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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
Braxton County Memorial Hospital Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
100 Hoylman Drive

City or town, state or country, and ZIP + 4
Gassaway, WV 26624

D Employer identification number
55-0611919

E Telephone number
(304) 364-5156

G Gross receipts $ 17,067,078

F Name and address of principal officer
Ben T Vincent
100 Hoylman Drive
Gassaway, WV 26624

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 braxtonmemorial org

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

L Year of formation 1981

M State of legal domicile WV

Part I Summary

1 Briefly describe the organization's mission or most significant activities
The hospital's most significant activities are services provided by the hospital including inpatient care, outpatient care, emergency room services, home health care visits, and clinical care to residents of Braxton County, WV and surrounding communities The hospital provides charity care to patients, who meet certain criteria under its charity care policy, without charge or at amounts less than established rates

Activities & Governance

2	Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets		
3	Number of voting members of the governing body (Part VI, line 1a)	**3**	7
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**	206
6	Total number of volunteers (estimate if necessary)	**6**	70
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
Revenue			
8	Contributions and grants (Part VIII, line 1h)	106,305	60,319
9	Program service revenue (Part VIII, line 2g)	16,673,832	16,854,184
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	7,644	4,060
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	280,138	148,515
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	17,067,919	17,067,078
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	35,954	7,519
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)	8,108,397	8,245,461
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	9,475,179	9,110,352
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	17,619,530	17,363,332
19	Revenue less expenses Subtract line 18 from line 12	-551,611	-296,254

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	7,119,771	7,852,568
21	Total liabilities (Part X, line 26)	6,404,322	7,433,373
22	Net assets or fund balances Subtract line 21 from line 20	715,449	419,195

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

****** | 2012-09-06
Signature of officer | Date

Ben T Vincent Chief Executive Officer
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Harry C Harless	Date	Check if self-employed ▶☐	Preparer's taxpayer identification number (see instructions) P01042847
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Arnett & Foster PLLC P O Box 2629 Charleston, WV 25329			EIN ▶ 55-0486667 Phone no ▶ (304) 346-0441

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

Braxton County Memorial Hospital serves as the gateway for the healthcare needs of the citizens of Braxton County and the surrounding areas Its mission is "Caring for you close to home " The hospital provides inpatient, outpatient, home health and emergency medical services to residents of Braxton County, WV and surrounding communities

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 $ 12,514,594 including grants of $) (Revenue $ 16,854,184)

Services provided by the hospital included 1,003 inpatient days of care, 17,041 outpatient visits, 11,368 emergency room visits, 4,086 home health visits and 7,258 clinic visits Charges forgone for charity care amounted to $119,348 The hospital is designated as a critical access hospital and serves a mountainous, rural area of West Virginia

4b (Code) (Expenses $ 7,519 including grants of $ 7,519) (Revenue $)

The hospital offers a tuition reimbursement plan that is designed to encourage participation in courses offered by an accredited two (2) or four (4) year state-supported college or university The plan applies only to tuition and books and all course work must relate to the employee's current position or a future position needed within the hospital Employees who receive assistance under this plan must remain employed after the completion of the course of study for an amount of time equal to the time during which tuition reimbursement was received The hospital has also developed a Loan Repayment Program to attract well-qualified candidates to skilled health care positions that are in critical shortage at the hospital Candidates must be applying for regular full-time or part-time employment in a critical skills position Payments under this program are directly to the educational and/or lending institution(s) Candidates who receive loan repayments under this plan must remain employed at the hospital for a period from three to five years, depending on the amount of the loan

4c (Code) (Expenses $ 7,313 including grants of $) (Revenue $)

The hospital serves as an educational site for the West Virginia Rural Health Education Program (RHEP) We provide office space, conference rooms and student rotations for this program Through this program, 89 medical, dental, pharmacy and nursing students were placed in educational rotations Of this number, 12 were directly placed in Braxton County They completed 109 community service projects This program also offers cardiac kids, a health screening program for elementary students throughout north central West Virginia Last year, 6,443 community members in a five-county region participated in these various screenings and projects

(Code) (Expenses $ 32,727 including grants of $) (Revenue $)

Other programs include twice a year rotary blood screenings, discounted mammogram screenings during breast cancer awareness month and free screenings for eligible participants under the Susan G Komen Grant

4d Other program services (Describe in Schedule O)

(Expenses $ 32,727 including grants of $) (Revenue $)

4e Total program service expenses ▶ $ 12,562,153

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		No
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		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	Yes	
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f		No
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	Yes	
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		No
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**		No
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**	Yes	
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**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**		No
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**		No
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**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	24		
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**	206		
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**	0		
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	7		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	7		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5			No
6	Did the organization have members or stockholders?	6			No
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			No
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			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			No

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

			Yes	No
10a	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		No
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," 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		

Section C. Disclosure

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

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

Kimber Knight Controller
100 Hoylman Dr
Gassaway, WV 26624
(304) 364-5156

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) Barbara Adams President	1 00	X						0	0	0
(2) Roy Huffman Vice President	1 00	X						0	0	0
(3) Sally Howard Secretary/Treasurer	1 00	X						0	0	0
(4) Brent Boggs Director	1 00	X						0	0	0
(5) Suzanne Cunningham Director	1 00	X						0	0	0
(6) Arturo Sabio Director	1 00	X						0	0	0
(7) Tim Sodaro Director	1 00	X						0	0	0
(8) Richard Facemire Director	1 00	X						0	0	0
(9) Ben Vincent Chief Executive Officer	40 00			X				94,954	0	16,462
(10) Kimber Knight Controller	40 00			X				41,171	0	15,846
(11) Ronald Pearson Surgeon	40 00					X		419,472	0	20,883
(12) Michael Casto CRNA	40 00					X		183,487	0	15,756
(13) Michael Frame Jr CRNA	40 00					X		168,875	0	13,865
(14) Guy D Leveaux Physician	48 00					X		162,533	0	0
(15) Richard E Campbell Pharmacist	40 00					X		118,015	0	7,836

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			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								1,188,507	0	90,648

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 ▶ 5

			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
Greenbrier Emergency Physician PO Box 634850 Cincinnati, OH 45263	ER Physicians	584,641
SVI Laboratories 3004 Chesterfield Avenue Charleston, WV 25304	Lab Services	288,781
Benefit Assistance Corporation PO Box 950 Hurricane, WV 25526	Benefit Plan Administration	249,874
Insight Health Corp PO Box 847689 Dallas, TX 75284	Mobile MRI	126,029

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 ▶ 4

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	8,828			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	51,491			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		60,319			
Program Service Revenue			Business Code				
	2a	Patient services	622110	16,836,247	16,836,247		
	b	Pharmacy & medical sup	621999	17,937	17,937		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		16,854,184			
	3	Investment income (including dividends, interest and other similar amounts)		4,060			4,060
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross rents	5,535				
	b	Less rental expenses	0				
	c	Rental income or (loss)	5,535				
	d	Net rental income or (loss)		5,535			5,535
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory					
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)					
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 a					
	b	Less direct expenses b					
	c	Net income or (loss) from fundraising events					
	9a	Gross income from gaming activities See Part IV, line 19 a					
	b	Less direct expenses b					
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances a					
	b	Less cost of goods sold b					
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	Business Code				
	11a	Cafeteria & vending	722210	115,950			115,950
	b	Rebates and discounts	900099	21,983			21,983
	c	Medical records	900099	5,047			5,047
	d	All other revenue					
	e	**Total.** Add lines 11a–11d		142,980			
	12	**Total revenue.** See Instructions		17,067,078	16,854,184	0	152,575

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				
2	Grants and other assistance to individuals in the United States See Part IV, line 22	7,519	7,519		
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	169,709	105,898	63,811	
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	6,415,953	4,003,555	2,412,398	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	95,661	59,692	35,969	
9	Other employee benefits	1,123,539	701,088	422,451	
10	Payroll taxes	440,599	274,934	165,665	
11	Fees for services (non-employees)				
a	Management				
b	Legal	14,306		14,306	
c	Accounting	72,530		72,530	
d	Lobbying				
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees				
g	Other	1,439,034	897,957	541,077	
12	Advertising and promotion	18,835	11,753	7,082	
13	Office expenses	836,827	522,644	314,183	
14	Information technology	106,339	66,356	39,983	
15	Royalties . .				
16	Occupancy	327,085	204,101	122,984	
17	Travel	38,788	24,204	14,584	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	15,251	9,517	5,734	
20	Interest	204,270		204,270	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	549,102	342,640	206,462	
23	Insurance	365,184	227,875	137,309	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	Bad debts	2,910,048	2,910,048		
b	Medical supplies	1,874,596	1,874,596		
c	Health care provider ta	283,951	283,951		
d	Other taxes	48,306	30,143	18,163	
e					
f	All other expenses	5,900	3,682	2,218	
25	**Total functional expenses.** Add lines 1 through 24f	17,363,332	12,562,153	4,801,179	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		840	1	692
	2	Savings and temporary cash investments		356,058	2	673,929
	3	Pledges and grants receivable, net		8,755	3	8,828
	4	Accounts receivable, net		2,293,593	4	2,301,937
	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			7	
	8	Inventories for sale or use		253,833	8	269,768
	9	Prepaid expenses and deferred charges		234,848	9	189,371
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 15,612,523			
	b	Less accumulated depreciation	10b 11,916,176	3,068,709	10c	3,696,347
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		224,231	12	
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		678,904	15	711,696
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		7,119,771	16	7,852,568
Liabilities	17	Accounts payable and accrued expenses		1,852,891	17	2,216,878
	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		139,739	23	
	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		4,411,692	25	5,216,495
	26	**Total liabilities.** Add lines 17 through 25		6,404,322	26	7,433,373
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		562,965	27	222,954
	28	Temporarily restricted net assets		152,484	28	196,241
	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		715,449	33	419,195
	34	Total liabilities and net assets/fund balances		7,119,771	34	7,852,568

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	17,067,078
2	Total expenses (must equal Part IX, column (A), line 25)	2	17,363,332
3	Revenue less expenses Subtract line 2 from line 1	3	-296,254
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	715,449
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0
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	419,195

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		No
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
Braxton County Memorial Hospital Inc

Employer identification number
55-0611919

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

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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
Braxton County Memorial Hospital Inc

Employer identification number
55-0611919

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	152,484	96,132			
b Contributions	43,541	56,352	96,132		
c Investment earnings or losses	216				
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	196,241	152,484	96,132		

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶ 100 000 %

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

		Yes	No
(i) unrelated organizations	3a(i)		No
(ii) related organizations	3a(ii)		No
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		244,255		244,255
b Buildings		6,360,716	5,171,211	1,189,505
c Leasehold improvements				
d Equipment		8,673,597	6,544,056	2,129,541
e Other		333,955	200,909	133,046
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				3,696,347

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
(1) Third party payor settlements	689,049
(2) Other receivables	22,647
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	711,696

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
Due to CAMC Health System, Inc	4,214,694
Capital Leases	1,001,801
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	5,216,495

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	17,067,078
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	17,363,332
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-296,254
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-296,254

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	14,109,692
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	14,109,692
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	2,957,386		
c	Add lines **4a** and **4b**			4c	2,957,386
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	17,067,078

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

1	Total expenses and losses per audited financial statements			1	14,449,703
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	14,449,703
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	2,913,629		
c	Add lines **4a** and **4b**			4c	2,913,629
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	17,363,332

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 Intended Use of Endowment Funds	Part V, Line 4	Term endowments are donor restricted for capital improvements
Part XII, Line 4b - Other Adjustments		Grant expense netted against grant revenue in financial statements 3,581 Restricted contributions not reported in income in the financial statements 43,757 Bad debts netted against revenues in the financial statements 2,910,048
Part XIII, Line 4b - Other Adjustments		Grant expense netted against grant revenue in financial statements 3,581 Bad debts netted against revenue in the financial statements 2,910,048

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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
Braxton County Memorial Hospital Inc

Employer identification number
55-0611919

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 100.000000000000 %	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	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 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)			88,415	36,983	51,432	0 360 %
b Medicaid (from Worksheet 3, column a)			2,569,577	2,569,577		
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			2,657,992	2,606,560	51,432	0 360 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			36,477		36,477	0 250 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			7,313		7,313	0 050 %
j **Total** Other Benefits			43,790		43,790	0 300 %
k **Total.** Add lines 7d and 7j			2,701,782	2,606,560	95,222	0 660 %

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		No
2	Enter the amount of the organization's bad debt expense	2	1,775,711		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3			
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	3,206,430		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	3,294,172		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-87,742		
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					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size 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	Braxton County Memorial Hospital Inc 100 Hoylman Dr Gassaway, WV 26624	X	X			X		X		See Part VI

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

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

Braxton County Memorial Hospital Inc

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 100.000000000000%			
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 100 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? _____

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

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the 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 Cost of charity care was estimated using a cost to charge ratio method derived from Worksheet 2 of the Schedule H instructions

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 $ 2910048

Identifier	ReturnReference	Explanation
	Part I, Line 6b	The Hospital's Community Benefit Report is posted on the hospital's website

Identifier	ReturnReference	Explanation
	Part VI, Line 15	The hospital's collection policy does not permit any of the actions listed on line 15 until all other avenues have been exhausted, including a determination of the patient's eligibility for charity care or the sliding fee program

Identifier	ReturnReference	Explanation
		Part III, Line 4 Text of footnote describing bad debt expense Patient accounts receivable are carried at the original charge less an estimate made for doubtful or uncollectible accounts The allowance is based upon a review of the outstanding balances aged by financial class Management uses collection percentages based upon historical collection experience to determine collectibility Management also reviews troubled, aged accounts to determine collection potential Patient accounts receivable are written off when deemed uncollectible Recoveries of accounts previously written off are recorded as a reduction to bad debt expense when received Interest is not charged on patient accounts receivable The cost of bad debts was estimated using a cost to charge ratio derived from Worksheet 2 of the Schedule H instructions

Identifier	ReturnReference	Explanation
		Part III, Line 8 Medicare allowable costs were estimated using Worksheet B of the Schedule H instrutions

Identifier	ReturnReference	Explanation
		Part III, Line 9b The hospital's debt collection policy applies to all patients In order for an account to be considered for bad debt status, all pre-determined notices from the billing system should have been sent to the patient These include one phone call, two statements and one final notice regarding outstanding account balances For an account to be considered for bad debt status, all possible means of collection should have been exhausted For patients with third-party payors, all such applicable payors should have been billed and notices sent to patients for balances due after third-party payments are received Before an account is changed to bad debt status, the hospital verifies that the balance due is a true private pay balance That is, the balance due should be a co-payment, deductible, non-covered charge, or other such balance as identified by the third party remittance For private pay accounts, the patient should have received all billing notices, with no response received regarding payment of the account or setting up an appropriate payment schedule Accounts which have been set up on a payment schedule will be considered for bad debt status if the payment schedule is broken and the patient does not notify the Business Office as to why the agreement has not been honored

Identifier	ReturnReference	Explanation
		Part V, Section A Rural health clinic, surgical clinic and home health agency

Identifier	ReturnReference	Explanation
Braxton County Memorial Hospital, Inc		Part V, Section B, Line 19d The hospital has a charge master which is based on reasonable and customary charges and periodically compared to other facilities for reasonableness Patients are charged according to the services rendered regardless of whether they are insured or uninsured Patients who do not have insurance covering emergency or other medically necessary care are offered a 10% discount if charges are paid in full within 30 days

Identifier	ReturnReference	Explanation
		Part VI, Line 3 Our organization provides information like the following 1)Posts information in admissions areas, emergency rooms, and other areas of the hospital's facilities where eligible patients are likely to be present, 2) Provides the information as part of the intake process, 3) Provides the information with discharge materials, 4) Includes the information in patient bills, 5) Discusses with the patient the availability of various government benefits, and assists the patient with qualification for such programs

Identifier	ReturnReference	Explanation
		Part VI, Line 4 Braxton County Memorial Hospital serves as the gateway for the healthcare needs of the citizens of Braxton County and the surrounding areas Its mission is "Caring for you close to home" The hospital provides inpatient, outpatient, home health and emergency medical services Services provided by the hospital included 1,003 inpatient days of care, 17,041 outpatient visits, 11,368 emergency room visits, 4,086 home health visits and 7,258 clinic visits The hospital is designated as a critical access hospital and services a mountainous, rural area of West Virginia Our geographic area is primarily Braxton County with portions of the surrounding counties, Nicholas, Clay, Webster, Lewis and Gilmer Braxton County's population is approximately 14,000 with Nicholas at 26,000, Clay- 10,000, Webster - 9,000, Lewis - 17,000 and Gilmer - 7,000 The average income is $21,000 for Braxton County Braxton County has approximately 21 1% of their population at or below the federal poverty guideline and serves 9 7% as uninsured patients and 18 3% with Medicaid Braxton County Memorial Hospital is the only hospital in our community servicing the needs of the residents Braxton County is also federally designated as an HPSA (Health Professional Shortage Area) and MUA (Medically Underserved Area)

Identifier	ReturnReference	Explanation
		Part VI, Line 5 1)The governing body is comprised of 100% of persons who reside in the organization's primary service area 2)The organization extends medical privileges to all qualified physicians in the community 3)When the organization has surplus funds, they are used to improve patient care by the purchase of new or replacement of equipment 4)We operate an emergency room and service all patients regardless of their ability to pay 5)We are the only community hospital in the service area and have specialized services not available anywhere else in our service area 6)The BCMH Foundation and the BCMH Auxiliary both attract charitable support and community volunteer activities 7)We provide a link to our Community Benefit Report on our website

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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
Braxton County Memorial Hospital Inc

Employer identification number
55-0611919

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

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

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

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
(1) Employee Tuition Plan Scholarships and Loan Forgiveness	3	6,548	971		Loan forgiveness See description in Part IV

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

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 The process used by the hospital to monitor the use of employee tuition plan scholarship funds is that the employee pays for the tuition first Once the employee has completed the course, they then need to bring in a receipt of fees paid and a copy of their grades and they will then be reimbursed The hospital has also developed a Loan Repayment Program to attract well-qualified candidates to skilled health care postions that are in critical shortage at the hospital Candidates must be applying for regular full-time or part-time employment in a critical skills position Maximum amount awarded is $30,000 and payment is made directly to the educational and/or lending institution(s) Candidates who receive loan repayment under this plan must remain employed at the hospital for a period from three to five years, depending on the amount of the loan If the employee is terminated or resigns prior to the completion of the obligation, the remainder of the loan must be paid in full at the time employment is terminated The forgiveness provision of this agreement is subject to Federal income taxes to the recipient during the year(s) in which the loan is forgiven

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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
Braxton County Memorial Hospital Inc

Employer identification number
55-0611919

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**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use 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) Ronald Pearson	(i)	419,472	0	0	7,018	13,865	440,355	0
	(ii)	0	0	0	0	0	0	0
(2) Michael Casto	(i)	183,487	0	0	1,891	14,644	200,022	0
	(ii)	0	0	0	0	0	0	0
(3) Michael Frame Jr	(i)	168,875	0	0	0	14,644	183,519	0
	(ii)	0	0	0	0	0	0	0
(4) Guy D Leveaux	(i)	162,533	0	0	0	0	162,533	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

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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
Braxton County Memorial Hospital Inc

Employer identification number
55-0611919

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section B, line 11	A draft 990 form is presented to the Board of Trustees before filing a final copy with the IRS A draft copy of the form is given to each member of the board and a group review is performed with questions and discussions on the form's accuracy
Monitoring and enforcing compliance with conflict of interest policy	Form 990, Part VI, line 12c	On an annual basis, officers, directors, trustees and key employees required to disclose potential conflicts of interest by completing the hospital's Conflict of Interest Form If potential conflicts exist, the person would then contact their Manager or the Compliance Officer for the conflict to be investigated and action taken if necessary
	Form 990, Part VI, Section B, line 12c	The Corporate Compliance Committee oversees the conflict of interest policy and monitors and enforces this policy
	Form 990, Part VI, Section B, line 15a	The Board of Directors annually evaluates the CEO and his compensation package Salary data from comparable critical access hospitals in the surrounding areas is used to determine the compensation level of Braxton County Memorial Hospital's CEO
	Form 990, Part VI, Section C, line 19	The organization's governing documents and 990 are available upon request at the Hospital's office
Clarification of No response	Form 990, Part XII, Line 2C	There is no separate committee due to the small size of the board The entire board oversees the audit of the financial statements

BCMH

Braxton County Memorial Hospital

Financial Report

December 31, 2011

ARNETT & FOSTER
Certified Public Accountants PLLC

CONTENTS

ARNETT & FOSTER
Certified Public Accountants P.L.L.C.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the Board of Trustees
Braxton County Memorial Hospital, Inc
Gassaway, West Virginia

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

We conducted our audits in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Braxton County Memorial Hospital, 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

ARNETT & FOSTER, P.L.L.C.
Arnett & Foster, P.L.L.C.

Charleston, West Virginia
June 11, 2012

BRAXTON COUNTY MEMORIAL HOSPITAL, INC.

BALANCE SHEETS
December 31, 2011 and 2010

ASSETS	2011	2010
Current Assets		
Cash and cash equivalents	**$ 268,390**	$ 84,322
Current portion of assets limited as to use	**200,387**	268,532
Patient receivables, net of allowance for doubtful accounts of approximately 2011, $416,000, 2010, $420,000	**2,301,937**	2,293,593
Estimated third-party payor settlements	**689,049**	654,100
Supplies inventory	**269,768**	253,833
Prepaid expenses and other assets	**189,371**	234,848
Other receivables	**31,475**	33,559
Total current assets	**3,950,377**	3,822,787
Assets Limited as to Use, net of current portion	**205,844**	228,274
Property and Equipment, net	**3,696,347**	3,068,709
Total assets	**$ 7,852,568**	$ 7,119,770
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current maturities of long-term obligations	**$ 402,477**	$ 257,903
Accounts payable	**1,410,861**	1,195,239
Employee compensation, payroll withholdings and taxes payable	**806,017**	657,652
Total current liabilities	**2,619,355**	2,110,794
Long-term Obligations, less current maturities	**4,814,018**	4,293,527
Total liabilities	**7,433,373**	6,404,321
Net Assets		
Unrestricted	**222,954**	562,965
Temporarily restricted	**196,241**	152,484
Total net assets	**419,195**	715,449
Total liabilities and net assets	**$ 7,852,568**	$ 7,119,770

BRAXTON COUNTY MEMORIAL HOSPITAL, INC.

STATEMENTS OF OPERATIONS
Years Ended December 31, 2011 and 2010

	2011	2010
Unrestricted revenues, gains and other support		
Patient service revenue (net of contractual allowances and discounts)	**$ 16,726,333**	$ 16,673,833
Provision for bad debts	**(2,910,048)**	(2,965,214)
Net patient service revenue less provisions for bad debts	**13,816,285**	13,708,619
Grant revenue	**13,197**	47,720
Rental revenue	**5,535**	12,762
Other operating revenue	**270,831**	267,376
Total revenues, gains and other support	**14,105,848**	14,036,477
Expenses		
Salaries and wages	**6,552,078**	6,555,608
Payroll taxes and benefits	**1,697,163**	1,585,531
Professional fees	**652,452**	756,335
Purchased services	**880,297**	979,445
Supplies and other expenses	**2,934,135**	2,912,354
Interest	**204,270**	208,240
Utilities	**331,071**	302,377
Insurance	**365,184**	446,674
Depreciation and amortization	**549,102**	615,047
Medicaid provider tax	**283,951**	290,473
Total expenses	**14,449,703**	14,652,084
Operating loss	**(343,855)**	(615,607)
Nonoperating income		
Interest and dividend income	**3,844**	7,644
Total nonoperating income	**3,844**	7,644
Deficiency of revenues over expenses	**(340,011)**	(607,963)
Unrestricted net assets, beginning of year	**562,965**	1,170,928
Unrestricted net assets, end of year	**$ 222,954**	$ 562,965

BRAXTON COUNTY MEMORIAL HOSPITAL, INC.

STATEMENTS OF CHANGES IN NET ASSETS
Years Ended December 31, 2011 and 2010

	2011	2010
Unrestricted net assets		
Deficiency of revenues over expenses	**$ (340,011)**	$ (607,963)
Decrease in unrestricted net assets	**(340,011)**	(607,963)
Temporarily restricted net assets		
Contributions	**43,757**	56,352
Increase in temporarily restricted net assets	**43,757**	56,352
Decrease in net assets	**(296,254)**	(551,611)
Net assets, beginning of year	**715,449**	1,267,060
Net assets, end of year	**$ 419,195**	$ 715,449

BRAXTON COUNTY MEMORIAL HOSPITAL, INC.

STATEMENTS OF CASH FLOWS
Years Ended December 31, 2011 and 2010

	2011	2010
Cash Flows from Operating Activities		
Change in net assets	**$ (296,254)**	$ (551,611)
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	**549,102**	615,047
Provision for bad debts	**2,910,048**	2,965,214
Change in assets and liabilities		
(Increase) decrease in patient receivables, net	**(2,918,392)**	(2,608,141)
(Increase) decrease in other receivables	**2,084**	20,290
(Increase) decrease in estimated third-party payor settlements	**(34,949)**	3,159
(Increase) decrease in supplies inventory	**(15,935)**	(17,375)
(Increase) decrease in prepaid expenses and other assets	**45,477**	(21,797)
Increase (decrease) in accounts payable	**215,622**	131,442
Increase (decrease) in employee compensation, payroll withholdings and taxes payable	**148,365**	3,161
Net cash provided by operating activities	**605,168**	539,389
Cash Flows from Investing Activities		
Net (increase) decrease in assets limited as to use	**90,575**	(63,233)
Purchase of property and equipment	**(195,790)**	(110,431)
Net cash used in investing activities	**(105,215)**	(173,664)
Cash Flows from Financing Activities		
Principal payments on long-term obligations	**(315,885)**	(340,717)
Net cash used in financing activities	**(315,885)**	(340,717)
Net increase in cash and cash equivalents	**184,068**	25,008
Cash and cash equivalents at beginning of year	**84,322**	59,314
Cash and cash equivalents at end of year	**$ 268,390**	$ 84,322
Supplemental Disclosure of Cash Flow Information		
Cash payments for interest	**$ 204,270**	$ 208,240
Supplemental Schedule of Noncash Investing and Financing Activities		
Property and equipment acquired through capital lease obligations	**$ 980,950**	$ -

See Notes to Financial Statements

BRAXTON COUNTY MEMORIAL HOSPITAL, INC.

NOTES TO FINANCIAL STATEMENTS

Note 1. Description of Organization and Summary of Significant Accounting Policies

Organization: Braxton County Memorial Hospital, Inc , (the Hospital) is a West Virginia not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the code) and is exempt from Federal income tax pursuant to Section 501(a) of the Code The Hospital provides acute inpatient, emergency, home health and physician clinic medical services to the residents of Braxton County and surrounding areas

Change in Ownership: Through June 26, 2007, the Hospital's sole corporate member was Charleston Area Medical Center Health System, Incorporated (CAMC) On June 27, 2007, the Board of Trustees of the Hospital entered into an agreement with CAMC to purchase CAMC's interest for $5,000,000 Such amount is being paid by the Hospital to CAMC over a 20 year period As part of the agreement, the Hospital also agreed to liquidate the existing intercompany payable to CAMC in monthly payments This payable was liquidated in 2008 CAMC can regain control of the Hospital if the Hospital does not meet the required payment terms of the agreement For as long as any portion of the CAMC debt remains outstanding, the Hospital cannot, without prior written consent of CAMC

a) sell all or any portion of its assets or the collateral,
b) enter into any merger, consolidation, reorganization or recapitalization or amend its Articles of Incorporation or governing documents to appoint any member or to grant control or other reserved powers to any other entity,
c) borrow money from an external source or to assume, guarantee, endorse or otherwise become 'liable' (directly or indirectly) on any contingent obligations that is not expressly subordinated, both for payment or collateral purposes, to the purchase note or intercompany payable

Summary of significant accounting policies:

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 and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates Significant estimates used in preparing these financial statements include those assumed in determining the allowance for uncollectible accounts and due to or from third-party payors It is at least reasonably possible that the significant estimates used will change within the next year

Basis of presentation Net assets and revenues, gains, and losses are classified based on donor imposed restrictions Accordingly, net assets of the Hospital and changes therein are classified and reported as follows

Unrestricted - Unrestricted net assets include resources over which the Board of Trustees has discretionary control

Temporarily restricted - Temporarily restricted net assets are those resources subject to donor imposed restrictions which will be satisfied by actions of the Hospital or passage of time

Permanently restricted - Permanently restricted net assets are those resources subject to a donor imposed restriction that they be maintained permanently by the Hospital There were no permanently restricted net assets at December 31, 2011 and 2010

The Hospital has elected to present temporarily restricted contributions, which are fulfilled in the same time period, within the unrestricted net assets class

Gifts of cash and other assets are presented as restricted support if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of operations as net assets released from restrictions

Cash and cash equivalents: For purposes of reporting the statement of cash flows, the Hospital considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents

Patient accounts receivable: Patient accounts receivable are carried at the original charge less an estimate made for doubtful or uncollectible accounts The allowance is based upon a review of the outstanding balances aged by financial class Management uses collection percentages based upon historical collection experience to determine collectibility Management also reviews troubled, aged accounts to determine collection potential Patient accounts receivable are written off when deemed uncollectible For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third–party coverage exists for part of the bill), the Hospital records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts Recoveries of accounts previously written off are recorded as a reduction to the provision for bad debt expense when received Interest is not charged on patient accounts receivable

The Hospital's allowance for doubtful accounts for self-pay patients decreased from 45 percent of self-pay accounts receivable at December 31, 2010, to 44 percent of self-pay accounts receivable at December 31, 2011 In addition, the Hospital's self-pay write offs decreased approximately $55,000 from approximately $2,965,000 for the fiscal year 2010 to $2,910,000 for fiscal year 2011 The Hospital does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write offs from third-party payors

Supplies Inventory: Supplies Inventory, which consists of medical, pharmacy, dietary, housekeeping, and other supplies are stated at the lower of cost (first-in, first-out method) or market

Investments: Investments in debt securities are measured at fair value on the balance sheet Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess (deficiency) 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 (deficiency) of revenues over expenses unless the investments are trading securities

Assets limited as to use: Assets limited as to use primarily include assets held by trustees under an indenture agreement, designated assets set aside by the Board of Trustees, over which the Board retains control and may at its discretion subsequently use for other purposes, and assets restricted by donor agreements for capital improvements Assets required to meet current liabilities of the Hospital have been reclassified to current assets in the balance sheet

BRAXTON COUNTY MEMORIAL HOSPITAL, INC.

NOTES TO FINANCIAL STATEMENTS

Property and equipment: Property and equipment acquisitions are recorded at cost or fair value at date of donation The Hospital calculates depreciation on the straight-line method based on estimated useful life of each class of depreciable asset Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment Such amortization is included in depreciation and amortization in the accompanying financial statements

Statement of operations: For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as revenues and expenses Peripheral or incidental transactions are reported as nonoperating revenues and expenses

Net patient service revenue: The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined

Revenue from the Medicare and Medicaid programs accounted for approximately 52 percent and 18 percent and 47 percent and 22 percent, respectively, of the Hospital's net patient revenue for the years ended December 31, 2011 and 2010 Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

Charity care: The Hospital provides care to patients, who meet certain criteria under its charity care policy, without charge or at amounts less than its established rates Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue

Excess (deficiency) of revenues over expenses: The statement of operations includes excess (deficiency) of revenues over expenses Changes in unrestricted net assets, which are excluded from excess (deficiency) of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, permanent transfers of assets to and from affiliates for other than goods and services and contributions of long-lived assets

Income taxes: The Hospital is a not-for-profit corporation and has been recognized as tax exempt pursuant to Section 501(c)(3) of the Internal Revenue Code

Unrelated Business Income Tax: There is currently very little guidance in the IRS Code on what activities should be subject to unrelated business income tax (UBIT) The IRS has indicated that they are studying the issue and may issue additional guidance As a result, at this time there is uncertainty regarding whether the Hospital should pay income tax on certain types of net taxable income from activities that may be considered by taxing authorities as unrelated to the purpose for which the Hospital was granted non-taxable status In the opinion of management, any liability resulting from taxing authorities imposing income taxes on the net taxable income from activities deemed to be unrelated to the Hospital's non-taxable status is not expected to have a material effect on the Hospital's financial position or results of operations

Subsequent Events: The Hospital has evaluated subsequent events through June 11, 2012, the date on which the financial statements were available to be issued

Reclassifications: Certain amounts in the 2010 financial statements have been reclassified to conform to the 2011 presentation The reclassifications have no impact on previously reported change in net assets

New or Recent Accounting Pronouncements: In August 2010, the Financial Accounting Standards Board (FASB) issued Health Care Entities Topic 954 (Accounting Standards Update No 2010-23) of the FASB Accounting Standards Codification *Measuring Charity Care for Disclosure* The amended disclosure requirements are effective for fiscal years beginning after December 15, 2010 and must be applied retrospectively Management's policy for providing charity care, as well as the level of charity care provided, shall be disclosed in the financial statements Such disclosure shall be measured based on the provider's costs of providing charity care services If costs cannot be specifically attributed to services provided to charity care patients (for example, based on a cost accounting system), management may estimate the costs of those services using reasonable techniques The Hospital adopted the amended disclosure requirements at December 31, 2011 Note 7 reflects the amended disclosure requirements Since the new guidance amends disclosure requirements only, its adoption did not impact the Hospital's balance sheet, statement of operations, or cash flow statement

Health Care Entities Topic 954 (Accounting Standards Update No 2010-24) of the FASB Accounting Standards Codification *Presentation of Insurance Claims and Related Insurance Recoveries* is effective for fiscal years beginning after December 15, 2010 A healthcare entity should not net insurance recoveries for medical malpractice claims against a related medical malpractice claim liability Additionally, the amount of the claim liability should be determined without consideration of insurance recoveries A cumulative – effect adjustment should be recognized in opening net assets in the period of adoption if a difference exists between any liability and insurance receivables recorded as a result of application The Hospital adopted Topic 954 (No 2010-24) requirements on January 1, 2011 Implementation of this standard did not materially impact the Hospital's financial statements

In July, 2011, the FASB issued Accounting Standards Update 2011-07, Health Care Entities (Topic 954) *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* The amendments in this Update become effective for fiscal years ending after December 15, 2012 and must be applied retroactively The amendments in this Update require certain health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts) Additionally, those health care entities are required to provide enhanced disclosure about their policies for recognizing revenue and assessing bad debts The amendments also require disclosures of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts Early adoption is permitted The Hospital adopted the amended requirements on January 1, 2011 Adoption of the amendments in this Update were retroactively applied to January 1, 2010 and resulted in changes to previously reported amounts The changes that resulted were a decrease of $2,965,214 in total revenues, gains and other support and total expenses in the statement of operations for the year ended December 31, 2010 Note 7 reflects the amended disclosure requirements

Note 2. Concentrations of Credit Risk

The Hospital is located in Gassaway, West Virginia The Hospital grants credits without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements The mix of net accounts receivables from patients and third-party payors at December 31, 2011 and 2010, is as follows

	2011	2010
Medicare	**20%**	14%
Medicaid	**12%**	8%
Other third-party payors	**49%**	59%
Private pay	**19%**	19%
	100%	100%

Note 3. Credit Risk Related to Cash and Cash Equivalents

Financial instruments that potentially subject the Hospital to significant concentration of credit risk consist principally of cash The Hospital maintains cash with financial institutions which, at times, may exceed federally insured limits The Hospital believes it is not exposed to any significant credit risk on cash

Note 4. Investments and Fair Value of Financial Instruments

Assets Limited as to Use

The composition of assets limited as to use at December 31, 2011 and 2010, is set forth in the following table Investments are stated at fair value

	2011	2010
Designated – Helping Hand		
Cash and cash equivalents	**$ 8,492**	$ 6,207
Donor restricted for capital improvements (Temporarily Restricted Net Assets)		
Cash and cash equivalents	**196,240**	152,484
Held by trustee under indenture agreement		
Certificates of deposit	**-**	113,884
Designated as collateral on line-of-credit		
Certificate of deposit	**201,499**	224,231
Total Assets Limited as to Use	**406,231**	496,806
Less portion required for current obligations	**200,387**	268,532
	$ 205,844	$ 228,274

The Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements

This Topic defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date This Topic also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value The Topic describes three levels of inputs that may be used to measure fair value

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date

Level 2: Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets and liabilities

Level 3: Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing an asset or liability

The certificates of deposit are measured at fair value on a recurring basis and are Level 2 investments, as described above The Hospital has no assets or liabilities that are recorded at fair value on a nonrecurring basis

BRAXTON COUNTY MEMORIAL HOSPITAL, INC.

NOTES TO FINANCIAL STATEMENTS

Note 5. Property and Equipment

A summary of property and equipment at December 31, 2011 and 2010, is as follows

	2011	2010
Land	$ 244,255	$ 244,255
Land improvements	217,007	217,007
Building	6,360,716	6,344,879
Fixed equipment	8,673,597	7,493,054
Construction in-process	116,948	136,588
	15,612,523	14,435,783
Less accumulated depreciation and amortization	(11,916,176)	(11,367,074)
Property and equipment, net	$ 3,696,347	$ 3,068,709

Capital lease assets at December 31, 2011 and 2010, included in property and equipment are as follows

	2011	2010
Equipment	$ 1,494,973	$ 514,053
Less accumulated amortization	349,061	197,366
	$ 1,145,912	$ 316,687

Amortization of assets held under capital lease was included in depreciation expense and was $151,695 and $59,755 for the years ended December 31, 2011 and 2010, respectively

Note 6. Long-Term Obligations

A summary of long-term debt and capital lease obligations at December 31, 2011 and 2010, is as follows

	2011	2010
First Mortgage Revenue Bonds, paid in 2011	$ -	$ 98,341
Notes payable to CAMC (Note 1), payable in monthly installments of $31,514, including interest at 4 5% through June 1, 2027, secured by substantially all assets, revenues, and rights to receive revenues of the Hospital The Hospital has an option to prepay the debt in full anytime after July 1, 2012 but prior to maturity with a prepayment discount of 5% of the outstanding balance	4,214,694	4,398,689
Capital lease obligations, at varying rates of imputed interest from 4% to 11%, secured by leased equipment	1,001,801	54,400
	5,216,495	4,551,430
Less current maturities	402,477	257,903
Long-term obligations	$ 4,814,018	$ 4,293,527

Scheduled maturities of long-term debt and capital lease obligations at December 31, 2011, are as follows

Year Ending December 31,	Long-Term Debt	Capital Lease Obligations	Total
2012	$ 191,358	$ 253,675	$ 445,033
2013	201,288	236,803	438,091
2014	210,535	233,335	443,870
2015	220,207	216,000	436,207
2016	230,324	172,797	403,121
Thereafter	3,160,982	-	3,160,982
	$ 4,214,694	1,112,610	5,327,304
Less amount representing interest under capital lease obligations		110,809	110,809
Total		$ 1,001,801	$ 5,216,495,

First Mortgage Revenue Bonds

The Braxton County Building Commission (Commission) issued $1,000,000 in first mortgage revenue bonds on June 27, 1979 to finance the construction and equipping of the Hospital

The Hospital entered into a lease agreement with the Commission, which expired upon the retirement of the bonds Title to the land and facilities described in the lease agreement rests with the Braxton County Building Commission Under the terms of the lease agreement, the Hospital makes monthly principal and interest payments on the bonds and other deposits on behalf of the Commission These payments are secured by a first lien and security interest in the Hospital's gross receipts The liabilities relating to the bond issue, as well as the leased assets, have been included on the Hospital's balance sheets

Note 7. Net Patient Service Revenue and Contginency

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

- **Medicare**

  The Hospital is a Critical Access Hospital (CAH) As a CAH, inpatient services and most outpatient services rendered to Medicare program beneficiaries are paid based on a cost reimbursement methodology Other outpatient services are paid based on fee schedules

  The Hospital is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and review thereof by the Medicare fiscal intermediary The Hospital's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization

- **Medicaid**

  Inpatient and most outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology The Hospital is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and review thereof by the Medicaid fiscal intermediary Other outpatient services are reimbursed based upon the lesser of the Hospital's charge or predetermined fee schedule amounts

  The State of West Virginia has a Medicaid Disproportionate Share Program which allows eligible hospitals to receive additional reimbursement based on Medicaid utilization and other factors For the years ended December 31, 2011 and 2010, the Hospital reduced contractual adjustments by approximately $674,000 and $685,000, respectively, as a result of participation in this program and the amounts received in 2011 and 2010 The Hospital is reimbursed 100% of its net costs (cost less collections) for uncompensated care provided to uninsured patients The amounts are subject to audit and retroactive adjustment for differences in the interim payments received and the actual cost of uncompensated care provided to uninsured patients The amounts received by the Hospital for this program have been audited through December 2010 The Hospital doesn't anticipate any settlements for those years based upon preliminary responses from state officials For 2011 and future years settlements could result It is at least reasonably possible that the final settled amount for 2011 will differ from the amounts received and those differences could be material Management is unable to determine what those differences could be because the laws and regulations governing Medicaid DSH payments are complex and subject to interpretation

- **Commercial Insurance Carriers**

  The Hospital also entered into payment agreements with certain commercial insurance carriers The basis for payment to the Hospital under these agreements includes various discounts from established charges

- **West Virginia Health Care Authority**

  The Legislature of the State of West Virginia has created the Health Care Authority to regulate the Hospital's gross patient revenue based on limitation orders compiled from rate schedules and budgets submitted by the Hospital on a periodic basis Under current state regulations, Critical Access Hospitals are exempt from the rate setting process

Medicaid Provider Tax Disallowance

The Centers for Medicare and Medicaid Services (CMS) has recently directed some local intermediaries to disallow the cost of provider taxes claimed in cost reports Hospitals claimed the tax assessment as an allowable cost under the applicable regulations and the Provider Reimbursement Manual (PRM) sections Hospitals have relied upon the fact that CMS approved applicable State Plan Amendments relating to the Provider Tax Assessments The Hospital paid the provider tax and included it as an allowable expense The disallowance may be applied retroactively for several years and the impact could be significant, depending upon various factors No provision for any potential liability has been recorded by the Hospital Management and various associations representing affected hospitals plan to appeal the disallowance The ultimate outcome of the issue is unknown at this time

BRAXTON COUNTY MEMORIAL HOSPITAL, INC.

NOTES TO FINANCIAL STATEMENTS

Charity Care

The Hospital provides charity care to patients who are financially unable to pay for the health care services they receive The Hospital's policy is not to pursue collection of amounts determined to qualify as charity care if the patient has an adjusted income equal to or below 100% of the Federal Poverty Income levels A sliding scale discount is available for patients who meet the guidelines prescribed in the policy Accordingly, the Hospital does not report these amounts in the net revenues or in the allowance for doubtful accounts Of the Hospital's $14,449,703 of total expenses reported for the year ended December 31, 2011, an estimated $76,000 arose from providing charity services to charity patients For the year ended December 31, 2010, the Hospital reported total expenses of $14,652,084, for which an estimated $65,000 arose from providing charity care services to charity care patients The estimated costs of providing charity services are based on a calculation which applies a ratio of costs to charges to the gross uncompensated charges associated with providing care to charity patients The ratio of cost to charges is calculated based on the Hospital's total expenses divided by gross patient service revenue

A summary of gross and net patient service revenue for all payors for the years ended December 31, 2011 and 2010, is as follows

	2011	2010
Gross patient service revenue	**$ 22,907,103**	$ 23,017,551
Less provisions for		
Contractual adjustments	**6,061,422**	6,242,262
Charity care(charges forgone, based on established rates)	**119,348**	101,456
Patient service revenue	**16,726,333**	16,673,833
Less provision for		
Bad debts	**2,910,048**	2,965,214
Net patient service revenue	**$ 13,816,285**	$ 13,708,619

The Hospital recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered For uninsured patients that do not qualify for charity care, the Hospital recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy) On the basis of historical experience, a significant portion of the Hospital's uninsured patients will be unable or unwilling to pay for the services provided Thus the Hospital records a significant provision for bad debts related to uninsured patients in the period the services are provided Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized during the years ended December 31, 2011 and 2010 from these major payor sources, is as follows

2011	**Third-Party Payors**	**Self-Pay**	**Total All Payors**
Patient service revenue (net of contractual allowances and discounts)	**$ 14,632,121**	**$ 2,094,212**	**$ 16,726,333**

2010	Third-Party Payors	Self-Pay	Total All Payors
Patient service revenue (net of contractual allowances and discounts)	$ 14,204,754	$ 2,469,079	$ 16,673,833

As disclosed in Note 8 to the accompanying financial statements, the Hospital has recorded amounts due for cost report settlements with Medicare and Medicaid The net patient service revenue for the years ended December 31, 2011 and 2010, was decreased by approximately $20,000 and $0, respectively, as a result of settlements at amounts different than originally estimated

Note 8. Estimated Third-Party Payor Settlements

Estimated third-party payor settlements consist of amounts due from/(to) the Medicare and Medicaid programs for settlement of current and prior cost reports and payments due from/(to) the State of West Virginia under its disproportionate share program The estimated settlements by program at December 31, 2011 and 2010, are as follows

	2011	2010
Medicare and Medicare HMO	**$ 87,000**	$ 243,053
Medicaid and disproportionate share program	**602,049**	411,047
	$ 689,049	$ 654,100

Note 9. Rental Expense

Leases that do not meet the criteria for capitalization are classified as operating leases with related rentals charged to operations as incurred As of December 31, 2011, there were no operating leases with a remaining lease term in excess of one year

Total rental expense in 2011 was approximately $80,000 and $115,000 for the years ended December 31, 2011 and 2010, respectively

Note 10. Functional Expenses

The Hospital provides general health care services to residents within its geographic location Expenses related to providing these services for the year ended December 31, 2011 and 2010, are as follows

	2011	2010
Health care services	**$ 9,649,714**	$ 9,690,697
General and administrative	**4,799,989**	4,961,387
	$ 14,449,703	$ 14,652,084

Note 11. Health Insurance Plan

The Hospital is partially self-insured with respect to employee health insurance The program is used to pay ordinary health care claims of qualified participants To protect themselves against extraordinary claims of their employees, the Hospital has purchased stop-loss insurance The Hospital's cost is limited to $50,000 per participant per plan year Amounts payable under this plan approximated $50,200 and $17,200 as of December 31, 2011 and 2010, respectively Total health insurance expense for the years ended December 31, 2011 and 2010 was approximately $958,000 and $812,000, respectively

Note 12. Pension Plan

The Hospital has a defined contribution pension plan covering all eligible employees The eligibility criteria are based upon years of service, type of employment and the age of participants The Hospital's Board of Trustees determines the annual amount to be contributed based on net income, cash flow and other relevant factors for the year with a minimum matching contribution equal to 100% of employee's pretax contributions with a maximum of 5% of eligible compensation contributed to the Plan depending on an employees years of service The employer may make annual discretionary profit sharing contributions The Hospital incurred $99,039 and $95,286 in pension expense for the years ended December 31, 2011 and 2010, respectively

Note 13. Risk Management and Contingencies

The Hospital is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, employee injuries and illnesses, and natural disasters The Hospital reduces its exposure to risk of loss by a variety of insurance programs, some of which are purchased from commercial insurance carriers or state agencies

For medical malpractice insurance, the Hospital maintains a claims made insurance policy coverage for professional liability with a deductible clause Incidents occurring through December 31, 2011, may result in the assertion of a claim and other claims may be asserted arising from past services provided

The health care industry is subject to numerous laws and regulations of Federal, state and local governments Government activity has increased with respect to investigations and allegations concerning possible violations of various statutes and regulations by health care providers Violations of these laws and regulations create a possibility of significant repayments for patient services previously billed 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 Management believes that the Hospital is in compliance with fraud and abuse as well as other applicable government laws and regulations

Management is not aware of any asserted or unasserted claims for past services provided However, claims could be asserted from past services provided Management believes that these claims, if asserted, would be settled within the limits of insurance coverage

Note 14. Line of Credit

As of December 31, 2011 and 2010, the Hospital had available a $200,000 line of credit with a bank There were no balances outstanding on the line of credit at December 31, 2011 and 2010 Interest on line of credit draws was 4 5% and 4 75% at December 31, 2011 and 2010, respectively The loan is secured by a restricted certificate of deposit with a net book value of $201,499 at December 31, 2011

Additional Data

Software ID:
Software Version:
EIN: 55-0611919
Name: Braxton County Memorial Hospital Inc

Form 990, Special Condition Description:

Special Condition Description

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services

(Code) (Expenses $ 32,727 including grants of $) (Revenue $)

Other programs include twice a year rotary blood screenings, discounted mammogram screenings during breast cancer awareness month and free screenings for eligible participants under the Susan G Komen Grant