue

Expenses

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	51,745,850	52,378,387
21	Total liabilities (Part X, line 26)	28,397,801	28,686,912
22	Net assets or fund balances Subtract line 21 from line 20	23,348,049	23,691,475

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

****** | 2012-11-15
Signature of officer | Date

D JEFFERY DANIELS CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature: ROBERT GRANNUM	Date	Check if self-employed ▶ ☐	Preparer's taxpayer identification number (see instructions) P00355876
Firm's name (or yours if self-employed), address, and ZIP + 4: MOSS ADAMS LLP, 2707 COLBY AVENUE SUITE 801, EVERETT, WA 982013510			EIN ▶ 91-0189318; Phone no ▶ (425) 259-7227

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

BINGHAM MEMORIAL HOSPITAL IS COMMITTED TO THE PURSUIT OF EXCELLENCE IN ITS ENDEAVOR TO PROVIDE A CONTINUUM OF QUALITY, COMPASSIONATE HEALTHCARE SERVICES FOR OUR RESIDENTS AND FOR VISITORS TO BINGHAM COUNTY, IN THE MOST EFFECTIVE AND COST EFFECTIVE MANNER POSSIBLE

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 organization's program service accomplishments for each of its three largest program services, as measured 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 $ 43,669,278 including grants of $ 73,542) (Revenue $ 59,207,769)

ACUTE CARE HOSPITAL - THE HOSPITAL PROVIDED SERVICE TO 2,311 INPATIENTS, WHICH INCLUDED 6,546 TOTAL SURGERIES (INPATIENT AND OUTPATIENT), 444 NEWBORN INFANTS, AND 9,960 EMERGENCY ROOM PATIENTS THE HOSPITAL HAS A FULL SERVICE RADIOLOGY, PHYSICAL THERAPY, RESPIRATORY THERAPY, PHARMACY AND LABORATORY TO SUPPORT THE NEEDS OF THE HOSPITAL'S INPATIENTS AND OUTPATIENTS

4b (Code) (Expenses $ 17,238,345 including grants of $) (Revenue $ 14,624,724)

CLINIC SERVICES - THE HOSPITAL EMPLOYS AND CONTRACTS WITH PHYSICIANS TO PROVIDE MEDICAL CARE TO INDIVIDUALS IN THE COMMUNITY AND SERVICE AREA DURING THE YEAR, THESE PHYSICIANS PROVIDED 68,829 SEPARATE SERVICE ENCOUNTERS FOR INDIVIDUAL PATIENTS

4c (Code) (Expenses $ 2,784,016 including grants of $) (Revenue $ 3,799,084)

NURSING HOME - THE NURSING HOME AVERAGED 46 7 RESIDENTS PER DAY RECEIVING INPATIENT SERVICES (EITHER SKILLED OR LONG-TERM CARE) DURING THE YEAR

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 63,691,639

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 instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which 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 temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	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, Part 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, Part 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*	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.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	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 questions 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 owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
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	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**	Yes	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	130		
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**	869			
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**		No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**		
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 or securities 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.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate 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 aggregate 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	9		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	7		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		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		No

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

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

Section C. Disclosure

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

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 made 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 made 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 ▶

D JEFFERY DANIELS
98 POPLAR
BLACKFOOT,ID 83221
(208)785-3803

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, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) HOWARD HARRINGTON CHAIRMAN	5 00	X		X				0	0	117
(2) LEE KNIFFIN VICE CHAIRMAN	5 00	X		X				0	0	91
(3) ALICE CANNON TREASURER	5 00	X		X				0	0	88
(4) GORDON ARAVE DIRECTOR	3 00	X						0	0	35
(5) JOHN FULLMER DIRECTOR	3 00	X						0	0	53
(6) NORMAN STANLEY DIRECTOR	3 00	X						0	0	127
(7) WALLACE DRISCOLL DIRECTOR	3 00	X						0	0	325
(8) JOE CANNON DIRECTOR	3 00	X						0	0	63
(9) DR CLARK ALLEN DIRECTOR	3 00	X						0	0	127
(10) LOUIS KRAML CEO	70 00			X				439,846	0	63,459
(11) JEFF DANIELS CFO	70 00			X				329,588	0	25,216
(12) DAN COCHRAN COO	70 00			X				249,328	0	17,709
(13) DR GARY CALL CMO	40 00			X				149,332	0	10,000
(14) CINDY CHRISTENSON CNO	70 00			X				126,450	0	16,542
(15) DR ADAM WRAY PHYSICIAN	40 00					X		827,310	0	25,921
(16) DR DAVID SHELLEY PHYSICIAN	40 00					X		1,015,646	0	16,584
(17) DR DAVID PETERSON PHYSICIAN	40 00					X		499,944	0	16,584

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 (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(18) DR TIMOTHY WOODS PHYSICIAN	40 00					X		469,985	0	15,921
(19) DR GAIL FIELDS PHYSICIAN	40 00					X		477,765	0	0
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								4,585,194	0	208,962

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 48

			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 Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
IDAHO PATHOLOGY LABORATORY LLC 98 POPLAR STREET BLACKFOOT, ID 83221	PATHOLOGICAL LABORATORY SERVICES	768,113
MSVM GROUP LLC PO BOX 4864 POCATELLO, ID 83201	MARKETING	728,235
NORTHWEST EMERGENCY PHYSICIANS PO BOX 634850 CINCINNATI, OH 452634850	PHYSICIAN MEDICAL SERVICES	508,220
INTERMOUNTAIN NEUROSURGERY PA 285 VISTA DR POCATELLO, ID 83201	PHYSICIAN MEDICAL SERVICES	320,000
PIETRA LLC 4501 COLLEGE BLVD SUITE 320 LEAWOOD, KS 66211	ENDOSCOPY SERVICES	270,998

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 18

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				
	e	Government grants (contributions)	1e	57,749			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	257,731			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		315,480			
Program Service Revenue			Business Code				
	2a	PATIENT REVENUE	621110	155,175,419	155,175,419		
	b	PROFESSIONAL FEES REVE	621110	6,727,295	6,727,295		
	c	FACILITY FEES REVENUE	621110	301,994	301,994		
	d	CHARITY CARE	621110	-1,151,215	-1,151,215		
	e	CONTRACTUAL ALLOWANCE	621110	-84,018,362	-84,018,362		
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		77,035,131			
	3	Investment income (including dividends, interest and other similar amounts)		173,840			173,840
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross rents	104,298	172,764			
	b	Less rental expenses	104,298	172,764			
	c	Rental income or (loss)	0	0			
	d	Net rental income or (loss)			0		
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	6,592,589	7,500			
	b	Less cost or other basis and sales expenses	6,480,969	0			
	c	Gain or (loss)	111,620	7,500			
	d	Net gain or (loss)			119,120		119,120
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		13,378			
	b	Less cost of goods sold b		13,520			
	c	Net income or (loss) from sales of inventory			-142		-142
		Miscellaneous Revenue	Business Code				
	11a	MANAGEMENT SERVICE CON	624200	802,336			802,336
	b	CAFETERIA	722210	479,986			479,986
	c	ANCILLARY CARE SERVICE	621500	76,990	76,990		
	d	All other revenue		-282,880	-282,880		
	e	**Total.** Add lines 11a–11d		1,076,432			
	12	**Total revenue.** See Instructions		78,719,861	76,829,241	0	1,575,140

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

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 United States See Part IV, line 21	73,542	73,542		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,428,497	1,025,187	403,310	
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	31,608,306	27,502,338	4,105,968	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	200,412	200,412		
9	Other employee benefits	4,079,641	3,372,113	707,528	
10	Payroll taxes	2,179,845	1,807,474	372,371	
11	Fees for services (non-employees)				
a	Management	4,867,060	3,778,100	1,088,960	
b	Legal	104,007		104,007	
c	Accounting	115,500		115,500	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees	119,924		119,924	
g	Other	1,989,371	1,885,871	103,500	
12	Advertising and promotion	1,598,512		1,598,512	
13	Office expenses	947,815		947,485	330
14	Information technology	768,021		768,021	
15	Royalties . .				
16	Occupancy	1,875,441	1,241,779	633,662	
17	Travel	422,728	142,941	279,787	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	153,712	113,897	39,815	
20	Interest	567,127		567,127	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	2,322,123	2,322,123		
23	Insurance	568,084	568,084		
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	MEDICAL EXPENSES	8,781,024	8,781,024		
b	BAD DEBT EXPENSE	5,416,911	5,416,911		
c	OTHER SUPPLIES	4,922,854	4,819,539	102,470	845
d	STATE ASSESSMENT	1,030,147		1,030,147	
e					
f	All other expenses	1,936,168	640,304	1,295,864	
25	**Total functional expenses.** Add lines 1 through 24f	78,076,772	63,691,639	14,383,958	1,175
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		1,543,779	1	101,762
	2	Savings and temporary cash investments		933,602	2	250,000
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		11,130,222	4	14,740,300
	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)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		3,079,975	7	1,445,208
	8	Inventories for sale or use		2,483,589	8	2,849,770
	9	Prepaid expenses and deferred charges		748,182	9	1,550,105
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 47,574,878			
	b	Less accumulated depreciation	10b 27,972,208	18,499,735	10c	19,602,670
	11	Investments—publicly traded securities		13,062,849	11	11,163,572
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets		263,917	14	0
	15	Other assets See Part IV, line 11		0	15	675,000
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		51,745,850	16	52,378,387
Liabilities	17	Accounts payable and accrued expenses		8,576,075	17	11,182,992
	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		11,606,416	23	12,619,360
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		8,215,310	25	4,884,560
	26	**Total liabilities.** Add lines 17 through 25		28,397,801	26	28,686,912
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		23,348,049	27	23,691,475
	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		23,348,049	33	23,691,475
	34	Total liabilities and net assets/fund balances		51,745,850	34	52,378,387

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	78,719,861
2	Total expenses (must equal Part IX, column (A), line 25)	2	78,076,772
3	Revenue less expenses Subtract line 2 from line 1	3	643,089
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	23,348,049
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-299,663
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	23,691,475

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

2011

Open to Public Inspection

Name of the organization
BMH INC

Employer identification number
20-5126945

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 **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 IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
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 2011 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2011.** 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—2010.** 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—2011.** 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—2010.** 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 IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from **2010** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2011.** 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—2010.** 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 explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

Additional Data

Software ID:
Software Version:
EIN: 20-5126945
Name: BMH INC

Form 990, Special Condition Description:

Special Condition Description

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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

2011

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, line 35c (Proxy Tax), then

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

Name of the organization	Employer identification number
BMH INC	20-5126945

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 on behalf of or in opposition to candidates for public office 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 (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

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) 2008	(b) 2009	(c) 2010	(d) 2011	(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		3,210
j	Total lines 1c through 1i			3,210
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 LOBBYING ACTIVITIES	PART II-B, LINE 1	A SMALL PORTION OF THE ORGANIZATION'S IDAHO HOSPITAL ASSOCIATION AND AMERICAN HOSPITAL ASSOCIATION DUES ARE ALLOCATED TO LOBBYING ACTIVITIES BASED ON STUDIES CONDUCTED BY THE RESPECTIVE ASSOCIATION THE PORTION OF IDAHO HOSPITAL ASSOCIATION AND AMERICAN HOSPITAL ASSOCIATION DUES RELATED TO LOBBYING WAS $2,375 AND $835 RESPECTIVELY

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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, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BMH INC

Employer identification number
20-5126945

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		771,904		771,904
b Buildings		20,942,539	15,006,553	5,935,986
c Leasehold improvements		1,591,852	482,962	1,108,890
d Equipment		19,385,443	12,482,693	6,902,750
e Other		4,883,140		4,883,140
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				19,602,670

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

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

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
ESTIMATED THIRD PARTY PAYOR SETTLEMENTS	1,299,107
OBLIGATION UNDER CAPITAL LEASE	601,836
OBLIGATION UNDER PENSION PLAN	1,227,560
INVESTMENTS IN AFFILIATES	1,756,057
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	4,884,560

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	78,719,861
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	78,076,772
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	643,089
4	Net unrealized gains (losses) on investments	4	-220,903
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-78,760
9	Total adjustments (net) Add lines 4 - 8	9	-299,663
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	343,426

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	80,663,048
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-220,903		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d	2,969,178		
e	Add lines **2a** through **2d**			2e	2,748,275
3	Subtract line **2e** from line **1**			3	77,914,773
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	805,088		
c	Add lines **4a** and **4b**			4c	805,088
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	78,719,861

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

1	Total expenses and losses per audited financial statements			1	78,632,654
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	1,880,580		
e	Add lines **2a** through **2d**			2e	1,880,580
3	Subtract line **2e** from line **1**			3	76,752,074
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	1,324,698		
c	Add lines **4a** and **4b**			4c	1,324,698
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	78,076,772

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	THE ORGANIZATION IS A NOT-FOR-PROFIT CORPORATION AND HAS BEEN RECOGNIZED AS TAX EXEMPT PURSUANT TO SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE (IRC) THE ORGANIZATION IS EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501 (C)(3) OF THE IRC EXCEPT TO THE EXTENT OF UNRELATED BUSINESS TAXABLE INCOME AS DEFINED UNDER IRC SECTIONS 511 THROUGH 515 EFFECTIVE JANUARY 1, 2009, THE ORGANIZATION ADOPTED ACCOUNTING FOR UNCERTAIN TAX POSITIONS THE ACCOUNTING STANDARD PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT PROCESS FOR UNCERTAIN TAX POSITIONS THE ORGANIZATION HAD NO UNCERTAIN TAX POSITIONS AS OF DECEMBER 31, 2011 OR 2010
PART XI, LINE 8 - OTHER ADJUSTMENTS		BOOK TAX DIFFERENCES FROM SUBSIDIARIES K-1 -78,760
PART XII, LINE 2D - OTHER ADJUSTMENTS		GIFT SHOP COST OF GOODS SOLD 13,520 PIETRA, LLC REVENUE FROM CONSOLIDATION 284,496 RENTAL EXPENSES 277,062 BINGHAM PHYSICIANS REVENUE FROM CONSOLIDATION 1,409,586 LOSS ON INTEREST RATE SWAP AGREEMENT -753,988 IDAHO PATHOLOGY LABORATORY INCOME FROM CONSOLIDATION 1,119,708 MISCELLANEOUS EXPENSE -2,976 2010 BMH LAND INCOME FROM BINGHAM PHYSICIANS 621,770
PART XII, LINE 4B - OTHER ADJUSTMENTS		INTERCOMPANY REVENUE ELIMINATED UPON CONSOLIDATION 723,807 PENTALTY EXPENSE 2,521 BOOK TAX DIFFERENCES FROM SUBSIDIARIES K-1 78,760
PART XIII, LINE 2D - OTHER ADJUSTMENTS		GIFT SHOP COST OF GOODS SOLD 13,520 PIETRA, LLC EXPENSES FROM CONSOLIDATION 137,181 RENTAL EXPENSES 277,062 BINGHAM PHYSICIANS EXPENSES FROM CONSOLIDATION 937,003 IDAHO PATHOLOGY LABORATORY EXPENSES FROM CONSOLIDATION 518,790 MISCELLANEOUS EXPENSE -2,976
PART XIII, LINE 4B - OTHER ADJUSTMENTS		INTERCOMPANY EXPENSES ELIMINATED UPON CONSOLIDATION 1,322,177 PENALTY EXPENSE 2,521

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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

2011

Open to Public Inspection

Name of the organization
BMH INC

Employer identification number
20-5126945

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? 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	Did the organization use FPG to determine eligibility for providing *discounted* care? 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 did 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 policy provide 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 charity care expenses exceed the budgeted amount?	5b		No
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		
6a	Did the organization prepare a community benefit reportduring the tax year?	6a		No
6b	If "Yes," did the organization make it available to the public?	6b		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care 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 Charity care at cost (from Worksheet 1)	3		2,025,461	962,153	1,063,308	1 460 %
b Medicaid (from Worksheet 3, column a)	3		9,777,181	8,932,472	844,709	1 160 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			547,729	480,194	67,535	0 090 %
d **Total** Charity Care and Means-Tested Government Programs	6		12,350,371	10,374,819	1,975,552	2 710 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			437,448	32,991	404,457	0 560 %
f Health professions education (from Worksheet 5)			971,990	73,750	898,240	1 240 %
g Subsidized health services (from Worksheet 6)						0 %
h Research (from Worksheet 7)			95,079	2,420	92,659	0 130 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			76,046		76,046	0 100 %
j **Total** Other Benefits			1,580,563	109,161	1,471,402	2 030 %
k **Total.** Add lines 7d and 7j	6		13,930,934	10,483,980	3,446,954	4 740 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 **Total**						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense	2	5,416,911		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	1,354,228		
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	26,209,388		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	27,100,130		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-890,742		
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	Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	Yes	

Part IV Management Companies and Joint Ventures (see instructions)

(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 1 PIETRA LLC	ENDOSCOPY SERVICES	60 000 %		40 000 %
2 2 BMH PHYSICIANS CLINIC LLC	RENTAL REAL ESTATE	58 720 %		41 280 %
3 3 IDAHO PATHOLOGY LAB LLC	PATHOLOGY SERVICES	55 000 %		45 000 %
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

(list in order of size 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	BINGHAM MEMORIAL HOSPITAL 98 POPLAR STREET BLACKFOOT,ID 832211799	X	X			X	X	X	X	

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

BINGHAM MEMORIAL HOSPITAL

Name of Hospital Facility:

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

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		
5 Did the hospital facility make its Needs Assessment widely available to the public?	5		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 150 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 200 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☑ Income level			
	b ☑ Asset level			
	c ☐ Medical indigency			
	d ☐ Insurance status			
	e ☑ Uninsured discount			
	f ☐ Medicaid/Medicare			
	g ☐ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☐ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☑ Other (describe in Part VI)			
Billing and Collections				
14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16		No
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☐ Reporting to credit agency			
	b ☐ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a ☐ Notified patients of the financial assistance policy upon admission			
	b ☐ Notified patients of the financial assistance policy prior to discharge			
	c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
	d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		No
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?	**21**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

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

How many non-hospital facilities did the organization operate during the tax year? **11**

	Name and address	Type of Facility (Describe)
1	See Additional Data Table	
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 descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health 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, COLUMN (F) THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $ 5416911

Identifier	ReturnReference	Explanation
COMMUNITY HEALTH IMPROVEMENT SERVICES AND COMMUNITY BENEFIT OPERATIONS	PART I, LINE 7E	BINGHAM MEMORIAL HOSPITAL'S FOCUS IN SUPPORTING LOCAL PROGRAMS HINGES ON OUR MISSION TO IMPROVE THE OVERALL HEALTH AND WELLNESS IN THE COMMUNITIES WE SERVE THIS IS ACCOMPLISHED IN THE ADULT POPULATION AS WE CONDUCT ON-SITE HEALTH FAIRS, SCREENINGS AND AWARENESS EVENTS AT LOCAL BUSINESSES BY DONATING TO OUR SCHOOLS AND OTHER ORGANIZED ATHLETIC GROUPS, WE PROVIDE FUNDING FOR YOUTH ATHLETIC TEAMS AND EVENTS THAT WOULDN'T HAPPEN WITHOUT OUR SUPPORT THE HOSPITAL'S PARTICIPATION IN BINGHAM COUNTY'S RELAY FOR LIFE PROVIDES MONEY FOR THE COMMUNITY'S SINGLE LARGEST HEALTH AWARENESS EVENT ADDITIONALLY, WE SUPPORT NON HEALTH-RELATED ACTIVITIES SUCH AS THE EASTERN IDAHO STATE FAIR, ALLOWING US TO UNITE WITH THE LARGEST EVENT OF OUR REGION AND PROMOTE HEALTH AND WELLNESS IN AN ENVIRONMENT WHERE YOU TYPICALLY WOULDN'T FIND IT BINGHAM MEMORIAL HOSPITAL IS PROUD OF THE ECONOMIC SUPPORT WE PROVIDE TO OUR COMMUNITY AND WE BELIEVE OUR EFFORTS MAKE A DIFFERENCE IN OUR REGION'S HEALTH

Identifier	ReturnReference	Explanation
		PART III, LINE 4 THERE IS NO FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBE THE ORGANIZATION'S BAD DEBT EXPENSERECEIVABLE ARISING FROM PATIENT SERVICE REVENUES ARE REDUCED BY AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND CONTRACTUAL ADJUSTMENTS, BASED ON EXPERIENCE, THIRD-PARTY CONTRACTUAL ARRANGEMENTS, AND ANY UNUSUAL CIRCUMSTANCES THAT MAY AFFECT THE ABILITY OF PATIENTS TO MEET THEIR OBLIGATIONS, ACCOUNTS DEEMED UNCLOLLECTIBLE ARE CHARGED AGAINST THIS ALLOWANCE COSTS SHOWN IN LINE 2 AND 3 OF THIS PART ARE BASED ON A COST TO CHARGE RATIO PATIENTS ARE NOTIFIED OF THE FINANCIAL ASSISTANCE PROGRAM VIA APPOINTMENTS WITH PATIENT FINANCIAL COUNSELORS, CALLS WITH PATIENT FINANCIAL ADVOCATES AND BROCHURES AVAILABLE IN THE ADMISSION AND BUSINESS OFFICE AREAS OF THE HOSPITAL EVEN THOUGH THERE ARE MULTIPLE AVENUES USED TO EDUCATE AND ASSIST PATIENTS IN APPLYING FOR THE FINANCIAL ASSISTANCE PROGRAM, SOME PATIENTS ARE RELUCTANT TO SPEND THE TIME GOING THROUGH THE QUALIFICATION PROCESS THERE ARE ALSO THOSE PATIENTS THAT APPLY FOR THE PROGRAM BUT FAIL TO PROVIDE THE NECESSARY PAPERWORK TO SUPPORT THE APPLICATION THIS PREVENTS ACCURATELY IDENTIFYING THEIR FINANCIAL NEEDS MANY PATIENTS IN THE AREA HAVE A STEADY INCOME PROVIDED TO THEM BY THE GOVERNMENT AND HAVE NO NEED FOR A HEALTHY CREDIT SCORE THERE ARE ALSO PATIENTS THAT ARE WELL ABOVE THE FINANCIAL GUIDELINES FOR FINANCIAL ASSISTANCE THAT ALLOW THEIR ACCOUNTS TO GO TO A BAD DEBT AGENCY IN ADDITION, THERE ARE THOSE PATIENTS THAT DO NOT PLACE A HIGH IMPORTANCE ON PAYING MEDICAL BILLS AND BELIEVE THAT CREDITORS DO NOT FAULT THEM FOR HAVING MEDICAL BAD DEBT FOR THE ABOVE REASONS, IT IS ESTIMATED THAT THE PERCENTAGE OF THE BAD DEBT EXPENSE THAT WOULD QUALIFY AS CHARITY UNDER OUR FINANCIAL ASSISTANCE PROGRAM IS 25%

Identifier	ReturnReference	Explanation
		PART III, LINE 8 THE SHORTFALL IN MEDICARE UNREIMBURSED COST SHOULD BE INCLUDED AS COMMUNITY BENEFIT AS SERVICES ARE RENDERED TO ALL INDIVIDUALS REGARDLESS OF ABILITY TO PAY AND/OR THE REIMBURSEMENT EXPECTED TO BE RECEIVED FROM MEDICARE, MEDICAID OR OTHER PAYERS THE COSTS ARE BASED ON A COST TO CHARGE RATIO

Identifier	ReturnReference	Explanation
		PART III, LINE 9B ONCE A PATIENT APPLIES, WE HOLD ALL COLLECTIONS EFFORTS UNTIL A DETERMINATION IS MADE WE SEND THE PATIENT A LETTER NOTIFYING THEM OF APPROVAL OR DENIAL, IF THEY STILL DON'T PAY ACCORDING TO POLICY WE SEND THEM TO A COLLECTION AGENCY THE APPLICATION IS GOOD FOR 6 MONTHS UNLESS FINANCIAL SITUATION HAS CHANGED

Identifier	ReturnReference	Explanation
RECONCILIATION OF AMOUNTS REPORTED TO MEDICARE COST REPORT	PART III, LINES 5 - 6	RECONCILIATON OF AMOUNT REPORTED ON PART III, LINE 5 $19,260,648 COST REPORT MEDICARE NET REVENUE $7,029,289 PROFESSIONAL & FACILITY FEES MEDICARE NET REVENUE $76,602 OTHER MEDICARE NET REVENUE$26,366,539 TOTAL ORGANIZATION MEDICARE NET REVENUE RECONCILATION OF AMOUNT REPORTED ON PART III, LINE 6$19,534,637 COST REPORT MEDICARE ALLOWABLE EXPENSES $7,047,589 ADDITIONAL MEDICARE ALLOWABLE EXPENSES* $200,093 MARKETING COST $317,811 RECRUITMENT COST$27,100,130 TOTAL ORGANIZATION MEDICARE NET REVENUE *BASED ON PROPORTION OF COST TO NET CHARGES FROM COST REPORT

Identifier	ReturnReference	Explanation
BINGHAM MEMORIAL HOSPITAL		PART V, SECTION B, LINE 13G ABRIDGED BROCHURE WITH POLICY HIGHLIGHTS AVAILABLE IN ER, ADMISSIONS, AND PATIENT FINANCIAL SERVICES

Identifier	ReturnReference	Explanation
BINGHAM MEMORIAL HOSPITAL		PART V, SECTION B, LINE 19D ALL ADDITIONAL DISCOUNTS ARE CALCULATED AND DETERMINED BASED ON THE INDIVIDUAL PATIENT'S FINANCIAL CAPACITY

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 BINGHAM MEMORIAL HOSPITAL'S DEPARTMENT OF PUBLIC RELATIONS UTILIZES A COMMUNITY SURVEY TO IDENTIFY THE HEALTHCARE NEEDS OF OUR COMMUNITY SURVEYS ARE MAILED TO APPROXIMATELY 25% OF OUR COUNTY POPULATION ON-SITE SURVEYS ARE ALSO DISTRIBUTED AT HOSPITAL EVENTS SURVEYS ASK WHICH SERVICES AND EDUCATION PROGRAMS COMMUNITY MEMBERS ARE INTERESTED IN THE RESULTS ARE SHARED WITH ADMINISTRATION, AFTER WHICH, COMMUNITY EVENTS AND OUTREACH EFFORTS ARE PLANNED ACCORDINGLY THE HOSPITAL ALSO RECEIVES A VARIETY OF DIRECT REQUESTS FROM COMMUNITY ORGANIZATIONS AND MEMBERS TO PROVIDE SERVICES AND EDUCATION EXAMPLES INCLUDE DISCOUNTED FLU CLINICS, DISCOUNTED LAB TESTING, FREE HEALTH EDUCATION CLASSES AND SEMINARS RELATED TO JOINT PAIN, ARTHRITIS PAIN, WEIGHT LOSS,AND BACK PAIN WE PERFORM FREE PHYSICAL EXAMS FOR STUDENT ATHLETES, PLACE AN ATHLETIC TRAINER FREE OF CHARGE AT HIGH SCHOOL SPORTING EVENTS, AND PROVIDE FREE EXAMS FOR STUDENT ATHLETES HURT AT A SPORTING EVENT

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 WE NOTIFY PATIENTS VERBALLY PRIOR TO ADMISSIONS VIA THE FRONT OFFICE, PATIENT FINANCIAL COUNSELOR OR ADMISSION CLERK WHEN THEY PRESENT FOR SERVICES, WE SCREEN FOR INSURANCE COVERAGE AND, IF APPROPRIATE, WE GET THEM AN APPOINTMENT WITH A FINANCIAL COUNSELOR AFTER THE SERVICES, WHEN WE CALL THEM FOR PAYMENTS, WE EXPLAIN THE PROCESS AGAIN TO ANY APPLICABLE PATIENTS IF THEY ARE HAVING TROUBLE MEETING THEIR OBLIGATIONS, OR IF THEY EXPRESS NEED, WE SEND THEM OUT A LETTER EXPLAINING THE PROCESS AGAIN AND PROVIDE AN APPLICATION FOR THEIR COMPLETION

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 BMH, INC SERVES THE 45,000 RESIDENTS OF BINGHAM COUNTY WITH MEDICAL SERVICES LOCATED BETWEEN THE FOURTH AND FIFTH LARGEST CITIES IN IDAHO, BINGHAM COUNTY INCORPORATES JUST OVER 2,000 SQUARE MILES THE COUNTY POPULATION CONSISTS MOSTLY OF YOUNGER FAMILIES WITH CHILDREN WITH A MEDIAN AGE OF 30 THE COUNTY'S POPULATION AGE BREAKDOWN IS AS FOLLOWS 32% AGE 0-18, 10% AGE 18-25, 12% AGE 25-35, 12% AGE 35-45, 11% AGE 45-55, 8% AGE 55-65, AND 15% OVER AGE 65 ADDITIONALLY, BMH SERVES THE FORT HALL INDIAN RESERVATION AND ITS 3,000 INHABITANTS, AS WELL AS A NUMBER OF BANNOCK AND BONNEVILLE RESIDENTS

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 THE COMMUNITY BOARD STEERS THE ORGANIZATIONAL GOALS AND MISSION TOWARDS PROVIDING THE BEST HEALTHCARE FOR THE COMMUNITY BMH SUPPORTS A MULTITUDE OF PHYSICIAN SPECIALISTS IN THEIR EFFORTS TO PROVIDE CARE TO THE COMMUNITY ON A REGULAR SCHEDULE WITH THIS ASSISTANCE NUMEROUS PHYSICIANS ARE ABLE TO PROVIDE OUR COMMUNITY WITH SPECIALIZED MEDICAL CARE, FROM NEUROLOGY TO PODIATRY OUR FINANCIAL ASSISTANCE POLICIES AND PROTOCOLS ALLOW THOSE COMMUNITY MEMBERS WHO MAY HAVE LESS ABILITY TO PAY RECEIVE THE MEDICAL ATTENTION THEY NEED TO LIVE A HEALTHY LIFE THE VARIOUS SEMINARS, CLASSES AND EVENTS WE PROVIDE TO THE COMMUNITY FREE OF CHARGE GIVES THE COMMUNITY OPPORTUNITIES TO EDUCATE THEMSELVES ABOUT SOME OF THE MAJOR HEALTH CONCERNS PEOPLE HAVE

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 N/A

Additional Data

Software ID:
Software Version:
EIN: 20-5126945
Name: BMH INC

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

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility (list in order of size from largest to smallest) How many non-hospital facilities did the organization operate during the tax year? **11** Name and address	Type of Facility (Describe)
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY
BINGHAM MEMORIAL SKILLED NURSING & REHAB 98 POPLAR BLACKFOOT,ID 83221	SKILLED NURSING FACILITY

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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

2011

Open to Public Inspection

Name of the organization
BMH INC

Employer identification number
20-5126945

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. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . . ▶ ☐

(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) EASTERN IDAHO STATE FAIRPO BOX 250 BLACKFOOT,ID 83221	82-0492146	501(C)(3)	15,000				GENERAL SUPPORT
(2) ISU FOUNDATION CAMPUS BOX 8050 POCATELLO,ID 83209	82-6013543	501(C)(3)	5,000				GENERAL SUPPORT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 2

3 Enter total number of other organizations listed in the line 1 table . . . . . ▶ 0

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

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

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

Identifier	Return Reference	Explanation

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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

2011

Open to Public Inspection

Name of the organization
BMH INC

Employer identification number
20-5126945

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**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply			
	☐ 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?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
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 Schedule J-1 if additional space 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) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(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) LOUIS KRAML	(i)	384,057	34,254	21,535	35,000	28,459	503,305	0
	(ii)	0	0	0	0	0	0	0
(2) JEFF DANIELS	(i)	292,831	27,507	9,250	0	25,216	354,804	0
	(ii)	0	0	0	0	0	0	0
(3) DAN COCHRAN	(i)	184,424	56,707	8,197	0	17,709	267,037	0
	(ii)	0	0	0	0	0	0	0
(4) DR GARY CALL	(i)	149,254	78	0	0	10,000	159,332	0
	(ii)	0	0	0	0	0	0	0
(5) DR ADAM WRAY	(i)	310,163	510,813	6,334	10,000	15,921	853,231	0
	(ii)	0	0	0	0	0	0	0
(6) DR DAVID SHELLEY	(i)	346,317	668,876	453	0	16,584	1,032,230	0
	(ii)	0	0	0	0	0	0	0
(7) DR DAVID PETERSON	(i)	468,617	30,920	407	0	16,584	516,528	0
	(ii)	0	0	0	0	0	0	0
(8) DR TIMOTHY WOODS	(i)	468,017	1,148	820	0	15,921	485,906	0
	(ii)	0	0	0	0	0	0	0
(9) DR GAIL FIELDS	(i)	473,000	715	4,050	0	0	477,765	0
	(ii)	0	0	0	0	0	0	0

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 4B	THE BMH, INC SUPPLEMENTAL RETIREMENT PLAN IS AN UNFUNDED AND UNSECURED PLAN MAINTAINED BY BMH PRIMARILY FOR THE PURPOSE OF PROVIDING DEFERRED COMPENSATION PURSUANT TO A PLAN DESCRIBED IN SECTION 457(F) OF THE INTERNAL REVENUE CODE THE PLAN IS ADMINISTERED AND CONSTRUED IN A MANNER CONSISTENT WITH SAID INTENT AND ACCORDING TO THE LAWS OF THE STATE OF IDAHO TO THE EXTENT THAT SUCH LAWS ARE NOT PREEMPTED BY FEDERAL LAWS THE PLAN IS A NON-ELECTIVE ACCOUNT BALANCE NONQUALIFIED DEFERRED COMPENSATION PLAN SUBJECT TO CLIFF VESTING THE PLAN IS INTENDED TO QUALIFIY FOR THE "SHORT-TERM DEFERRAL" EXEMPTION FROM SECTION 409A OF THE CODE LOUIS KRAML IS THE SOLE PARTICIPANT OF THE PLAN FOR WHOM BMH, INC CONTRIBUTES AND IN 2011, $0 WAS CONTRIBUTED AN ADDITIONAL 457(F) PLAN IS AVAILABLE TO HIGHLY COMPENSATED AND CERTAIN MANAGEMENT EMPLOYEES IN WHICH THEY ARE ALLOWED TO DEFER COMPENSATION THIS PLAN IS FUNDED BUT THE ASSETS REMAIN PART OF BMH, INC UNTIL SUCH TIME AS AN APPROPRIATE ELECTION IS MADE BY THE PARTICIPANT TO HAVE THE FUNDS PAID TO THE PARTICIPANT
	PART I, LINE 7	SOME PERFORMANCE-BASED BONUSES ARE PAID TO EXECUTIVES THOSE BONUSES ARE TIED TO PERFORMED WORK DUTIES AND ARE DETERMINED ON AN AD-HOC BASIS BY THE CEO THESE BONUSES ARE UNDER $20,000 EACH

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
BMH INC

Employer identification number
20-5126945

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

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

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	(c) Corrected? No

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) CRESTWOOD ENTERPRISES	PARTNERSHIP MORE THAN 5% OWNED BY TWO DIRECTORS	228,405	LEASE WITH A PARTNERSHIP MORE THAN 5% OWNED BY GORDON ARAVE, DIRECTOR, AND JOHN FULLMER, DIRECTOR, DURING 2011		No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
PART IV	CRESTWOOD ENTERPRISES OWNERSHIP	GORDON ARAVE, DIRECTOR, SOLD HIS INTEREST IN CRESTWOOD ENTERPRISES DURING 2011 AND DID NOT OWN ANY INTEREST IN THE ENTITY AS OF DECEMBER 31, 2011

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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

2011

Open to Public Inspection

Name of the organization
BMH INC

Employer identification number
20-5126945

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 2	TWO DIRECTORS OF THE ORGANIZATION DISCLOSED ON SCHEDULE L ARE JOINT OWNERS OF CRESTWOOD ENTERPRISES LLC, FROM WHICH THE HOSPITAL LEASES PHYSICIAN OFFICE SPACE
	FORM 990, PART VI, SECTION A, LINE 6	THE MEMBERS OF THE HOPSITAL CONSIST OF A BROAD REPRESENTATION OF THE CITIZENS OF BINGHAM COUNTY, IDAHO, INCLUDING AT LEAST ONE RESIDENT OF EACH INCORPORATED CITY IN BINGHAM COUNTY, IDAHO AND OF THE UNINCORPORATED AREA OF BINGHAM COUNTY
	FORM 990, PART VI, SECTION A, LINE 7A	DIRECTORS ARE ELECTED BY A MAJORITY OF THE VOTES CAST BY THE MEMBERS ENTITLED TO VOTE IN THE ELECTION AT THE MEETING AT WHICH A QUORUM OF MEMBERS IS PRESENT
	FORM 990, PART VI, SECTION A, LINE 7B	EACH MEMBER OF RECORD OF THE HOSPITAL IS ENTITLED TO VOTE AT THE MEETINGS AN AFFIRMATIVE VOTE OF A MAJORITY OF THE MEMBERS AT A MEETING IN WHICH A QUORUM WAS PRESENT IS AN ACT OF THE MEMBERS
	FORM 990, PART VI, SECTION B, LINE 11	AFTER PREPARATION OF FORM 990 IT IS REVIEWED BY THE CFO, CEO, AND SUBMITTED TO THE BOARD OF TRUSTEES FOR REVIEW PRIOR TO BEING FILED WITH THE INTERNAL REVENUE SERVICE
	FORM 990, PART VI, SECTION B, LINE 12C	BOARD MEMBER MAY DECLARE CONFLICT AT A BOARD MEETING, DURING DISCUSSION AND ANNUALLY WITH CONFLICT OF INTEREST POLICY
	FORM 990, PART VI, SECTION B, LINE 15	IN ORDER TO ENSURE THAT OUR EXECUTIVE COMPENSATION IS IN LINE WITH WHERE IT SHOULD BE, WE HAVE COMPARED OUR DATA TO A COUPLE OF DIFFERENT SOURCES, MOST NOTABLY AN EXECUTIVE COMPENSATION EVALUATION CONDUCTED BY MERCER IN 2009 MERCER CONSIDERED OUR TOTAL EXECUTIVE CASH COMPENSATION PROGRAM IN COMPARISON WITH OTHER HOSPITALS OF A SIMILAR SERVICES AND REVENUE LEVEL IN THAT EVALUATION, EACH POSITION WAS MATCHED TO AT LEAST THREE OTHER SURVEY SOURCES TO DEVELOP A MORE COMPREHENSIVE PICTURE OF CURRENT MARKET PRACTICES IT WAS DETERMINED THAT OVERALL, TARGET TOTAL CASH COMPENSATION IS AT THE MARKET MEDIAN ADDITIONALLY, IN 2011, ANOTHER STUDY WAS COMMISSIONED BY INTEGRATED HEALTHCARE STRATEGIES THAT SOUGHT TO VALIDATE THE SPECIFIC COMPENSATION LEVELS OF EXECUTIVES, INCLUDING THE CEO AT BINGHAM MEMORIAL HOSPITAL THE BOARD OF DIRECTORS APPROVE THE CEO'S COMPENSATION
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS CONFLICT OF INTEREST POLICY, FORM 990, FORM 1023, FINANCIAL STATEMENTS AND OTHER GOVERNANCE DOCUMENTS AVAILABLE UPON REQUEST BY CONTACTING JEFF DANIELS, CFO AT 98 POPLAR ST, BLACKFOOT, ID 83221 THE ORGANIZATIONS' AUDITED, CONSOLIDATED FINANCIAL STATEMENTS ARE PUBLICALLY AVAILABLE THROUGH THE MUNICIPAL SECURITIES RULEMAKING BOARD AT HTTP //EMMA MSRB ORG/DEFAULT ASPX
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -220,903 BOOK TAX DIFFERENCES FROM SUBSIDIARIES K-1 -78,760 TOTAL TO FORM 990, PART XI, LINE 5 -299,663
	FORM 990, PART XI, LINE 2C	THE HOSPITAL'S FINANCE COMMITTEE ANNUALLY ASSUMES THE RESPONSIBILITY FOR OVERSIGHT OF ITS ANNUAL AUDIT AND SELECTION OF AN INDEPENDENT ACCOUNTANT

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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

2011

Open to Public Inspection

Name of the organization
BMH INC

Employer identification number
20-5126945

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) BINGHAM LAND LLC 98 POPLAR ST BLACKFOOT, ID 83221 71-1035721	REAL ESTATE HOLDING COMPANY	ID	-401,504	-616,019	BMH INC

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) PIETRA LLC 98 POPLAR STREET BLACKFOOT, ID 83221 26-3634345	ENDOSCOPY SERVICES	ID	BMH INC	RELATED	99,058	9,787		No			No	60 000 %
(2) BMH PHYSICIANS CLINIC LLC 98 POPLAR STREET BLACKFOOT, ID 83221 26-3952823	RENTAL REAL ESTATE	ID	BINGHAM LAND LLC	RELATED	18,051	6,235,136		No			No	58 720 %
(3) IDAHO PATHOLOGY LABORATORY LLC 98 POPLAR STREET BLACKFOOT, ID 83221 45-0956263	PATHOLOGY SERVICES	ID	BMH INC	RELATED	221,781	408,784		No			No	55 000 %

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

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

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

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) BINGHAM PHYSICIANS CLINIC LLC	A	30,339	GAAP ACCOUNTING
(2) IDAHO PATHOLOGY LABORATORY	A	38,230	GAAP ACCOUNTING
(3) BINGHAM PHYSICIANS CLINIC LLC	D	921,776	GAAP ACCOUNTING
(4) BINGHAM PHYSICIANS CLINIC LLC	J	1,007,318	GAAP ACCOUNTING
(5) PIETRA LLC	L	284,198	GAAP ACCOUNTING
(6) IDAHO PATHOLOGY LABORATORY	L	1,119,566	GAAP ACCOUNTING

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) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Schedule R (Form 990) 2011

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: 20-5126945
Name: BMH INC

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	BINGHAM PHYSICIANS CLINIC LLC	A	30,339	GAAP ACCOUNTING
(2)	IDAHO PATHOLOGY LABORATORY	A	38,230	GAAP ACCOUNTING
(3)	BINGHAM PHYSICIANS CLINIC LLC	D	921,776	GAAP ACCOUNTING
(4)	BINGHAM PHYSICIANS CLINIC LLC	J	1,007,318	GAAP ACCOUNTING
(5)	PIETRA LLC	L	284,198	GAAP ACCOUNTING
(6)	IDAHO PATHOLOGY LABORATORY	L	1,119,566	GAAP ACCOUNTING

Report of Independent Auditors
and Consolidated Financial Statements
with Supplemental Consolidating Information for

BMH, Inc.

December 31, 2011 and 2010

MOSS-ADAMS LLP

CONTENTS

MOSS-ADAMS LLP
Certified Public Accountants | Business Consultants

REPORT OF INDEPENDENT AUDITORS

The Board of Directors
BMH, Inc.

We have audited the accompanying consolidated balance sheets of BMH, Inc. (the Organization) as of December 31, 2011 and 2010, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated 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 the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of BMH, Inc. as of December 31, 2011 and 2010, and the 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.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidating information on pages 24 through 26 is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Moss Adams LLP

Everett, Washington
May 29, 2012

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BMH, INC.
CONSOLIDATED BALANCE SHEETS

ASSETS

	December 31, 2011	December 31, 2010
CURRENT ASSETS		
Cash and cash equivalents	$ 1,041,894	$ 2,103,411
Short-term investments	250,000	521,006
Receivables		
Patient accounts, net of allowance for doubtful accounts of $7,899,000 and $6,675,000, respectively	15,121,649	11,559,995
Other	871,784	1,720,971
Inventories	2,858,193	2,483,589
Prepaid expenses	1,299,505	748,182
Assets whose use is limited, required for current liabilities	248,837	320,285
Total current assets	21,691,862	19,457,439
ASSETS WHOSE USE IS LIMITED		
By board designation	10,507,137	12,407,940
Held by trustee under Series 1999 bond financing agreement, less amounts required for current liabilities	407,598	334,624
	10,914,735	12,742,564
LAND, BUILDINGS, AND EQUIPMENT, net	30,332,327	29,047,736
OTHER ASSETS	925,600	263,917
Total assets	$ 63,864,524	$ 61,511,656

LIABILITIES AND NET ASSETS

	DECEMBER 31, 2011	DECEMBER 31, 2010
CURRENT LIABILITIES		
Accounts payable	$ 6,770,180	$ 4,399,014
Payroll and related liabilities	2,560,937	2,630,199
Accrued interest	93,837	96,286
Accrued vacation	1,503,386	1,504,433
Estimated third-party payor settlements	1,299,107	5,390,853
Current portion of long-term debt	1,930,101	1,028,871
Current portion of capital lease obligations	356,131	336,463
Total current liabilities	14,513,679	15,386,119
DEFERRED COMPENSATION	1,227,560	1,054,058
LINE OF CREDIT	1,973,500	1,596,504
LONG-TERM DEBT, net of current portion	17,612,222	18,068,657
CAPITAL LEASE OBLIGATIONS, net of current portion	650,715	986,292
INTEREST RATE SWAP	1,856,826	1,102,838
OTHER LONG-TERM LIABILITIES	675,000	-
Total liabilities	38,509,502	38,194,468
UNRESTRICTED NET ASSETS		
BMH, Inc.	25,837,533	23,350,771
Noncontrolling interests in subsidiaries	(482,511)	(33,583)
Total unrestricted net assets	25,355,022	23,317,188
Total liabilities and net assets	$ 63,864,524	$ 61,511,656

BMH, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

	Years Ended December 31,	
	2011	2010
OPERATING REVENUES		
Net patient service revenues	$ 78,154,697	$ 72,208,252
Other operating revenues	1,720,775	1,359,042
Total operating revenues	79,875,472	73,567,294
OPERATING EXPENSES		
Salaries and wages	32,902,847	30,516,917
Employee benefits	6,640,111	6,135,224
Professional fees	1,990,904	1,931,894
Supplies	14,511,521	15,451,984
Purchased services, other	5,169,153	3,391,817
Purchased services, utilities	1,051,761	926,959
Insurance	585,954	611,798
Rent	1,433,178	1,398,235
Other	4,928,730	3,247,996
Interest	1,215,471	1,284,718
Provision for bad debts	5,416,911	5,503,061
Depreciation and amortization	2,786,113	2,383,397
Total operating expenses	78,632,654	72,784,000
INCOME FROM OPERATIONS	1,242,818	783,294
NONOPERATING REVENUES		
Interest and dividend income	144,384	295,727
Net realized gain on investments	119,120	691,466
Income from DHHS	1,260,000	1,728,000
Other	238,963	272
Net nonoperating revenues	1,762,467	2,715,465
EXCESS OF REVENUES OVER EXPENSES	3,005,285	3,498,759
CHANGE IN UNREALIZED LOSS ON INVESTMENTS	(220,903)	(97,998)
LOSS ON INTEREST RATE SWAP AGREEMENT	(753,988)	(1,102,838)
CONTRIBUTIONS FROM NONCONTROLLING MEMBERS	114,752	-
DISTRIBUTIONS TO NONCONTROLLING MEMBERS	(107,312)	(89,799)
CHANGE IN NET ASSETS	2,037,834	2,208,124
UNRESTRICTED NET ASSETS, beginning of year	23,317,188	21,109,064
UNRESTRICTED NET ASSETS, end of year	$ 25,355,022	$ 23,317,188

See accompanying notes.

BMH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31, 2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 2,037,834	$ 2,208,124
Adjustments to reconcile change in net assets to net cash from operating activities		
Provision for bad debts	5,416,911	5,503,061
Depreciation and amortization	2,786,113	2,383,397
Income from DHHS	(1,260,000)	(1,728,000)
Net realized and unrealized (gains) losses on investments	101,783	(593,468)
Loss on interest rate swap agreement	753,988	1,102,838
Contributions from noncontrolling members	(114,752)	-
Distributions to noncontrolling members	107,312	89,799
Changes in operating assets and liabilities		
Patient accounts receivable	(8,978,565)	(6,673,285)
Other receivables	849,187	(811,473)
Inventories	(374,604)	(300,264)
Prepaid expenses	(551,323)	80,781
Accounts payable	2,371,166	753,428
Payroll and related liabilities	(69,262)	994,805
Accrued interest	(2,449)	(2,458)
Accrued vacation	(1,047)	156,855
Estimated third-party payor settlements	(4,091,746)	(3,086,798)
Deferred compensation	173,502	191,156
Net cash from operating activities	(845,952)	268,498
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase (decrease) in investments and assets whose use is limited	2,068,500	(1,351,285)
Cash received from DHHS	1,260,000	1,728,000
Purchase of land, buildings, and equipment	(4,057,387)	(5,173,179)
Net cash from investing activities	(728,887)	(4,796,464)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from line of credit	376,996	846,000
Proceeds from issuance of long-term debt	1,670,494	4,134,813
Payments on long-term debt	(1,225,699)	(751,670)
Payments on capital lease obligations	(315,909)	(285,514)
Contributions from noncontrolling members	114,752	-
Distributions to noncontrolling members	(107,312)	(89,799)
Net cash from investing activities	513,322	3,853,830
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,061,517)	(674,136)
CASH AND CASH EQUIVALENTS, beginning of year	2,103,411	2,777,547
CASH AND CASH EQUIVALENTS, end of year	$ 1,041,894	$ 2,103,411
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS		
Cash paid during the year for interest, net of amount capitalized	$ 1,217,920	$ 1,287,176
Equipment acquired through new capital lease	$ -	$ 446,919

See accompanying notes.

Note 1 - Description of Organization

BMH, Inc. (the Organization) was incorporated as an Idaho nonprofit corporation on June 26, 2006. The Organization operates Bingham Memorial Hospital and Bingham Memorial Skilled Nursing & Rehabilitation Center (Bingham Memorial), a 25-bed acute care hospital and a 70-bed nursing home. Bingham Memorial provides inpatient, outpatient, emergency care, skilled nursing, and physician services for residents of Bingham County and surrounding counties. Bingham Memorial is the majority owner of Pietra, L.C. (Pietra), which provides endoscopy services for residents of Bingham County. Bingham Memorial fully owns Bingham Land, LLC (Bingham Land), a real estate holding company that is the majority owner of BMH Physicians Clinic, LLC, which owns and leases a medical office building in Blackfoot, Idaho.

On July 1, 2007, the Organization entered into a Hospital Lease and Transfer Agreement (Hospital Lease) with Bingham County, Idaho (Bingham County) to lease Bingham Memorial under a 99-year lease, at $1 per year, which expires on June 30, 2106. Under the lease agreement, the Organization acquired all assets, liabilities, and operations of Bingham Memorial other than its investment in two subsidiaries, the ownership of which was retained by Bingham County (Note 14). In conjunction with the lease, the Organization entered into a liquid assets transfer agreement with Bingham County, under which the Organization pays an annual amount to Bingham County in consideration of the use of the existing liquid assets (Note 13).

In January 2011, together with two pathologists, the Organization formed Idaho Pathology Laboratory, LLC (IPL), a limited liability company, to provide anatomical pathology services in and around Blackfoot, with Bingham Memorial as the majority owner.

As a not-for-profit organization, the Organization is exempt from federal and state income tax.

Principles of consolidation - The consolidated financial statements include the accounts of Bingham Memorial, Bingham Land, Pietra, and IPL. All intercompany amounts have been eliminated in consolidation.

Note 2 - Summary of Significant Accounting Policies

Cash and cash equivalents - Cash and cash equivalents include investments in highly liquid instruments with original maturities of three months or less, excluding amounts whose use is limited by board designation or by other arrangements under trust agreements. The Organization maintains cash balances at banks. At times, amounts may exceed FDIC insurance limitations.

Short-term investments - Short-term investments consist of certificates of deposit at banks and have original maturities greater than three months but less than one year. Short-term investments are measured at fair value.

Note 2 - Summary of Significant Accounting Policies (continued)

Assets whose use is limited - Assets whose use is limited consist of cash and cash equivalents, interest receivable, note receivable, and investments, including funds designated by the board of directors for capital improvements and deferred compensation, as well as amounts held under bond indenture agreements. Investments include mutual funds and variable annuities.

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value on the consolidated balance sheets. Other assets limited as to use are carried at cost, which approximates fair value. Investment income or loss (including realized gains and losses on investments, unrealized investment losses considered other than temporary, 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.

Patient accounts receivable - Receivables arising from patient service revenues are reduced by an allowance for doubtful accounts and contractual adjustments, based on experience, third-party contractual arrangements, and any unusual circumstances that may affect the ability of patients to meet their obligations. Accounts deemed uncollectible are charged against this allowance.

Inventories - Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value. Inventories consist of pharmaceutical, medical-surgical, and other supplies used in the operation of the Organization.

Land, buildings, and equipment - Land, buildings, and equipment are stated at cost. Expenditures for maintenance and repairs are charged to operations as incurred; betterments and major renewals are capitalized. When such assets are disposed of, the related costs and accumulated depreciation and amortization are removed from the accounts, and the resulting gain or loss is classified in operating revenues or expenses.

Depreciation and amortization have been computed on the straight-line method over the estimated useful service lives of the assets. Donated items are recorded at fair market value at the date of contribution and are subsequently considered as being on the basis of cost. Depreciation and amortization have been computed on the straight-line method over the following estimated useful service lives:

Land improvements	15 - 20 years
Buildings and improvements	20 - 40 years
Equipment	3 - 20 years

Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. Investment income earned or investment losses incurred on borrowed funds during the period of construction of capital assets are recorded as an offset to the costs of acquiring those assets.

Note 2 - Summary of Significant Accounting Policies (continued)

Other assets - Other assets consist of deferred financing costs and estimated insurance recoveries. Deferred financing costs are legal, accounting, and underwriting fees, printing costs, and other expenses associated with the issuance of long-term debt. Such costs are amortized on a straight-line basis over the life of the related debt. Unamortized deferred financing costs were $250,600 and $263,917 at December 31, 2011 and 2010, respectively.

Leases - The Organization accounts for its lease agreements as capital or operating leases in accordance with the criteria established by generally accepted accounting principles.

Derivative instruments - The Organization has an interest rate swap, which qualifies as a cash flow hedge. The swap expires in January 2020 and fixes the interest rate paid on one of the Key Bank promissory notes at 6.75%. The outstanding balance of this note is $8,896,463 and the variable rate was 3.25% as of December 31, 2011. The derivative financial instrument is reported at fair market value on the consolidated balance sheets. Changes in the fair market value of the derivative are recorded each period on the consolidated statements of operations and changes in net assets below excess of revenues over expenses. The Organization recorded a loss on the interest rate swap of $753,988 and $1,102,838 during the years ended December 31, 2011 and 2010, respectively. During the years ended December 31, 2011 and 2010, the derivative resulted in an increase in interest expense of approximately $370,000 and $380,000, respectively.

Net assets - The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets - Unrestricted net assets are funds controlled and designated by the board of directors that include the general, operating, and equipment accounts.

Temporarily restricted net assets - Temporarily restricted net assets are assets with donor-imposed restrictions that allow the use of the assets as specified either by the passage of time or by actions of the Organization.

Permanently restricted net assets - Permanently restricted net assets are controlled by law or donor-imposed restrictions stating the resources be maintained permanently.

The Organization had only unrestricted net assets at December 31, 2011 and 2010.

Patient service revenues - Patient service revenue is recorded at established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. Preliminary settlements under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Note 2 - Summary of Significant Accounting Policies (continued)

Reimbursement received from certain third-party payors is subject to audit and retroactive adjustment. A provision for possible adjustment as a result of audits is recorded in the consolidated financial statements. When reimbursement settlements are received, or when information becomes available with respect to reimbursement changes, any variations from amounts previously accrued are accounted for in the period in which the settlements are received or the change in information becomes available.

The following are components of net patient service revenue for the years ended December 31:

	2011	2010
Gross patient service charges		
Inpatient	$ 43,668,918	$ 43,731,132
Outpatient	111,734,210	88,345,303
Nursing home	7,937,877	7,128,375
Gross patient service charges	163,341,005	139,204,810
Adjustments to patient service charges		
Contractual adjustments	84,035,093	65,721,803
Charity care	1,151,215	1,274,755
	85,186,308	66,996,558
Net patient service revenues	$ 78,154,697	$ 72,208,252

Excess of revenues over expenses - The consolidated statements of operations and changes in net assets includes excess of revenues over expenses. Changes in unrestricted net assets that are excluded from excess of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, gains and losses on the interest rate swap agreement, permanent transfers of assets to and from affiliates for other than goods and services, distributions to and contributions from noncontrolling members, and contributions of long-lived assets (including assets acquired using contributions that, by donor restriction, were to be used for the purposes of acquiring such assets).

Charity care - The Organization provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Because the Organization does not pursue collection of amounts determined to qualify as charity care, they are not reported as patient service revenue. The costs the Organization incurred to provide charity care were approximately $513,536 and $617,671 for the years ended December 31, 2011 and 2010, respectively. The Organization has estimated these costs by multiplying its ratio of costs to gross charges to the gross uncompensated charges associated with providing charity care.

Note 2 - Summary of Significant Accounting Policies (continued)

Grants and contributions - From time to time, the Organization receives grants and contributions from individuals and private organizations. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted either for specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses as a change in net assets.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Federal income tax - The Organization is a not-for-profit corporation and has been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code (IRC). The Organization is exempt from federal income tax under Section 501(c)(3) of the IRC except to the extent of unrelated business taxable income as defined under IRC Sections 511 through 515. Effective January 1, 2009, the Organization adopted accounting for uncertain tax positions. The accounting standard prescribes a recognition threshold and measurement process for uncertain tax positions. The Organization had no uncertain tax positions as of December 31, 2011 or 2010.

Fair value measurements - Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. The Organization classified its investments based upon an established fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value (Note 16). The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 - Quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly;

Level 3 - Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

Note 2 - Summary of Significant Accounting Policies (continued)

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Change in accounting principles - During the year ended December 31, 2011, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2010-23, *Health Care Entities (Topic 954) Measuring Charity Care for Disclosure*, and FASB ASU 2010-24, *Health Care Entities (Topic 954) Presentation of Insurance Claims and Related Insurance Recoveries*. In accordance with FASB ASU 2010-23, charity care has been disclosed in Note 2 at the cost of providing the related services for the years ended December 31, 2011 and 2010. In accordance with FASB ASU 2010-24, the amount for unpaid professional liability claims has been recorded in the consolidated balance sheets based on the gross estimated liability and not net of anticipated insurance recoveries (Note 13), which are recorded in the consolidated balance sheets and disclosed in Supplementary Consolidating Information at December 31, 2011. FASB ASU 2010-24 does not require retroactive application and the estimated liability for unpaid professional liability claims, which are recorded net of anticipated insurance recoveries at December 31, 2011, in the consolidated balance sheets. These changes in accounting principles did not change any component of the consolidated statements of operations or changes in net assets for the years ended December 31, 2011 or 2010.

Subsequent events - Subsequent events are events or transactions that occur after the balance sheet date but before financial statements are available to be issued. The Organization recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing the consolidated financial statements. The Organization's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but arose after the balance sheet date and before the consolidated financial statements are available to be issued.

The Organization has evaluated subsequent events through May 29, 2012, which is the date the consolidated financial statements are available to be issued.

Reclassifications - Certain amounts reported in the 2010 consolidated financial statements have been reclassified to conform to the 2011 financial statement presentation.

Note 3 - Third-Party Contractual Agreements

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows.

Note 3 - Third-Party Contractual Agreements (continued)

Medicare - Bingham Memorial has critical access hospital status, under which inpatient, swing-bed, and outpatient services are to be reimbursed on a cost-plus basis. Inpatient acute, swing-bed, and outpatient care services rendered to Medicare program beneficiaries are paid on an interim basis at a per diem rate or percentage of billed charges. These interim payments are subject to final settlement upon submission and audit of the cost report to the Medicare fiscal intermediary. Bingham Memorial's Medicare cost reports have been audited by the Medicare fiscal intermediary through December 31, 2009.

Medicaid - Reimbursement for inpatient acute care, outpatient, and nursing home services is based on costs as defined and limited by the Medicaid program. Bingham Memorial's Medicaid cost reports have been audited through December 31, 2009.

Bingham Memorial has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to Bingham Memorial on these agreements includes prospectively determined rates per discharge, discounts from established rates, and other payment methods.

Note 4 - Assets Whose Use is Limited

Assets whose use is limited are stated at fair value at December 31, 2011 and 2010.

	2011	2010
Board designated		
Money market funds	$ 528,477	$ 3,972,247
Interest receivable	12,577	12,577
Mutual funds - fixed income	3,405,621	2,821,243
Mutual funds - equities	5,516,444	4,743,804
Deferred compensation plan assets		
Money market funds	68,508	56,061
Note receivable	430,000	430,000
Variable annuities	545,510	372,008
	$ 10,507,137	$ 12,407,940
Held by trustee under Series 1999 bond financing agreement		
Money market funds	$ 656,435	$ 654,909
Less assets whose use is limited and required for current liabilities	248,837	320,285
	$ 407,598	$ 334,624

Note 4 - Assets Whose Use is Limited (continued)

Investment income, gains, and losses from cash and cash equivalents, short-term investments, and assets whose use is limited are composed of the following:

	2011	2010
Nonoperating revenues		
Interest and dividend income	$ 144,384	$ 295,727
Net realized gain on investments	119,120	691,466
	$ 263,504	$ 987,193
Other changes in unrestricted net assets		
Change in unrealized loss on investments	$ (220,903)	$ (97,998)

Note 5 - Land, Buildings, and Equipment

The Organization's land, buildings, and equipment and related accumulated depreciation are set forth below:

	2011	2010
Land	$ 1,021,904	$ 1,016,904
Land improvements	619,916	598,860
Buildings and improvements	32,739,073	32,609,168
Equipment	18,185,386	16,246,921
Equipment under capital lease obligations	1,964,361	1,964,361
Construction in progress	4,883,140	3,051,558
	59,413,780	55,487,772
Less accumulated depreciation and amortization	29,081,453	26,440,036
	$ 30,332,327	$ 29,047,736

Depreciation expense for the years ended December 31, 2011 and 2010, was $2,432,781 and $1,930,861, respectively. Amortization expense for equipment under capital lease obligations for the years ended December 31, 2011 and 2010, was $340,015 and $405,015 and accumulated amortization was $1,247,247 and $907,232, respectively.

The Organization capitalized $83,206 and $32,617 of interest costs related to construction in progress for the years ended December 31, 2011 and 2010, respectively.

Note 6 - Line of Credit

The Organization has a line of credit with a bank for capital equipment borrowings up to $2,000,000, which expires in December 2012. Interest is charged at 0.75% above the bank's prime rate (3.25% at December 31, 2011) and is payable monthly. The outstanding balance as of December 31, 2011 and 2010, was $1,973,500 and $1,596,504, respectively. The line of credit is secured by the assets of the Organization.

Note 7 - Long-Term Debt and Capital Lease Obligations

	2011	2010
Idaho Health Facilities Authority bonds payable, dated June 1, 1999, due in annual principal amounts ranging from $155,000 to $410,000, plus interest ranging from 5 50% to 6 00%, through March 2029, secured by revenues, accounts receivable, and certain equipment of Bingham Memorial	$ 4,730,000	$ 4,875,000
Bank of Commerce promissory note, dated February 28, 2006, due in monthly installments of $2,500, including interest at a variable rate (7 00% at December 31, 2011), through February 2016, with a balloon payment on March 1, 2016, secured by accounts receivable, property and equipment, and deposit accounts.	182,095	196,411
Municipal lease paid off in 2011	-	83,999
Key Bank promissory note, converted from a construction line of credit in 2010 with additional borrowings of $223,000, due in monthly installments of $50,232, including interest at a variable rate (3 25% at December 31, 2011), with a bank option to reset the rate effective on or after February 1, 2015, from the current rate of the bank's prime rate less 0 60% to a rate ranging from the bank's prime rate less 1 00% to the bank's prime rate plus 2 50%, secured by assets of the Organization	8,896,463	9,140,081
U S Bancorp Equipment Finance loan, dated December 28, 2009, due in monthly installments of $5,331, including interest of 4 73%, through December 2014, secured by equipment financed by the loan	179,197	234,146
KeyBank promissory note, dated July 15, 2009, due in monthly installments of $4,611, including interest of 5 02%, through June 2014, secured by assets of the Organization	138,383	183,153
KeyBank promissory note, dated July 15, 2009, due in monthly installments of $7,436, including interest of 5 02%, through June 2014, secured by assets of the Organization	229,693	295,409
KeyBank promissory note, dated July 15, 2009, due in monthly installments of $3,308, including interest of $5 08%, through June 2012, with a balloon payment on July 15, 2012, secured by assets of the Organization	255,893	283,274

Note 7 - Long-Term Debt and Capital Lease Obligations (continued)

	2011	2010
U.S. Bancorp Equipment Finance loan, dated March 25, 2010, due in monthly installments of $7,152, including interest of 4 72%, through March 2015, secured by equipment financed by the loan.	257,820	329,931
KeyBank line of credit, converted to a term loan dated August 9, 2011, due in monthly installments of $73,612, including interest of 3 97%, through August 2016, secured by assets of the Organization	3,757,284	2,329,506
U S Bancorp Equipment Finance loan, dated July 27, 2010, due in monthly installments of $22,387, including interest of 3 82%, through August 2015, secured by equipment financed by the loan	915,495	1,146,618
Long-term debt	19,542,323	19,097,528
Less current portion	1,930,101	1,028,871
	$ 17,612,222	$ 18,068,657
Capital lease obligations, with imputed interest from 2 13% to 7 91%, stated at present value of future minimum lease payments, secured by related equipment	$ 1,006,846	$ 1,322,755
Less current portion	356,131	336,463
	$ 650,715	$ 986,292

Scheduled principal repayments on long-term debt and payments on capital lease obligations are as follows:

	Long-Term Debt	Capital Lease Obligations
2012	$ 1,930,101	$ 402,171
2013	1,780,749	348,377
2014	1,785,933	236,944
2015	1,563,723	98,102
2016	1,227,775	-
Thereafter	11,254,042	-
	$ 19,542,323	1,085,594
Less amounts representing interest under capital lease obligations		78,748
		$ 1,006,846

Note 7 - Long-Term Debt and Capital Lease Obligations (continued)

The Organization's bonds payable from the Idaho Health Facilities Authority include financial covenants that must be complied with as a condition of the loan. The Organization was in compliance with the financial covenants at December 31, 2011 and 2010.

Note 8 - Net Assets

The changes in consolidated unrestricted net assets attributable to the Organization and transfers to and from noncontrolling interest are as follows for the years ended December 31:

	Total	Controlling Interest	Noncontrolling Interest
Balance, December 31, 2009	$ 21,109,064	$ 20,666,842	$ 442,222
Excess of revenues over expenses	3,498,759	3,429,513	69,246
Change in unrealized gains and losses on investments	(97,998)	(97,998)	-
Loss on interest rate swap agreement	(1,102,838)	(647,586)	(455,252)
Distributions to noncontrolling members	(89,799)	-	(89,799)
Change in net assets	2,208,124	2,683,929	(475,805)
Balance, December 31, 2010	23,317,188	23,350,771	(33,583)
Excess of revenues over expenses	3,005,285	3,150,407	(145,122)
Change in unrealized gains and losses on investments	(220,903)	(220,903)	-
Loss on interest rate swap agreement	(753,988)	(442,742)	(311,246)
Contributions from noncontrolling members	114,752	-	114,752
Distributions to noncontrolling members	(107,312)	-	(107,312)
Change in net assets	2,037,834	2,486,762	(448,928)
Balance, December 31, 2011	$ 25,355,022	$ 25,837,533	$ (482,511)

Note 9 - Self-Insurance

The Organization has a self-insured unemployment plan for its employees. The plan is the Group Unemployment Compensation Program, which is administered by the Idaho Hospital Association. The Organization pays its share of actual unemployment claims, maintenance of reserves, and administrative expenses. There were no amounts due from the Organization as of December 31, 2011 or 2010.

The Organization self-insures for its health care benefits provided to its employees. Employee medical and dental claims are paid by the Organization through third-party plan administrators. Employees file their claims with the administrators. The administrators pay the claims out and are reimbursed by the Organization. Expenses for self-insured health care benefits coverage totaled $3,662,548 and $3,303,677 for the years ended December 31, 2011 and 2010, respectively. The Organization accrued a liability of $285,000 and $179,000 at December 31, 2011 and 2010, for estimated claims incurred prior to year-end and filed with the administrators after year-end.

Note 10 - Retirement Plan

The Organization has a defined contribution plan for all eligible employees. This plan includes provisions for discretionary contributions by the Organization. Contribution expense totaled $235,000 and $330,000, respectively, for the years ended December 31, 2011 and 2010, respectively.

Note 11 - Deferred Compensation Benefits

The Organization has a deferred compensation agreement with certain current employees in accordance with Internal Revenue Section 409A. Under the agreement, the Organization accrues the liability to fund the plan. There was no deferred compensation benefits expense under the plan for the years ended December 31, 2011 and 2010. The accrued liability under the Section 409A plan is $682,050 at December 31, 2011 and 2010. The Organization also offers a Section 457 nonqualified deferred compensation plan for certain employees.

Note 12 - Concentration of Credit Risk

The Organization grants credit without collateral to its patients, most of whom are local residents and insured under third-party agreements. The majority of these patients are geographically concentrated in and around Bingham County. No single patient comprises more than 5% of the total receivables at year-end. The mix of patient receivables at December 31, 2011 and 2010, is as follows:

	2011	2010
Medicare	24%	20%
Medicaid	7%	13%
Other third-party payors	46%	38%
Self-pay	23%	29%
	100%	100%

Note 13 - Commitments and Contingencies

Hospital lease - In conjunction with the Hospital Lease and Transfer Agreement, the Organization entered into a liquid assets transfer agreement with Bingham County, under which the Organization pays an annual amount to Bingham County in consideration of the use of the existing liquid assets, which is calculated as $150,000 per year plus 5% of the excess of revenues over expenses, not to exceed $150,000 per year. In addition, any indigent funds received by the Organization must be paid to Bingham County. Expenses recorded under the Hospital Lease were $372,000 and $447,000 for the years ended December 31, 2011 and 2010, respectively.

Operating leases - The Organization leases certain facilities and equipment under operating lease arrangements expiring at various dates through 2048, including a related-party equipment lease (Note 14). Rental expense under all operating leases for the years ended December 31, 2011 and 2010, was $1,395,195 and $1,398,235, respectively.

Future minimum lease payments under noncancelable operating leases for the year ending December 31, 2011, are as follows:

	Hospital	Related Party	Other	Total
2012	$ 150,000	$ 165,000	$ 547,000	$ 862,000
2013	150,000	-	490,000	640,000
2014	150,000	-	458,000	608,000
2015	150,000	-	417,000	567,000
2016	150,000	-	417,000	567,000
Thereafter	11,775,000	-	1,620,000	13,395,000
	$ 12,525,000	$ 165,000	$ 3,949,000	$ 16,639,000

Note 13 - Commitments and Contingencies (continued)

Information technology - The Organization is undergoing a complete system conversion whereby hospital and physician accounting and clinical applications, databases, and infrastructure are being upgraded. The Organization negotiated hospital and physician licenses with McKesson in March 2011 for $1,480,000 for a regional network of critical access hospitals and physician practices. These facilities and providers will reimburse this cost to the Organization as they convert to the McKesson systems.

Compliance with laws and regulations - The health care industry is subject to numerous laws and regulations from federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity with respect to investigations and allegations regarding possible violations of these laws and regulations by health care providers, including those related to medical necessity and coding and billing for services, has increased substantially. Violations of these laws and regulations could result in expulsion from government health care programs, together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Organization is in compliance with the fraud and abuse regulations, as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

Risk management - The Organization is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters, and no claims have exceeded such coverage.

The Organization purchases malpractice insurance coverage on a claims-made basis for claims up to $21,000,000 per claim and $25,000,000 in aggregate. The Organization does not believe there are any net material uninsured malpractice costs at December 31, 2011 or 2010. In accordance with a new accounting standard (Note 2), the Organization has recorded $675,000 of estimated malpractice liabilities as of December 31, 2011. There was no liability recorded at December 31, 2010.

Note 14 - Related Parties

As stipulated in the Hospital Lease, Bingham County retained ownership of Doctors and Hospital Health System of Idaho, LLC (DHHS) and CMRGO, LLC (CMRGO), of which Bingham County owns 60% and 100%, respectively. In accordance with the Hospital Lease, capital distributions made from these entities to Bingham County are then paid by Bingham County to the Organization. In addition, the Organization will reimburse Bingham County for any capital contributions made by the county to DHHS and CMRGO. Based on these stipulations of the Hospital Lease, the Organization has a beneficial interest in these entities. There were no capital contributions made to these entities during the years ended December 31, 2011 or 2010. There were capital distributions of $1,260,000 and $1,728,000 made by DHHS during the years ended December 31, 2011 and 2010, respectively.

DHHS owns and operates an 8-bed acute care hospital in Blackfoot, Idaho, where it provides spine surgeries and related services to residents and visitors of Blackfoot and the surrounding communities. DHHS also operates a hyperbaric and healing center in Pocatello, Idaho. CMRGO is a real estate holding company that owns the land and building in which DHHS operates.

The following represents summary financial information of DHHS and CMRGO as of December 31, 2011 and 2010, and for the years then ended:

	DHHS (Unaudited)	CMRGO (Unaudited)
2011		
Current assets	$ 4,044,723	$ 83,093
Noncurrent assets, net	1,431,668	2,772,783
	$ 5,476,391	$ 2,855,876
Current liabilities	$ 594,387	$ 185,231
Long-term liabilities, net	-	1,442,535
Equity	4,882,004	1,228,110
	$ 5,476,391	$ 2,855,876
Revenues	$ 8,752,945	$ 542,264
Expenses	5,971,585	274,936
Net income	$ 2,781,360	$ 267,328

Note 14 - Related Parties (continued)

	DHHS (Unaudited)	CMRGO (Unaudited)
2010		
Current assets	$ 4,305,168	$ 289,349
Noncurrent assets, net	1,038,401	2,896,816
	$ 5,343,569	$ 3,186,165
Current liabilities	$ 1,142,926	$ 795,662
Long-term liabilities, net	-	1,429,721
Equity	4,200,643	960,782
	$ 5,343,569	$ 3,186,165
Revenues	$ 9,101,009	$ 539,357
Expenses	5,636,881	278,006
Net income	$ 3,464,128	$ 261,351

The Organization provides contract services to DHHS under a management services contract. The Organization also subleases equipment to DHHS. Amounts recorded under the management services and lease agreements are recorded in other operating revenue and were $382,000 and $331,000 for the years ended December 31, 2011 and 2010, respectively. The following represents future minimum amounts to be received from DHHS under these agreements as of December 31, 2011:

	Equipment Lease	Management Services	Total
2012	$ 144,000	$ 60,000	$ 204,000

As of December 31, 2011 and 2010, the Organization had a receivable from DHHS included in other receivables in the amount of $126,124 and $228,810, respectively.

The Organization leases equipment from CMRGO. Lease expense for the equipment lease with CMRGO was $202,120 and $203,997 for the years ended December 31, 2011 and 2010, respectively. Future minimum payments under this lease have been included in the commitments disclosure (Note 13). As of December 31, 2011 and 2010, the Organization had a receivable from CMRGO included in other receivables related to advances made to CMRGO to cover initial operating expenses in the amount of $64,256 and $510,381, respectively.

Note 15 - Functional Expenses

The Organization provides general health care services to residents within its geographic location. Expenses related to providing these services are as follows:

	2011	2010
Health care services	$ 60,314,136	$ 56,965,624
General and administrative	18,318,518	15,818,376
	$ 78,632,654	$ 72,784,000

Note 16 - Fair Value of Financial Instruments

Under accounting principles, a financial instrument is defined as cash, evidence of an ownership in an entity, or a contract between two entities to deliver cash or another financial instrument or to exchange other instruments. The disclosure requirements exclude leases, affiliate investments, pension and benefit obligations, insurance contracts, and all nonfinancial instruments. The estimated fair value of certain financial instruments is reflected in the accompanying consolidated balance sheets in the following manner. The carrying amount of cash and cash equivalents, accounts payable and accrued expenses, and net payables to contractual agencies approximates the fair value of these instruments. Fair values of investments and assets limited as to use are based on quoted market prices, if available, or estimated using quoted market prices for similar securities. The fair value of long-term debt is estimated using either quoted market prices or discounted cash flows based on borrowing rates currently available to the Organization. The estimated fair value of long-term debt reported on the consolidated balance sheets is approximately $19,395,000 and $18,000,000 at December 31, 2011 and 2010, respectively.

The following table discloses by level the fair value hierarchy at December 31 (Note 2):

	Total	Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2011				
Short-term investments				
Certificates of deposit	$ 250,000	$ -	$ 250,000	$ -
Assets whose use is limited				
Money market funds	$ 1,253,420	$ 1,253,420	$ -	$ -
Mutual funds - fixed income	3,405,623	3,405,623	-	-
Mutual funds - equities	5,516,444	5,516,444	-	-
Variable annuities	545,510	-	545,510	-
	$ 10,720,997	$ 10,175,487	$ 545,510	$ -
Interest rate swap	$ 1,856,826	$ -	$ 1,856,826	$ -

Note 16 - Fair Value of Financial Instruments (continued)

	Total	Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2010				
Short-term investments				
Certificates of deposit	$ 521,006	$ -	$ 521,006	$ -
Assets whose use is limited				
Money market funds	$ 4,683,217	$ 4,683,217	$ -	$ -
Mutual funds - fixed income	2,821,243	2,821,243	-	-
Mutual funds - equities	4,743,804	4,743,804	-	-
Variable annuities	372,008	-	372,008	-
	$ 12,620,272	$ 12,248,264	$ 372,008	$ -
Interest rate swap	$ 1,102,838	$ -	$ 1,102,838	$ -

SUPPLEMENTARY CONSOLIDATING INFORMATION

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BMH, INC.
CONSOLIDATING BALANCE SHEET
DECEMBER 31, 2011

	BMH	Bingham Land	Pietra	IPL	Eliminations	Consolidated Total
CURRENT ASSETS						
Cash and cash equivalents	$ 89,380	$ 508,240	$ 34,669	$ 409,605	$ -	$ 1,041,894
Short-term investments	250,000	-	-	-	-	250,000
Receivables						
Patient accounts, net	14,740,300	-	32,997	348,352	-	15,121,649
Other	1,855,184	-	-	-	(983,400)	871,784
Inventories	2,849,770	-	-	8,423	-	2,858,193
Prepaid expenses	1,299,505	-	-	-	-	1,299,505
Assets whose use is limited, required for current liabilities	248,837	-	-	-	-	248,837
Total current assets	21,332,976	508,240	67,666	766,380	(983,400)	21,691,862
ASSETS WHOSE USE IS LIMITED						
By board designation	10,507,137	-	-	-	-	10,507,137
Held by trustee under Series 1999 bond financing agreement, less amounts required for current liabilities	407,598	-	-	-	-	407,598
	10,914,735	-	-	-	-	10,914,735
LAND, BUILDINGS, AND EQUIPMENT, net	19,602,670	10,218,140	-	516,517	(5,000)	30,332,327
INVESTMENT IN AFFILIATES	(1,127,656)	-	-	-	1,127,656	-
OTHER ASSETS	925,600	-	-	-	-	925,600
Total assets	$ 51,648,325	$ 10,726,380	$ 67,666	$ 1,282,897	$ 139,256	$ 63,864,524

	BMH	Bingham Land	Pietra	IPL	Eliminations	Consolidated Total
CURRENT LIABILITIES						
Accounts payable	$ 6,349,832	$ 1,363,520	$ 13,489	$ 26,739	$ (983,400)	$ 6,770,180
Payroll and related liabilities	2,560,937	-	-	-	-	2,560,937
Accrued interest	93,837	-	-	-	-	93,837
Accrued vacation	1,503,386	-	-	-	-	1,503,386
Estimated third-party payor settlements	1,299,107	-	-	-	-	1,299,107
Current portion of long-term debt	1,669,520	260,581	-	-	-	1,930,101
Current portion of capital lease obligations	249,533	-	22,354	84,244	-	356,131
Total current liabilities	13,726,152	1,624,101	35,843	110,983	(983,400)	14,513,679
DEFERRED COMPENSATION	1,227,560	-	-	-	-	1,227,560
LINE OF CREDIT	1,973,500	-	-	-	-	1,973,500
LONG-TERM DEBT, net of current portion	8,976,340	8,635,882	-	-	-	17,612,222
CAPITAL LEASE OBLIGATIONS, net of current portion	352,303	-	29,171	269,241	-	650,715
INTEREST RATE SWAP	-	1,856,826	-	-	-	1,856,826
OTHER LONG-TERM LIABILITIES	675,000	-	-	-	-	675,000
Total liabilities	26,930,855	12,116,809	65,014	380,224	(983,400)	38,509,502
UNRESTRICTED NET ASSETS						
BMH, Inc.	24,717,470	(1,025,994)	2,652	902,673	1,240,732	25,837,533
Noncontrolling interests in subsidiaries	-	(364,435)	-	-	(118,076)	(482,511)
Total unrestricted net assets	24,717,470	(1,390,429)	2,652	902,673	1,122,656	25,355,022
Total liabilities and net assets	$ 51,648,325	$ 10,726,380	$ 67,666	$ 1,282,897	$ 139,256	$ 63,864,524

BMH, INC.
CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2011

	BMH	Bingham Land	Pietra	IPL	Eliminations	Consolidated Total
OPERATING REVENUES						
Net patient service revenues	$ 77,035,131	$ -	$ -	$ 1,119,566	$ -	$ 78,154,697
Other operating revenues	1,122,405	1,007,318	284,198	-	(693,146)	1,720,775
Total operating revenues	78,157,536	1,007,318	284,198	1,119,566	(693,146)	79,875,472
OPERATING EXPENSES						
Salaries and wages	32,902,847	-	-	-	-	32,902,847
Employee benefits	6,640,111	-	-	-	-	6,640,111
Professional fees	1,989,371	1,084	449	-	-	1,990,904
Supplies	14,425,713	-	35,834	49,974	-	14,511,521
Purchased services, other	5,139,774	-	55,731	257,846	(284,198)	5,169,153
Purchased services, utilities	1,051,761	-	-	-	-	1,051,761
Insurance	584,891	3	60	1,000	-	585,954
Rent	2,402,195	-	-	38,301	(1,007,318)	1,433,178
Other	4,919,034	-	231	9,465	-	4,928,730
Interest	567,127	642,273	3,657	33,075	(30,661)	1,215,471
Provision for bad debts	5,416,911	-	-	-	-	5,416,911
Depreciation and amortization	2,322,122	293,643	41,219	129,129	-	2,786,113
Total operating expenses	78,361,857	937,003	137,181	518,790	(1,322,177)	78,632,654
INCOME (LOSS) FROM OPERATIONS	(204,321)	70,315	147,017	600,776	629,031	1,242,818
NONOPERATING REVENUES						
Interest and dividend income	173,840	765	298	142	(30,661)	144,384
Net realized gain on investments	119,120	-	-	-	-	119,120
Income from DHHS	1,260,000	-	-	-	-	1,260,000
Other	238,963	-	-	-	-	238,963
Net nonoperating revenues	1,791,923	765	298	142	(30,661)	1,762,467
EXCESS OF REVENUES OVER EXPENSES	1,587,602	71,080	147,315	600,918	598,370	3,005,285
CHANGE IN UNREALIZED LOSS ON INVESTMENTS	(220,903)	-	-	-	-	(220,903)
LOSS ON INTEREST RATE SWAP AGREEMENT	-	(753,988)	-	-	-	(753,988)
CONTRIBUTIONS FROM NONCONTROLLING MEMBERS	-	-	-	114,752	-	114,752
DISTRIBUTIONS TO NONCONTROLLING MEMBERS	-	(13,312)	(94,000)	-	-	(107,312)
INTERAFFILIATE TRANSFERS	-	-	(141,000)	187,003	(46,003)	-
CHANGE IN NET ASSETS	1,366,699	(696,220)	(87,685)	902,673	552,367	2,037,834
UNRESTRICTED NET ASSETS, beginning of year	23,350,771	(694,209)	90,337	-	570,289	23,317,188
NET ASSETS, end of year	$ 24,717,470	$ (1,390,429)	$ 2,652	$ 902,673	$ 1,122,656	$ 25,355,022