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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

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning , and ending

B Check if applicable	C Name of organization	D Employer identification number
☐ Address change	BAPTIST HEALTH MADISONVILLE, INC	
☐ Name change	Doing Business As	61-0654587
☐ Initial return	Number and street (or P O box if mail is not delivered to street address) / Room/suite: 900 HOSPITAL DRIVE	E Telephone number: (270) 825-5201
☐ Terminated	City, town or post office, state, and ZIP code: MADISONVILLE KY 42431	G Gross receipts $ 209,233,338
☐ Amended return		
☐ Application pending	F Name and address of principal officer: E. BERTON WHITAKER 900 HOSPITAL DRIVE, MADISONVILLE, KY	H(a) Is this a group return for affiliates? ☐ Yes ☒ No
		H(b) Are all affiliates included? ☐ Yes ☐ No
I Tax-exempt status	☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527	If "No," attach a list (see instructions)
J Website: ▶	WWW BAPTISTHEALTHMADISONVILLE COM	H(c) Group exemption number ▶
K Form of organization	☒ Corporation ☐ Trust ☐ Association ☐ Other ▶	L Year of formation 1956 / M State of legal domicile KY

Part I Summary

1	Briefly describe the organization's mission or most significant activities: TO OPERATE AN ACUTE CARE HOSPITAL & MULTI-SPECIALTY PHYSICIAN GROUP PRACTICE SERVING RURAL COMMUNITIES IN KENTUCKY OUR MISSION IS TO PROVIDE EXCELLENT CARE, EVERY TIME		
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	21
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	12
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	2,054
6	Total number of volunteers (estimate if necessary)	6	
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	155,784
b	Net unrelated business taxable income from Form 990-T, line 34	7b	96,381

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,092,427	2,326,761
9	Program service revenue (Part VIII, line 2g)	150,635,633	154,630,349
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,903,851	1,756,841
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	26,718,388	25,383,911
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	181,350,299	184,097,862
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	57,840	36,800
14	Benefits paid to or for members (Part IX, column (A), line 4)		0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	94,458,019	97,742,393
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	86,787,797	95,932,463
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	181,303,656	193,711,656
19	Revenue less expenses Subtract line 18 from line 12	46,643	-9,613,794

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	179,705,649	204,696,979
21	Total liabilities (Part X, line 26)	55,058,429	57,401,801
22	Net assets or fund balances Subtract line 21 from line 20	124,647,220	147,295,178

Part II Signature Block

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

Sign Here

Signature of officer — Date: 7-24-14

Type or print name and title: Michael Baumgartner

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
KIM SCIFRES	Kim Scifres, CPA	7-22-14		P01316095

Firm's name ▶ BKD, LLP — Firm's EIN ▶ 44-0160260

Firm's address ▶ 600 N HURSTBOURNE PKY, LOUISVILLE KY 40222 — Phone no 502-581-0435

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission:
TO OPERATE AN ACUTE CARE HOSPITAL & MULTI-SPECIALTY PHYSICIAN GROUP PRACTICE SERVING RURAL COMMUNITIES IN KENTUCKY OUR MISSION IS TO PROVIDE EXCELLENT CARE, EVERY TIME

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 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 $ 166,822,408 including grants of $ 36,800) (Revenue $ 154,676,009)
SEE SCHEDULE O

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

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

4d Other program services (Describe in Schedule O)
(Expenses $ 0 including grants of $ 0) (Revenue $ 0)

4e **Total program service expenses** ► 166,822,408

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	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	X	
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		X
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	X	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts 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		X
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		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, 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		X
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	X	
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, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	X	
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		X
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		X
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		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
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		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		X
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 and XII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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, Parts I and IV*	14b		X
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 United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
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 United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		X
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		X
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		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		X

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
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		X
23	Did the organization answer "Yes" to Part VII, Section A, line 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	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	24a	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		X
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		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		X
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		X
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		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
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	X	
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b	X	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c	X	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
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		X
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		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X	
b	If "Yes" to line 35a, 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	X	
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	X	
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		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

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	273			
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	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2,054			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	X	
	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	X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		X
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		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
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 as charitable contributions?			6a		X
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		X
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		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		X
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?			13a		
	Note. See the instructions for additional information the organization must report on Schedule O					
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		X
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 line 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 X

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 21 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent 1b 12			
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		X
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		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6	Did the organization have members or stockholders?	6	X	
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	X	
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	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following.			
a	The governing body?	8a	X	
b	Each committee with authority to act on behalf of the governing body?	8b	X	
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		X

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		X
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	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
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	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
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	X	
b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)	15b	X	
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	X	
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		X

Section C. Disclosure

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

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 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 ☐ Other *(explain in Schedule O)*

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 during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ BAPTIST HEALTH MADISONVILLE (270) 825-5201
900 HOSPITAL DRIVE, MADISONVILLE, KY 42431

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 X

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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) JANET BERRY	1 00									
DIRECTOR	0 00	X								
(2) G RUFFIN CHANDLER	1 00									
DIRECTOR	0 00	X								
(3) WILLIAM CORUM	1 00									
DIRECTOR	0 00	X								
(4) STEVE COX	1 00									
DIRECTOR	0 00	X								
(5) WILLIAM DONAN	1 00									
DIRECTOR	0 00	X								
(6) MARK E EASTIN, III	1.00									
DIRECTOR	0 00	X								
(7) KENT MILLS	1 00									
DIRECTOR	0.00	X								
(8) CHARLES ALLEN RUDD, JR	1 00									
DIRECTOR	0.00	X								
(9) HEATHER ROY	1.00									
DIRECTOR	0.00	X								
(10) HEATHER RICKETTS, MD	1.00									
DIRECTOR	0 00	X						257,627	0	19,972
(11) MARK FITZMAURICE, MD	1 00									
DIRECTOR/PHYSICIAN	0 00	X						313,818	0	49,650
(12) BARRY HARDISON, MD	1 00									
DIRECTOR/PHYSICIAN	39 00	X							398,054	9,719
(13) BHASKARAN SREEKUMAR, MD	1 00									
DIRECTOR/PHYSICIAN	0 00	X								
(14) R LAMONT WOOD, MD	40 00									
DIRECTOR/PHYSICIAN	0 00	X						286,524	0	47,650

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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			
(15) E BERTON WHITAKER	40 00									
DIRECTOR/CEO/PRESIDENT	0 00	X		X				855,015	0	43,944
(16) ANDY SEARS	1 00									
VICE CHAIRMAN	40 00	X							439,196	58,833
(17) CARL HERDE	1 00									
SR VP OF OPERATIONS/TREASURER/CFO	40 00	X							702,992	97,207
(18) JANET NORTON	1 00									
VP/SECRETARY	40 00	X							567,344	56,301
(19) CHRIS HUTSON	1 00									
DIRECTOR	0 00	X							3,000	
(20) FRANK PURDY III	1 00									
DIRECTOR	0 00	X	X						3,000	
(21) TOMMY SMITH	1 00									
DIRECTOR/CEO	40 00	X							1,399,819	168,538
(22) C THOMAS MOORE	40 00									
CFO/TREASURER/SR VP OPERATIONS	0 00			X				508,046	0	59,904
(23) RANDALL POWELL	40 00									
VP OF CLINIC OPERATIONS	0 00				X			372,061	0	68,262
(24) TIMOTHY DUKES	40 00									
VP OF OPERATIONS	0 00				X			198,814	0	49,548
(25) STACEY BEAVEN	40 00									
VP OF NURSING	0 00				X			218,898	0	16,376
1b **Sub-total** ▶								3,010,803	3,513,405	745,904
c **Total from continuation sheets to Part VII, Section A** ▶								3,648,914	0	255,844
d **Total (add lines 1b and 1c)** ▶								6,659,717	3,513,405	1,001,748

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 ▶ 21

			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	X	
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	X	
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	X	

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
MCKESSON HBOC	PO BOX 98347, CHICAGO, IL 60693	COMPUTER SERVICES	7,046,106
ARAMARK CTS INC	12483 COLLECTIONS CTR DR, CHICAGO, IL 606	BIOMEDICAL SERVICES	2,392,679
TRUSTAFF TRAVEL NURSES	4270 GLENDALE MILFORD ROAD, CINCINNATI, (	NURSING SERVICES	1,878,410
MUTUAL CREDI SERVICES	PO BOX 149, MADISONVILLE, KY 42431	COLLECTION SERVICES	1,087,177
ARUP LABORATORIES, INC	PO BOX 27694, SALT LAKE CITY, UT 84127	LAB SERVICES	894,277

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 ▶ 49

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a	0				
	b Membership dues	1b	0				
	c Fundraising events	1c	0				
	d Related organizations	1d	0				
	e Government grants (contributions)	1e	2,114,027				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	212,734				
	g Noncash contributions included in lines 1a-1f	$	0				
	h **Total.** Add lines 1a–1f		▶	2,326,761			
Program Service Revenue		Business Code					
	2a PATIENT SERVICE REVENUE	621110		143,951,991	143,903,358	48,633	
	b HOME HEALTH AND HOSPICE	621610		5,785,543	5,785,543		
	c FAMILY PRACTICE RESIDENCY PROGRA	611600		1,002,946	1,002,946		
	d ANESTHESIA PROGRAM	611600		540,453	540,453		
	e OTHER	611600		3,349,416	3,349,416		
	f All other program service revenue			0			
	g **Total.** Add lines 2a–2f		▶	154,630,349			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		▶	1,631,464		86,852	1,544,612
	4 Income from investment of tax-exempt bond proceeds		▶	0			
	5 Royalties		▶	0			
		(i) Real	(ii) Personal				
	6a Gross rents	432,833					
	b Less rental expenses	292,211					
	c Rental income or (loss)	140,622	0				
	d Net rental income or (loss)		▶	140,622			140,622
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory	13,141,436	90,222				
	b Less cost or other basis and sales expenses	13,095,539	10,742				
	c Gain or (loss)	45,897	79,480				
	d Net gain or (loss)		▶	125,377			125,377
	8a Gross income from fundraising events (not including $ 0 of contributions reported on line 1c) See Part IV, line 18	a	0				
	b Less direct expenses	b	0				
	c Net income or (loss) from fundraising events		▶	0			
	9a Gross income from gaming activities See Part IV, line 19	a	0				
	b Less direct expenses	b	0				
	c Net income or (loss) from gaming activities		▶	0			
	10a Gross sales of inventory, less returns and allowances	a	33,704,988				
	b Less cost of goods sold	b	11,736,984				
	c Net income or (loss) from sales of inventory		▶	21,968,004	21,968,004		
	Miscellaneous Revenue	Business Code					
	11a CAFETERIA SALES	722210		1,198,294			1,198,294
	b FITNESS FORMULA	900099		672,088			672,088
	c GIFT SHOP	453220		111,540			111,540
	d All other revenue			1,293,363	94,293	20,299	1,178,771
	e **Total.** Add lines 11a–11d		▶	3,275,285			
	12 **Total revenue.** See instructions		▶	184,097,862	176,644,013	155,784	4,971,304

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)

Check if Schedule O contains a response to any question in this Part IX X

	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	36,800	36,800		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	3,773,883	2,306,974	1,466,909	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	440,731	440,731		
7	Other salaries and wages	79,259,995	68,165,456	11,094,539	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,895,205	1,525,907	369,298	
9	Other employee benefits	7,565,591	6,446,452	1,119,139	
10	Payroll taxes	4,806,988	4,085,940	721,048	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	431,482		431,482	
c	Accounting	119,922		119,922	
d	Lobbying	39,607		39,607	
e	Professional fundraising services See Part IV, line 17	0			
f	Investment management fees	0			
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	25,575,919	20,742,070	4,833,849	
12	Advertising and promotion	404,089		404,089	
13	Office expenses	19,818,874	19,779,236	39,638	
14	Information technology	362,807	253,965	108,842	
15	Royalties	0			
16	Occupancy	2,850,073	2,280,058	570,015	
17	Travel	740,166	222,050	518,116	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	265,228	265,228		
20	Interest	885,111	885,111		
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	11,787,926	10,609,134	1,178,792	0
23	Insurance	9,382,295	7,036,721	2,345,574	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a	BAD DEBTS	18,718,012	18,718,012		
b	PROVIDER TAX EXPENSE	2,551,567	2,551,567		
c	MISCELLANEOUS EXPENSE	1,999,385	819,748	1,179,637	
d		0			
e	All other expenses	0			
25	**Total functional expenses.** Add lines 1 through 24e	193,711,656	167,171,160	26,540,496	0
26	**Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		12,979	1	12,237
	2	Savings and temporary cash investments		31,375,021	2	30,214,984
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		20,241,641	4	17,659,060
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	
	7	Notes and loans receivable, net		7,263,038	7	9,580,736
	8	Inventories for sale or use		2,509,171	8	2,449,556
	9	Prepaid expenses and deferred charges		3,646,965	9	4,252,553
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 269,752,565			
	b	Less accumulated depreciation	10b 188,167,271	59,919,699	10c	81,585,294
	11	Investments—publicly traded securities		46,397,825	11	49,955,432
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		197,679	13	197,769
	14	Intangible assets		0	14	3,637,500
	15	Other assets See Part IV, line 11		8,141,631	15	5,151,858
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		179,705,649	16	204,696,979
Liabilities	17	Accounts payable and accrued expenses		12,740,742	17	13,356,405
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		25,780,000	20	23,972,000
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other 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		2,989,680	23	2,646,657
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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		13,548,007	25	17,426,739
	26	**Total liabilities.** Add lines 17 through 25		55,058,429	26	57,401,801
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		124,493,660	27	147,135,774
	28	Temporarily restricted net assets		153,560	28	159,404
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC958), 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		124,647,220	33	147,295,178
	34	Total liabilities and net assets/fund balances		179,705,649	34	204,696,979

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI X

1	Total revenue (must equal Part VIII, column (A), line 12)	1	184,097,862
2	Total expenses (must equal Part IX, column (A), line 25)	2	193,711,656
3	Revenue less expenses Subtract line 2 from line 1	3	-9,613,794
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	124,647,220
5	Net unrealized gains (losses) on investments	5	949,663
6	Donated services and use of facilities	6	0
7	Investment expenses	7	
8	Prior period adjustments	8	31,419,416
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-107,327
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	147,295,178

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? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2b		X
c	If "Yes" to line 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		
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	X	
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	X	

SCHEDULE A
(Form 990 or 990-EZ)

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

2012

Open to Public Inspection

Name of the organization	**Employer identification number**
BAPTIST HEALTH MADISONVILLE, INC	61-0654587

Part I **Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III–Functionally integrated **d** ☐ Type III–Non-functionally integrated

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 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?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									0

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						0
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0
4 **Total.** Add lines 1 through 3	0	0	0	0	0	0
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						0

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	0	0	0	0	0	0
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						0
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						0
11 **Total support.** Add lines 7 through 10						0

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 section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14	Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	0 00%
15	Public support percentage from 2011 Schedule A, Part II, line 14	15	0 00%

16a **33 1/3% support test—2012.** 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—2011.** If the organization did not check a 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—2012.** 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—2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐

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

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						0
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						0
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
5 The value of services or facilities furnished by a governmental unit to the organization without charge						0
6 **Total.** Add lines 1 through 5	0	0	0	0	0	0
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
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						0
c Add lines 7a and 7b	0	0	0	0	0	0
8 **Public support** (Subtract line 7c from line 6)						0

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6	0	0	0	0	0	0
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						0
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b	0	0	0	0	0	0
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						0
13 **Total support.** (Add lines 9, 10c, 11, and 12)	0	0	0	0	0	0

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

Section C. Computation of Public Support Percentage

15	Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	0 00%
16	Public support percentage from 2011 Schedule A, Part III, line 15	16	0 00%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	0 00%
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	0 00%

19a **33 1/3% support tests—2012.** 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—2011.** 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.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2012

Open to Public Inspection

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

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

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

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

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

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

Name of organization	Employer identification number
BAPTIST HEALTH MADISONVILLE, INC	61-0654587

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

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

2 Political expenditures ▶ $ ----------

3 Volunteer hours . . . . . ----------

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

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

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

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

4a Was a correction made? . . . . . ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

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

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

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b . . . ▶ $ ---------- 0

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

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

	(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
(1)		----------			
(2)		----------			
(3)		----------			
(4)		----------			
(5)		----------			
(6)		----------			

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)		0
b	Total lobbying expenditures to influence a legislative body (direct lobbying)		0
c	Total lobbying expenditures (add lines 1a and 1b)	0	0
d	Other exempt purpose expenditures		0
e	Total exempt purpose expenditures (add lines 1c and 1d)	0	0
f	Lobbying nontaxable amount Enter the amount from the following table in both columns	0	0
g	Grassroots nontaxable amount (enter 25% of line 1f)	0	0
h	Subtract line 1g from line 1a If zero or less, enter -0-	0	0
i	Subtract line 1f from line 1c If zero or less, enter -0-	0	0
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	☐ Yes ☐ No	

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

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

Lobbying Expenditures During 4-Year Averaging Period						
	Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a	Lobbying nontaxable amount				0	0
b	Lobbying ceiling amount (150% of line 2a, column(e))					0
c	Total lobbying expenditures				0	0
d	Grassroots nontaxable amount				0	0
e	Grassroots ceiling amount (150% of line 2d, column (e))					0
f	Grassroots lobbying expenditures				0	0

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

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a	Volunteers?		X	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c	Media advertisements?		X	
d	Mailings to members, legislators, or the public?		X	
e	Publications, or published or broadcast statements?		X	
f	Grants to other organizations for lobbying purposes?		X	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	X		292
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i	Other activities?	X		89,315
j	Total Add lines 1c through 1i			89,607
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		X	

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

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

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

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	0
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	0

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list); Part II-A, line 2, and Part II-B, line 1 Also, complete this part for any additional information

Part II-B Line 1I THE FOUNDATION AND CERTAIN FOUNDATION EMPLOYEES ARE MEMBERS OF VARIOUS ASSOCIATIONS WHICH ATTRIBUTE A PORTION OF DUES TO LOBBYING EXPENSE THE FOUNDATION HAS DISCLOSED A LOBBYING ALLOCATION OF $89,315 PER FORM 990 THESE ASSOCIATIONS INCLUDE THE AMERICAN HOSPITAL ASSOCIATION, AMERICAN MEDICAL ASSOCIATION, KENTUCKY MEDICAL ASSOCIATION, AS WELL AS VARIOUS OTHERS

Part IV Supplemental Information *(continued)*

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization

BAPTIST HEALTH MADISONVILLE, INC

Employer identification number

61-0654587

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 can 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 education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 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 Tax 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, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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 section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, 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 (ASC 958), 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 XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958) 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 acquisition, 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 XIII.

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 XIII 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 0

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

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII ☐

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	153,560	153,226	116,582	82,971	61,949
b	Contributions	197,043	12,778	47,270	100,841	35,600
c	Net investment earnings, gains, and losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs	191,199	12,444	10,626	67,230	14,578
f	Administrative expenses					
g	End of year balance	159,404	153,560	153,226	116,582	82,971

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶ ____ %
- b Permanent endowment ▶ ____ %
- c Temporarily restricted endowment ▶ 100%

The percentages in lines 2a, 2b, and 2c should equal 100%

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)	X
(ii)	related organizations	3a(ii)	X

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? 3b

4 Describe in Part XIII 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	0	9,902,460		9,902,460
b	Buildings	0	82,219,771	42,005,018	40,214,753
c	Leasehold improvements	0	25,967	25,967	0
d	Equipment	0	171,268,379	142,319,421	28,948,958
e	Other	0	6,335,988	3,816,865	2,519,123
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)*				▶	81,585,294

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	0	
(2) Closely-held equity interests	0	
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	0	

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total *(Column (b) must equal Form 990 Part X col (B) line 13)* ▶	0	

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

	(a) Description	(b) Book value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15)* ▶		0

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	0
(2) AMOUNTS PAYABLE TO MEDICARE	4,985,059
(3) ACCRUED INTEREST ON BONDS	19,624
(4) ACCRUED SELF-INSURANCE LIABILITY	9,416,334
(5) WORKERS COMPENSATION ACCRUAL	1,043,943
(6) OTHER LIABILITIES	396,655
(7) SEVERANCE ACCRUAL	1,565,124
(8)	
(9)	
(10)	
(11)	
Total *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	17,426,739

2. FIN 48 (ASC 740) Footnote In Part XIII, 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 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☐

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

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	0
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 XIII)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total revenue Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12)*			5	0

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

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

Part XIII 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, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Part V Line 4 PATIENT CARE, HOSPICE BEREAVEMENT CAMP, MAHR CANCER CENTER, AND OTHER PATIENT CARE RELATED INITIATIVES

Part XIII Supplemental Information *(continued)*

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

2012

Open to Public Inspection

Name of the organization
BAPTIST HEALTH MADISONVILLE, INC

Employer identification number
61-0654587

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	X	
b	If "Yes," was it a written policy?	1b	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year [X] Applied uniformly to all hospital facilities [ ] Applied uniformly to most hospital facilities [ ] Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: [ ] 100% [ ] 150% [X] 200% [ ] Other _____ %	3a	X	
b	Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care [ ] 200% [ ] 250% [ ] 300% [ ] 350% [X] 400% [ ] Other _____ %	3b	X	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	X	
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 eligible for free or discounted care?	5c		X
6a	Did the organization prepare a community benefit report during the tax year?	6a	X	
b	If "Yes," did the organization make it available to the public?	6b	X	

Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			5,979,650	830,859	5,148,791	2 95%
b Medicaid (from Worksheet 3, column a)			16,644,366	12,951,107	3,693,259	2 12%
c Costs of other means-tested government programs (from Worksheet 3, column b)			0	0	0	0 00%
d **Total** Financial Assistance and Means-Tested Government Programs	0	0	22,624,016	13,781,966	8,842,050	5 07%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			588,660	0	588,660	0 34%
f Health professions education (from Worksheet 5)			4,713,473	841,232	3,872,241	2 22%
g Subsidized health services (from Worksheet 6)			0	0	0	0 00%
h Research (from Worksheet 7)			0	0	0	0.00%
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,421,126	0	1,421,126	0 81%
j **Total.** Other Benefits	0	0	6,723,259	841,232	5,882,027	3.37%
k **Total.** Add lines 7d and 7j	0	0	29,347,275	14,623,198	14,724,077	8 44%

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					0	0 00%
2	Economic development			375		375	0 00%
3	Community support					0	0 00%
4	Environmental improvements					0	0 00%
5	Leadership development and training for community members					0	0 00%
6	Coalition building					0	0 00%
7	Community health improvement advocacy					0	0.00%
8	Workforce development			16,344		16,344	0 01%
9	Other					0	0 00%
10	Total	0	0	16,719	0	16,719	0 01%

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No 15?	1		X	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2	18,718,012		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	63,668,418		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	64,986,642		
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-1,318,224		
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	X	
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	X	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors trustees key employees and physicians—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					
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7					
8					
9					
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11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest—see instructions)

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

Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 BAPTIST HEALTH MADISONVILLE 900 HOSPITAL DRIVE MADISONVILLE KY 42431 WWW BAPTISTHEALTHMADISONVILLE COM	X			X			X			
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group BAPTIST HEALTH MADISONVILLE

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 1

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9. If "Yes," indicate what the CHNA report describes (check all that apply):	1	X	
a	[X] A definition of the community served by the hospital facility			
b	[X] Demographics of the community			
c	[X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	[X] How data was obtained			
e	[X] The health needs of the community			
f	[X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	[X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	[X] 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 CHNA 20 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? 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	X	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		X
5	Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply):	5	X	
a	[X] Hospital facility's website			
b	[X] Available upon request from the hospital facility			
c	[X] Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)			
a	[X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	[X] Execution of the implementation strategy			
c	[X] Participation in the development of a community-wide plan			
d	[X] Participation in the execution of a community-wide plan			
e	[X] Inclusion of a community benefit section in operational plans			
f	[X] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	[X] Prioritization of health needs in its community			
h	[X] 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 CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs.	7		X
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)* BAPTIST HEALTH MADISONVILLE

Financial Assistance Policy			Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing *free care*?	10	X	
	If "Yes," indicate the FPG family income limit for eligibility for free care 200 00 %			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Used FPG to determine eligibility for providing *discounted care*?	11	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care. 400 00 %			
	If "No," explain in Part VI the criteria the hospital facility used			
12	Explained the basis for calculating amounts charged to patients?	12	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a	[X] Income level			
b	[X] Asset level			
c	[ ] Medical indigency			
d	[X] Insurance status			
e	[X] Uninsured discount			
f	[X] Medicaid/Medicare			
g	[X] State regulation			
h	[ ] Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	13	X	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a	[ ] The policy was posted on the hospital facility's website			
b	[ ] The policy was attached to 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	[X] The policy was provided, in writing, to patients on admission to the hospital facility			
f	[X] The policy was available on request			
g	[ ] Other (describe in Part VI)			

Billing and Collections				
15	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?	15	X	
16	Check all of the following 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			
e	[ ] Other similar actions (describe in Part VI)			
17	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?	17		X
	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)			

Part V Facility Information *(continued)* BAPTIST HEALTH MADISONVILLE

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)

- a [X] Notified individuals of the financial assistance policy on admission
- b [X] Notified individuals of the financial assistance policy prior to discharge
- c [X] Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d [X] 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)

Policy Relating to Emergency Medical Care

			Yes	No
19	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? . If "No," indicate why	19	X	
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)			

Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20	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 its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c	[X] The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d	[ ] Other (describe in Part VI)			
21	During the tax year, did the hospital facility charge any of its FAP-eligible individuals, 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? . . If "Yes," explain in Part VI.	21		X
22	During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? . . . If "Yes," explain in Part VI	22		X

Part V Facility Information *(continued)*

Section C. Other Health Care 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 health care facilities did the organization operate during the tax year? 5

Name and address	Type of Facility (describe)
1 BAPTIST MEDICAL MANAGEMENT ASSOCIATES 200 CLINIC DRIVE MADISONVILLE KY 42431	PHYSICIAN OFFICES
2 BAPTIST HEALTH HOME CARE 107 EAST MAIN STREET MADISONVILLE KY 42431	HOME HEALTH AGENCY
3 BAPTIST HEALTH SPORTS MEDICINE AND REHABILITATION 500 CLINIC DRIVE MADISONVILLE KY 42431	REHAB SERVICES
4 BAPTIST HEALTH HOSPICE 418 NORTH SCOTT STREET MADISONVILLE KY 42431	HOSPICE
5 BAPTIST HEALTH TRANSITIONAL CARE 900 HOSPITAL DRIVE MADISONVILLE KY 42431	SKILLED NURSING FACILITY
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; Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

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

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

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Part I Line 7, COLUMN F BAD DEBTS INCLUDED IN PART IX, LINE 24 TOTALED $18,718,012 THIS AMOUNT HAS BEEN REMOVED FROM TOTAL EXPENSES CALCULATED IN COLUMN F ON SCHEDULE H, PART I

Part III Line 2, BAD DEBT EXPENSE ON THE FINANCIALS REPRESENT THE AMOUNT OF CHARGES WRITTEN OFF AND ESTIMATED AMOUNT OF SELF-PAY ACCOUNTS RECEIVABLES EXPECTED TO BE WRITTEN OFF BASED ON CLAIM EXPERIENCE

Part III Line 4, THE AUDITED FINANCIAL STATEMENTS DOES NOT CONTAIN A FOOTNOTE WHICH DESCRIBES BAD DEBT

Part III Line 9b, ONCE A PATIENT HAS BEEN DETERMINED TO QUALIFY FOR CHARITY CARE, THE PATIENT IS CLASSIFIED AS SUCH FOR THREE MONTHS IF THE PATIENT RETURNS FOR SERVICES WITHIN THREE MONTHS, THEY ARE AUTOMATICALLY QUALIFIED FOR CHARITY CARE, WHICH IMPROVES THEIR ACCESS TO HEALTHCARE SERVICES

Part V, LINE 3 INTERVIEWS WITH 25 KEY INFORMANTS WERE CONDUCTED OVER A THREE DAY PERIOD INTERVIEWEES WERE DETERMINED BASED ON THEIR A) SPECIALIZED KNOWLEDGE OR EXPERTISE IN PUBLIC HEALTH B) THEIR AFFILIATION WITH LOCAL GOVERNMENT, SCHOOLS, OR INDUSTRY OR C) THEIR INVOLVMENT WITH UNDERSERVED AND MINORITY POPULATIONS ALL INTERVIEWS WERE CONDUCTED USING A STANDARD QUESTIONAIRE A SUMMARY OF THEIR OPINIONS IS REPORTED WITHOUT JUDGING THE TRUTHFULNESS OR ACCURACY OF THEIR REMARKS COMMUNITY LEADERS PROVIDED COMMENTS ON THE FOLLOWING ISSUES· HEALTH AND QUALITY OF LIFE FOR RESIDENTS OF THE PRIMARY COMMUNITY, BARRIERS TO IMPROVING HEALTH AND QUALITY OF LIFE FOR RESIDENTS OF THE PRIMARY COMMUNITY, OPINIONS REGARDING THE IMPORTANT HEALTH ISSUES THAT AFFECT HOPKINS, WEBSTER, AND MUHLENBERG COUNTY RESIDENTS AND THE TYPES OF SERVICES THAT ARE IMPORTANT FOR ADDRESSING THESE ISSUES, AND DELINEATION OF THE MOST IMPORTANT HEALTH CARE ISSUES DISCUSSED AND ACTIONS NECESSARY FOR ADDRESSING THOSE ISSUES NAM AND ORGANIZATIONAL AFFILIATIONS WERE NOT CONNECTED TO THE INFORMATION PRESENTED IN THE REPORT KEY

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, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

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

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

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

INFORMANTS FROM THE COMMUNITY WORKED FOR THE FOLLOWING TYPES OF ORGANIZATIONS AND AGENCIES SOCIAL SREVICE AGENCIES, LOCAL SCHOOL SYSTEM AND COMMUNITY COLLEGE, LOCAL CITY AND COUNTY GOVERNMENT, PUBLIC HEALTH AGENCIES, INDUSTRY, FAITH COMMUNITY, AND MEDICAL PROVIDERS

Part V, LINE 5C PART V, LINE 5c COPIES OF THE CHNA WERE ALSO DISTRIBUTED INTERNALLY AND EXTERNALLY TO THOSE WHO PARTICIPATED IN THE NEEDS ASSESSMENT (INDIVIDUALS AND ORGANIZATIONS)

Part V, Line 7 THE HOSPITAL HAS NOT ADDRESSED THE BEHAVIORAL HEALTH NEED DUE TO THE LACK OF RESOURCES THIS HAS BEEN DISCLOSED IN THE HEALTH NEEDS ASSESSMENT

Part VI Line 2, THE COMMUNITY SERVED BY THE HOSPITAL WAS DEFINED BY UTILIZING INPATIENT AND OUTPATIENT DATA REGARDING PATIENT ORIGIN POPULATION DEMOGRAPHICS AND SOCIOECONOMIC CHARACTERISTICS OF THE COMMU WERE GATHERED AND REPORTED UTILIZING VARIOUS THIRD PARTIES THE HEALTH STATUS OF THE COMMUNITY WAS THEN REVIEWED INFORMATION ON THE LEADING CAUSES OF DEATH AND MORBIDITY INFORMATION WAS ANALYZED IN CONJUNCTION WITH HEALTH OUTCOMES AND FACTORS REPORTED FOR THE COMMUNITY BY COUNTYHEALTHRANKINGS OR(HEALTH FACTORS WITH SIGNIFICANT OPPORTUNITY FOR IMPROVEMENT WERE NOTED AN INVENTORY OF HEALTH CARE FACILITIES AND RESOURCES WERE PREPARED AND THE ESTIMATED DEMAND FOR PHYSICIAN AND HOSPITAL SERVICES WEF EVALUATED COMMUNITY INPUT WAS PROVIDED THROUGH KEY INFORMATION INTERVIEWS AND SURVEYS INFORMATION GATHERED WAS ANALYZED AND REVIEWED TO IDENTIFY HEALTH ISSUES OF UNINSURED PERSONS, LOW-INCOME PERSONS MINORITY GROUPS AND THE COMMUNITY AS A WHOLE HEALTH NEEDS WERE RANKED UTILIZING A WEIGHTING METHOD ANC THEN PRIORITIZED TAKING INTO ACCOUNT THE PERCEIVED DEGREE OF INFLUENCE THE HOSPITAL HAS TO IMPACT THE NEED INFORMATION GAPS WERE IDENTIFIED DURING THE PRIORITIZATION PROCESS AND WERE REPORTED

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; Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

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

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

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Part VI Line 3, THE ORGANIZATION IDENTIFIES UNINSURED PATIENTS BY REQUESTING INSURANCE INFORMATION AT THE TIME OF THE APPOINTMENT REQUEST IF THE PATIENT HAS NO INSURANCE BENEFITS, APPOINTMENT SCHEDULING STAFF WILL INFORM THE PATIENT OF THE TROVER SELF-PAY POLICY NEW PATIENTS WHO ARE UNABLE TO PAY AT THE TIME OF SERVICE MUST BE REFERRED TO FINANCIAL COUNSELING BEFORE AN APPOINTMENT CAN BE SCHEDULED DURING FINANCIA COUNSELING, PATIENTS WILL BE INFORMED OF THE KENTUCKY PHYSICIANS CARE PROGRAM (KPC) IN COORDINATION WITH THE DISPROPORTIONATE SHARE HOSPITAL (DSH) PROGRAM THEY WILL ALSO BE COUNSELED ON POTENTIAL ELIGIBILITY FOR MEDICAID AND DISABILITY PROGRAMS. PATIENTS WILL ALSO BE ADIVISED OF THE TROVER FINANCIAL ASSISTANCE POLICY AND APPLICATIONS WILL BE PROVIDED

Part VI Line 4, THE ORGANIZATION IS BASED IN MADISONVILLE, KENTUCKY (IN HOPKINS COUNTY) NEAR INTERSTATE 69 APPROXIMATLEY 50 MILES SOUTH OF EVANSVILLE, IN THE BULK OF THE COMMUNITY'S POPULATION IS CONCENTRTED IN AND AROUND THE CITY OF MADISONVILLE, WITH PORTIONS OF THE NEARBY COUNTIES OF WEBSTER AND MUHLENBERG ALSO HAVEING SIGNIFICANT DISCHARGE NUMBERS APPROXIMATELY 37% OF THE COMMUNITY'S POPULATION FALLS IN THE 15-44 AGE RANGE AND 28% IN THE 45-64 AGE RANGE WITH THE REMAINDER SPLIT BETWEEN THE UNDER 15 YEARS AND OVER 65 YEARS BASED ON 2011 DATA APPROXIMATELY 51% ARE FEMALE AND 49% ARE MALE BASED ON 2011 DATA

Part VI Line 5, THE ORGANIZATION PROMOTES THE HEALTH OF THE COMMUNITY THORUGH OPEN MEDICAL STAFF, SERVICE ON COMMUNITY BOARDS, 24 HOUR EMERGENCY DEPARTMENT, OCCUPATIONAL MEDICINE PROGRAM, FREE ATHLETIC PHYSICALS, HEALTH FAIRS AND SCREENINGS, COURTESY MEMBERSHIP TO FITNESS FOR ATHLETES, POLICE OFFICERS, AND FIRE DEPARTMENT, EDUCATIONAL PROGRAMS, ATHLETIC TRAINERS AT SCHOOL EVENTS, AND A CENTERING PREGNANCY PROGRAM

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, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

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

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

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Part VI Line 6, ON NOVEMBER 1, 2012, TROVER HEALTH SYSTEM SIGNED A MEMBERSHIP SUBSITUTION AGREEMENT WITH BAPTIST HEALTH SYSTEM BASED IN LOUISVILLE, KY AND EFFECTIVELY BECAME BAPTIST HEALTH MADISONVILLE BAPTIST HEALTH SYSTEM, ALSO A NON-PROFIT ORGANIZATION, SHARES A SIMILAR MISSION AND SUPPORTS THE PROMOTION OF HEALTH IN THE LOCAL COMMUNITIES SERVICED BY THE ORGANIZATION AS A WHOLE

Part VI Line 7, KY

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

2012

Open to Public Inspection

Name of the organization

BAPTIST HEALTH MADISONVILLE, INC

Employer identification number

61-0654587

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? . . . . . [X] 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. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) AMERICAN CANCER SOCIET 952 FAIRVIEW AVENUE, SUITE #	13-1788491	501(C)(3)	5,000				GENERAL SUPPORT
(2) CITY OF MADISONVILLE PO BOX 705	61-6001864	ITY MADISONVILL	7,500				GENERAL SUPPORT
(3) MADISONVILLE CHAMBER O 15 EAST CENTER STREET	61-0561820	501(C)(6)	5,095				GENERAL SUPPORT
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

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

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

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated 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						
2						
3						
4						
5						
6						
7						

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

Part I Line 2 THERE IS ONE STAFF MEMBER WHO IS RESPONSIBLE FOR APPROVING ALL DONATIONS. THEY SELECT THE ORGANIZATION BASED ON NONPROFIT CRITERIA. AN ANNUAL BUDGET IS ESTABLISHED TO DETERMINE THE TOTAL AMOUNT OF FUNDS TO BE DISTRIBUTED EACH YEAR.

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, line 23.**

▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization

BAPTIST HEALTH MADISONVILLE, INC

Employer identification number

61-0654587

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate 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 indemnification 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 on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	X	
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	X	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☒ 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	X	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III			
	Only section 501(c)(3) and 501(c)(4) organizations 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		X
b	Any related organization?	5b		X
	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		X
b	Any related organization?	6b		X
	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	X	
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9		

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

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

Note. The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		(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 as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
HEATHER RICKETTS, MD	(i)	257,607	0	20	6,900	13,072	277,599	
1 DIRECTOR	(ii)						0	
MARK FITZMAURICE, MD	(i)	296,798	0	17,020	34,500	15,150	363,468	
2 DIRECTOR/PHYSICIAN	(ii)						0	
BARRY HARDISON, MD	(i)						0	
3 DIRECTOR/PHYSICIAN	(ii)	398,054	0	20	9,719		407,793	
R LAMONT WOOD, MD	(i)	286,504		20	34,500	13,150	334,174	
4 DIRECTOR/PHYSICIAN	(ii)						0	
E BERTON WHITAKER	(i)	373,432	166,864	314,718	97,644	9,444	962,102	262,075
5 DIRECTOR/CEO/PRESIDENT	(ii)						0	
C THOMAS MOORE	(i)	270,097	92,582	145,367	76,666	25,404	610,116	33,826
6 CFO/TREASURER/SR VP OPERAT	(ii)						0	
RACHEL LEANN HIGHT, MD	(i)	407,592		20	24,000	10,488	442,100	
7 PHYSICIAN	(ii)						0	
PATRICK A MURPHEE, MD	(i)	431,927		20	6,900	12,250	451,097	
8 PHYSICIAN	(ii)						0	
GETU ASSEFA, MD	(i)	500,360		7,190	0	1,203	508,753	
9 PHYSICIAN	(ii)						0	
THOMAS MARK STANFIELD, MD	(i)	492,787	32,256	11,708	34,500	12,250	583,501	
10 PHYSICIAN	(ii)						0	
JOHN DACOSTA, MD	(i)	744,075		20	6,900	19,497	770,492	
11 PHYSICIAN	(ii)						0	
RANDALL POWELL	(i)	206,668	68,865	96,528	49,081	19,194	440,336	83,679
12 VP OF CLINIC OPERATIONS	(ii)						0	
TIMOTHY DUKES	(i)	131,772	47,454	19,588	46,362	16,784	261,960	
13 VP OF OPERATIONS	(ii)						0	
STACEY BEAVEN	(i)	144,901	52,820	21,177	24,741	4,083	247,722	
14 VP OF NURSING	(ii)						0	
DAVID LANG	(i)	149,927	58,098	42,720	40,699	10,975	302,419	16,071
15 VP OF HUMAN RESOURCES	(ii)						0	
MOHAN ROA, MD	(i)	367,000	0	17,020	27,600	13,150	424,770	
16 PHYSICIAN	(ii)						0	

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Part I Line 1A THE ORGANIZATION PAYS COUNTRY CLUB AND ROTARY CLUB DUES FOR BERTON WHITAKER, DIRECTOR/CEO/PRESIDENT ONLY THE CEO IS ELIGIBLE FOR THIS BENEFIT USE OF THE COUNTRY CLUB MEMBERSHIP IS EXCLUSIVELY FOR BUSINESS PURPOSE.

Part I Line 7 SEVERAL PHYSICIANS ARE COMPENSATED BASED UPON AN INCENTIVE COMPENSATION PLAN THE INCENTIVE COMPENSATION PAYMENTS ARE NOT CONTINGENT UPON GROSS REVENUES OR NET EARNINGS OF THE ORGANIZATION, BUT ARE BASED UPON THE PHYSICIAN'S INDIVIDUAL PRODUCTIVITY AND QUALITY MEASURES

Part I Line 4B THE FOLLOWING INDIVIDUALS PARTICIPATED IN AND ACCRUED AMOUNTS FROM THE SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN, A NONQUALIFIED DEFERRED COMPENSATION PLAN, WHICH IS A PORTION OF THE AMOUNT REPORTED AS DEFERRED COMPENSATION IN SCHEDULE J. THE FOLLOWING WERE THE ACCRUED OR ACTUARIAL CHANGES IN THAT PLAN FOR THE RESPECTIVE OFFICER OR DIRECTOR. TOMMY SMITH $103,049, CARL HERDE $43,491, BERTON WHITAKER ($198,931) CONSISTING OF A PAYOUT OF $262,075 AND CHANGE IN ACTUARIAL VALUE OF $63,144, THOMAS MOORE $8,340 CONSISTING OF A $33,826 PAYOUT AND $42,166 CHANGE IN ACTUARIAL VALUE, TIMOTHY DUKES $13,597, AND STACEY BEAVEN $12,448 ADDITIONALLY, THE FOLLOWING DIRECTOR'S PLANS WERE TERMINATED BY 12/31/2012 RESULTING IN THE FOLLOWING PAYOUTS OF PLAN BALANCES RANDALL POWELL ($83,667) AND DAVID LANG ($16,069) THAT WERE TAXED IN A PREVIOUS YEAR

Part II COLUMN iii - OTHER REPORTABLE COMPENSATION INCLUDES SEVERANCE FOR THE FOLLOWING INDIVIDUALS: DAVID LANG ($24,132) AND RANDALL POWELL ($28,604).

Continuation Sheet for Schedule J (Form 990)

Name of the organization: BAPTIST HEALTH MADISONVILLE, INC

Employer identification number: 61-0654587

Part II Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(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				
WILLIAM LOGAN, MD	(i)	369,175	0	17,020	27,600	7,834	421,629	
17 PHYSICIAN	(ii)						0	
ANDY SEARS	(i)						0	
18 VICE CHAIRMAN	(ii)	308,730	86,757	43,709	26,313	32,520	498,029	
CARL HERDE	(i)						0	
19 SR VP OF OPERATIONS/TREASUR	(ii)	550,360	103,374	49,258	68,304	28,903	800,199	
JANET NORTON	(i)						0	
20 VP/SECRETARY	(ii)	399,334	96,755	71,255	23,313	32,988	623,645	
TOMMY SMITH	(i)						0	
21 DIRECTOR/CEO	(ii)	993,370	275,085	131,364	129,362	39,176	1,568,357	92,217
22	(i)							
	(ii)							
23	(i)							
	(ii)							
24	(i)							
	(ii)							
25	(i)							
	(ii)							
26	(i)							
	(ii)							
27	(i)							
	(ii)							
28	(i)							
	(ii)							
29	(i)							
	(ii)							
30	(i)							
	(ii)							
31	(i)							
	(ii)							
32	(i)							
	(ii)							
33	(i)							
	(ii)							

SCHEDULE K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
BAPTIST HEALTH MADISONVILLE, INC

Employer identification number
61-0654587

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	CITY OF MADISONVILLE, KENTUCKY	61-6001864		12/21/2010	25,780,000	REFUND CERTAIN SERIES 2006 BON		X		X		X
B												
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased				
3	Total proceeds of issue	25,780,000			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	234,600			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds				
11	Other spent proceeds	23,898,065			
12	Other unspent proceeds	1,647,335			
13	Year of substantial completion	2011			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	1 29%		%		%		%	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	%		%		%		%	
6	Total of lines 4 and 5	1 29%		%		%		%	
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of	%		%		%		%	
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?								
b	Exception to rebate?		X						
c	No rebate due?								
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X							
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV Arbitrage *(Continued)*

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X						
7 Has the organization established written procedures to monitor the requirements of section 148?		X						

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?		X						

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Part III Line 9 FORMAL WRITTEN PROCEDURES ARE NOT ESTABLISHED, HOWEVER, IN THE EVENT REMEDIATION ISSUES ARISE, THE ORGANIZATION SEEKS THE A COUNSEL

Part VI **Supplemental Information.** Complete this part to provide additional information for responses to questions on Schedule K (see instructions) *(Continued)*

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

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

OMB No 1545-0047

2012

Open To Public Inspection

Name of the organization

BAPTIST HEALTH MADISONVILLE, INC

Employer identification number

61-0654587

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

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

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	(d) Corrected? No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

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

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

	(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	(d) Loan to or from the organization? From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	(g) In default? No	(h) Approved by board or committee? Yes	(h) Approved by board or committee? No	(i) Written agreement? Yes	(i) Written agreement? No
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
Total						▶ $	0						

Part III Grants or Assistance Benefiting Interested Persons.

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

	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) BARRY HARDISON, MD	DIRECTOR	407,773	COMPENSATION		X
(2) BEVERLY HAMMAN	FAMILY MEMBER - DIRE	24,461	COMPENSATION		X
(3) CARROLL STEINFIELD	FAMILY MEMBER - DIRE	241,876	COMPENSATION		X
(4) AMANDA ROBINSON	FAMILY MEMBER - CHA	80,635	COMPENSATION		X
(5) TOM BEAVEN	FAMILY MEMBER - VP C	35,007	COMPENSATION		X
(6) AIMME LOGAN	FAMILY MEMBER - PHY	31,314	COMPENSATION		X
(7) CHAMBER OF COMMERCE	DIRECT RELATIONSHIP	21,560	MEMBERSHIP DUES		X
(8) CHAMBER OF COMMERCE	DIRECT RELATIONSHIP	53,695	GIFT CARDS		X
(9) CHAMBER OF COMMERCE	DIRECT RELATIONSHIP	6,555	OTHER SUPPORT		X
(10) C THOMAS MOORE	WKMMS - OFFICER	205,751	CONTRACT SERVICES		X

Part V **Supplemental Information**

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

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 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization

BAPTIST HEALTH MADISONVILLE

Employer identification number

61-0654587

FORM 990, PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

• BAPTIST HEALTH MADISONVILLE IS AN ACUTE CARE HOSPITAL SERVING NUMEROUS RURAL COMMUNITIES AND OFFERING A BROAD RANGE OF INPATIENT AND OUTPATIENT SERVICES. BAPTIST HEALTH MADISONVILLE PROVIDES A SUBSTANTIAL AMOUNT OF CHARITY CARE AS DETAILED BELOW IN THE COMMUNITY SERVICE SECTION. BAPTIST HEALTH MADISONVILLE PROVIDED CARE FOR 9,850 INPATIENT ADULT, PEDIATRIC, AND NURSERY ADMISSIONS DURING 2012. PATIENT DAYS FOR 2012 TOTALED 42,286. THERE WERE 823 LIVE BIRTHS, OF WHICH OVER 64% WERE MEDICAID BIRTHS. SURGERY VISITS TOTALED 6,218 FOR THE YEAR.

BAPTIST HEALTH MADISONVILLE'S MAHR CANCER CENTER IS APPROVED BY THE AMERICAN COLLEGE OF SURGEONS' COMMISSION ON CANCER, RECEIVING THE NO. 1 OVERALL RATING. THE MAHR CENTER PROVIDED SERVICES TO OVER 20,770 PATIENT VISITS DURING 2012, AND IS AFFILIATED WITH THE JAMES GRAHAM BROWN CANCER CENTER AT THE UNIVERSITY OF LOUISVILLE.

• BAPTIST HEALTH MEDICAL ASSOCIATES IS A MULTI-SPECIALTY PHYSICIAN GROUP PRACTICE WITH OVER 70 PROVIDERS OFFERING BROAD RANGE OF MEDICAL SERVICES INCLUDING SPECIALTY AND SUBSPECIALTY SERVICES. BAPTIST HEALTH MEDICAL ASSOCIATES OPERATED FIVE CLINICS IN RURAL COMMUNITIES BRINGING HEALTHCARE TO MEDICALLY UNDERSERVED AREAS. BAPTIST HEALTH MEDICAL ASSOCIATES PROVIDED A TOTAL OF 294,834 PATIENT ENCOUNTERS DURING 2012.

• THE RESIDENCY PROGRAM IS AN EDUCATIONAL PROGRAM IN WHICH FOUNDATION PHYSICIANS INSTRUCT AND WORK WITH RESIDENTS. THE RESIDENCY PROGRAM IS AFFILIATED WITH THE UNIVERSITY OF LOUISVILLE SCHOOL OF MEDICINE. TWENTY-FOUR RESIDENTS WERE INVOLVED IN THE RESIDENCY PROGRAM DURING 2012.

• DR. LOMAN C. TROVER MEDICAL EDUCATION AND RESEARCH CENTER (TROVER EDUCATION AND RESEARCH CENTER) PROVIDES NUMEROUS EDUCATIONAL PROGRAMS THAT BENEFIT THE COMMUNITIES OF WESTERN KENTUCKY. IN ADDITION TO THE FAMILY PRACTICE RESIDENCY PROGRAM, THE TROVER EDUCATION AND RESEARCH CENTER COLLABORATES WITH MURRAY STATE UNIVERSITY TO OFFER A GRADUATE DEGREE IN NURSE ANESTHESIA. THE PROGRAM IS DEDICATED TO GRADUATING NURSE ANESTHETISTS OF THE HIGHEST PROFESSIONAL COMPETENCE WHO ARE COMMITTED TO RETURNING TO RURAL AREAS TO PRACTICE. BAPTIST HEALTH MADISONVILLE SERVES AS THE PRIMARY CLINICAL SITE. THE TROVER EDUCATION AND RESEARCH

Name of the organization: BAPTIST HEALTH MADISONVILLE, INC.

Employer identification number: 61-0654587

CENTER ALSO COORDINATES THE WEST AREA HEALTH EDUCATION CENTER (AHEC) PROGRAM, CONNECTING THE ACADEMIC HEALTH CENTERS AT THE UNIVERSITY OF KENTUCKY AND UNIVERSITY OF LOUISVILLE WITH MEDICALLY UNDERSERVED COMMUNITIES THROUGHOUT THE STATE, IN AN EFFORT TO ADDRESS KENTUCKY HEALTH CARE ACCESS PROBLEMS. THE FOUNDATION IS A REGIONAL CAMPUS FOR THE UNIVERSITY OF LOUISVILLE SCHOOL OF MEDICINE THROUGH THE FOUNDATION'S OFF-CAMPUS TEACHING CENTER. THE CENTER PROVIDES INDIVIDUALIZED CLINICAL TRAINING IN A SMALL-TOWN ENVIRONMENT, WITH A GOAL TOWARDS INCREASING THE NUMBER OF PHYSICIANS IN RURAL AREAS. THE TROVER EDUCATION AND RESEARCH CENTER IS A LOCATION FOR THE UNIVERSITY OF KENTUCKY'S CENTER FOR RURAL HEALTH, CREATED TO IMPROVE THE HEALTH STATUS OF THE RURAL POPULATION OF THE STATE. THE TROVER EDUCATION AND RESEARCH CENTER SPONSORS THE PROJECT FOR 20 COUNTIES IN THE STATE OF KENTUCKY. THE GOAL OF THE DELTA PROJECT IS TO IMPROVE THE HEALTH STATUS AND HEALTH CARE SYSTEM IN EACH COUNTY SERVED. DURING 2012, 29,333 STUDENTS WERE CONTACTED IN APPROXIMATELY 65 DIFFERENT SCHOOLS.

- GREEN RIVER HOSPICE IS A PROGRAM ASSISTING TERMINALLY ILL PATIENTS AND THEIR FAMILIES THROUGH THE DEATH AND BEREAVEMENT PROCESS. THE HOSPICE PROVIDED SERVICE FOR 16,076 HOSPICE DAYS DURING 2012.

2012 COMMUNITY SERVICE:

SERVICE DETAIL	HOURS	NO OF EVENTS	COMMUNITY CONTACTS
EDUCATIONAL EVENTS	4,783	651	86,192
COMMUNITY EVENTS	1,340	17	4,251
HEALTH FAIRS/SCREENINGS	249	3,598	58,981
SUPPORT GROUPS	4,908	155	803
TOTAL	18,662	4,426	150,617

TOTAL EVENTS	4,426
TOTAL EMPLOYEE HOURS	18,662
TOTAL COMMUNITY CONTACTS	150,617
VOLUNTEER HOURS	14,411

Name of the organization: BAPTIST HEALTH MADISONVILLE

Employer identification number: 61-0654587

CHARITY AND COMMUNITY BENEFIT CARE

BAPTIST HEALTH MADISONVILLE PROVIDES CARE TO PATIENTS WHO MEET GUIDELINES ESTABLISHED IN THE ORGANIZATION'S CARE POLICY AT NO CHARGE OR AT CHARGES LESS THAN ESTABLISHED RATES. OTHER UNCOMPENSATED CARE RELATES PRINCIPALLY TO CONTRACTUAL ALLOWANCES FOR GOVERNMENT PAYORS, DISCOUNTS TAKEN BY COMMERCIAL PAYORS AND BAD DEBTS. THE FOUNDATION PROVIDED UNCOMPENSATED CARE, BASED ON ESTABLISHED RATES, FOR THE YEAR ENDED DECEMBER 31, 2012 IN THE AMOUNT OF $246,183,000. THIS REPRESENTS APPROXIMATELY 69% OF TOTAL REVENUE DETERMINED FROM FOUNDATION'S ESTABLISHED RATES IN 2012.

THE FOLLOWING SUMMARY QUANTIFIES ADDITIONAL COMMUNITY BENEFIT EXPENSE IN TERMS OF UNCOMPENSATED CARE, SERVICES TO THE INDIGENT AND BENEFITS TO THE BROADER COMMUNITY DURING 2012:

UNCOMPENSATED CARE:		
BAD DEBT EXPENSE (AT COST)		$ 5,527,000
BENEFITS FOR THE POOR		
TRADITIONAL CHARITY CARE	$ 5,149,000	
UNPAID COSTS OF MEDICAID	3,693,000	
TOTAL QUANTIFIABLE BENEFITS FOR THE POOR		$14,369,000
BENEFITS FOR THE BROADER COMMUNITY:		
EDUCATIONAL EVENTS	$ 321,000	
COMMUNITY EVENTS	134,000	
HEALTH FAIRS/SCREENINGS/CLINICAL STUDIES	30,000	
DONATIONS/SUPPORT	1,405,000	
SUPPORT GROUPS	138,000	
TOTAL QUANTIFIABLE BENEFITS FOR THE BROADER COMMUNITY		$ 2,028,000

Name of the organization: BAPTIST HEALTH MADISONVILLE

Employer identification number: 61-0654587

TOTAL QUANTIFIABLE COMMUNITY BENEFITS $ 2,028,000

COMMUNITY BENEFITS EXPENSE REPRESENTS APPROXIMATELY 8% OF THE TOTAL ORGANIZATION'S EXPENSE FOR THE YEAR ENDED DECEMBER 31, 2012.

IN ADDITION TO THE ABOVE, BAPTIST HEALTH MADISONVILLE PROVIDES A WIDE RANGE OF COMMUNITY BENEFITS INCLUDING COORDINATION OF CHARITABLE ACTIVITIES BY ORGANIZATION'S STAFF.

EDUCATIONAL EVENTS

BAPTIST HEALTH MADISONVILLE'S MISSION IS EXCELLENT CARE EVERY TIME. IN ORDER TO SUPPORT THIS MISSION, THE ORGANIZATION STRIVES TO BE INVOLVED IN NUMEROUS EDUCATIONAL PROGRAMS.

THE FAMILY PRACTICE RESIDENCY PROGRAM COMPLETED TRAINING FOR SEVEN FAMILY PRACTICE PHYSICIANS. TOTAL NUMBER OF RESIDENTS IN TRAINING DURING 2012 WAS 24.

THE CERTIFIED REGISTERED NURSE ANESTHESIA PROGRAM HAS TRAINED 214 NURSES TO BECOME CRNAS SINCE THE PROGRAM'S INCEPTION.

THE UNIVERSITY OF LOUISVILLE/ TROVER EDUCATION AND RESEARCH CENTER'S MEDICAL CAMPUS PROVIDED TRAINING FOR 24 3RD AND 4TH YEAR MEDICAL STUDENTS. IT PROVIDED EDUCATIONAL ACTIVITIES FOR HIGH SCHOOL STUDENTS INTERESTED IN A MEDICAL CAREER, INCLUDING SHADOWING AND ENHANCEMENT CLASSES.

CENTERING PREGNANCY SMILES IS A PARTNERSHIP BETWEEN UK, TROVER EDUCATION AND RESEARCH CENTER, THE HOPKINS COUNTY HEALTH DEPARTMENT, THE NATIONAL CENTERING PREGNANCY INITIATIVE AND OTHER FEDERAL, STATE, AND LOCAL LEADERS. THE ALLIANCE, ESTABLISHED TO END THE CYCLE OF PRETERM BIRTHS, LOW BIRTH WEIGHT, AND POOR ORAL HEALTH IN KENTUCKY, HAS ALREADY SAVED KENTUCKY MORE THAN $2.0 MILLION IN MEDICAL PROCEDURES NEEDED BY THOSE BABIES AT BIRTH. THE PROGRAM ASSISTED OVER 266 LOCAL MOTHERS DURING 2012.

Name of the organization: BAPTIST HEALTH MADISONVILLE

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COMMUNITY EVENTS

BAPTIST HEALTH MADISONVILLE HAS ALWAYS BEEN AN ORGANIZATION THAT THE COMMUNITY LOOKS TO FOR SUPPORT OF COMMUNITY EVENTS. WHETHER IT IS FINANCIAL SUPPORT, THE HUMAN RESOURCES OF OUR EMPLOYEES, OR BOTH, THE PEOPLE OF WESTERN KENTUCKY HAVE COME TO RELY ON THE ORGANIZATION TO HELP MAKE COMMUNITY EVENTS SUCCESSFUL.

IN ORDER TO IMPROVE THE GENERAL WELL BEING OF THE COMMUNITIES SERVED, THE ORGANIZATION IS INVOLVED IN MANY COMMUNITY EVENTS SUCH AS CLAY DAYS, DAWSON SPRINGS BARBECUE, HOPKINS COUNTY FAIR, AND THE COALFIELD FESTIVAL JUST TO NAME A FEW. BAPTIST HEALTH MADISONVILLE WAS AGAIN THE SPONSOR OF A DOWNTOWN EVENT, FRIDAY NIGHT LIVE.

BUT BAPTIST HEALTH MADISIONVILLE'S REAL PASSION IS HEALTH CARE. FOR THAT REASON, WE GIVE EMPHASIS TO HELPING ORGANIZATIONS WITH HEALTH CARE MISSIONS. A SHINING EXAMPLE IS THE MONETARY AND PHYSICAL SUPPORT GIVEN TO THE AMERICAN CANCER SOCIETY RELAY FOR LIFE. RAISING CONTRIBUTIONS IN THE THOUSANDS, THE ORGANIZATION'S EMPLOYEES GAVE GENEROUSLY OF THEIR TIME TO THIS EFFORT IN 2012. OTHER EVENTS SUCH AS THIS INCLUDE THE MARCH OF DIMES WALK, MUSCULAR DYSTROPHY, ALZHEIMER'S WALK, AMERICAN HEART WALK, CYSTIC FIBROSIS FOUNDATION AND JUVENILE DIABETES.

OTHER COMMUNITY ORGANIZATIONS PROVIDED SUPPORT BY BAPTIST HEALTH MADISONVILLE INCLUDE BIG BROTHERS/BIG SISTERS, UNITED WAY OF HOPKINS COUNTY, MADISONVILLE COMMUNITY COLLEGE, LOCAL CHAMBERS OF COMMERCE, HABITAT FOR HUMANITY, AMERICAN RED CROSS, LION'S CLUB, ROTARY CLUB, KIWANIS CLUB, DOOR OF HOPE, YMCA, MADISONVILLE-HOPKINS COUNTY ECONOMIC DEVELOPMENT CORPORATION AND MANY MORE.

HEALTH FAIRS, SCREENINGS AND CLINICAL STUDIES

BAPTIST HEALTH MADISONVILLE SERVED ALMOST 2,000 INDIVIDUALS THROUGH HEALTH FAIRS AND SCREENINGS IN 2012. THE FOUNDATION PROVIDED BLOOD SUGAR AND BLOOD PRESSURE SCREENINGS REGULARLY AT SATELLITE LOCATIONS. WORKING WITH THE KENTUCKY CANCER PROGRAM, THE MAHR CANCER CENTER PROVIDED PROSTRATE CANCER SCREENINGS AND COLORECTAL SCREENINGS FOR SEVERAL HUNDRED PEOPLE. ADDITIONALLY THE ORGANIZATION PARTICIPATED IN A HEALTH FAIR FOR LOCAL BUSINESSES PROVIDING SCREENINGS AND HEALTH EDUCATION.

BAPTIST HEALTH MADISONVILLE PROVIDED FREE SPORTS PHYSICALS TO ALMOST 1,600 HIGH SCHOOL STUDENTS IN HOPKINS,

Name of the organization: BAPTIST HEALTH MADISONVILLE

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CHRISTIAN, CRITTENDEN, CALDWELL, MCLEAN, WEBSTER, UNION, MUHLENBURG, OHIO, TRIGG, TODD AND LYON COUNTIES.

THE ORGANIZATION ALSO OPERATES A FULL-TIME DEDICATED RESEARCH CENTER, ESTABLISHED TO ENSURE THAT THE COMMUNITY HAS EARLY ACCESS TO PROMISING NEW MEDICINE AND MEDICAL TREATMENT. THE LOMAN C.TROVER MEDICAL EDUCATION AND RESEARCH CENTER FOR CLINICAL STUDIES HAS PARTICIPATED IN PROJECTS SPONSORED BY AVENTIS, MERCK, GLAXOSMITHKLINE, DUKE UNIVERSITY, UNIVERSITY OF LOUISVILLE SCHOOL OF MEDICINE AND OTHERS.

DONATIONS/SUPPORT

TROVER FOUNDATION SUPPORTED ITS COMMUNITIES THROUGH FINANCIAL AND IN-KIND DONATIONS. APPROXIMATELY 3,400 EVENTS WERE SUPPORTED. EXAMPLES INCLUDE GIVE-AWAYS FOR LOCAL SCHOOL EVENTS, TOURS, IN-CLASS SPEAKERS, SPONSORSHIP OF BOTH SCHOOL AND NON-SCHOOL RELATED BALL TEAMS, CHEERLEADING, DANCE TEAMS, COMMUNITY EVENTS, HIGH SCHOOL BANDS, AND SIMILAR EVENTS, AS WELL AS FINANCIAL SUPPORT FOR COMMUNITY EVENTS AT THE GLEMA MAHR CENTER FOR THE ARTS.

BAPTIST HEALTH MADISONVILLE'S FITNESS FORMULA FITNESS CENTER PROVIDED FREE OR DISCOUNTED MEMBERSHIPS DURING 2012 VALUED AT OVER $990,000. THE FREE OR DISCOUNTED MEMBERSHIPS WERE GIVEN TO COACHES, ATHLETES, SENIOR CITIZENS, EMPLOYEES, AND REHAB PATIENTS, SCHOOLS, AND OTHER COMMUNITY ORGANIZATIONS.

DURING 2012, THE ORGANIZATION PROVIDED OVER $26,000 IN FINANCIAL ASSISTANCE TO INDIVIDUALS IN EMERGENCY NEED OF MEDICINE, TRANSPORTATION, ETC. RELATED TO THEIR HEALTH CONDITIONS.

BAPTIST HEALTH MADISONVILLE WAS A MAJOR CONTRIBUTOR TO THE UNIVERSITY OF KENTUCKY COLLEGE OF HEALTH SCIENCES NEW BUILDING FUND, WHICH WILL FINANCE CONSTRUCTION OF ALLIED HEALTH PROFESSIONS EDUCATIONAL FACILITIES.

THE ORGANIZATION WAS A MAJOR SPONSOR FOR RELAY FOR LIFE IN WESTERN KENTUCKY. BAPTIST HEALTH MADISONVILLE ALSO PROVIDED SUPPORT FOR CHARITIES SUCH AS UNITED WAY OF HOPKINS COUNTY (TOTAL GIFT OF ALMOST $73,000 INCLUDING EMPLOYEE CONTRIBUTION), MARCH OF DIMES, AMERICAN RED CROSS, BIG BROTHERS/BIG SISTERS, PROJECT GRADUATION, DOOR OF HOPE, HIGH SCHOOL AND YOUTH ATHLETIC PROGRAMS, KIWANIS CLUB, ROTARY CLUB, YMCA, AND MANY MORE.

Name of the organization	Employer identification number
BAPTIST HEALTH MADISONVILLE	61-0654587

THE SPORTS MEDICINE CENTER PROVIDED FREE ATHLETIC TRAINER COVERAGE AT 7 AREA SCHOOLS FOR ALL SPORTS. ONE THOUSAND AND EIGHT GAMES WERE COVERED IN 2012, AS WELL AS 2,387 PRACTICES FOR A TOTAL OF 6,600 HOURS OF EMPLOYEE TIME, VALUED AT APPROXIMATELY $143,000.

THE ORGANIZATION BEGAN A PARTNERSHIP IN 2003 WITH THE LOCAL LIONS CLUB. BAPTIST HEALTH MADISONVILLE NOW HOUSES SEVERAL EYE GLASS DEPOSITORIES FOR THE CLUB. ONCE THE EYEGLASSES ARE COLLECTED, THE ORGANIZATION PAYS FOR THE SHIPPING TO SEND THEM TO THE DISTRIBUTION CENTER.

IN 2012, THE ORGANIZATION PROVIDED DIRECT FINANCIAL SUPPORT AS WELL AS INSURANCE COVERAGE FOR BAPTIST HEALTH MADISONVILLE CARE PROVIDERS VOLUNTEERING AT THE LOCAL COMMUNITY CLINIC. THIS CLINIC PROVIDES HEALTH CARE FOR THE WORKING POOR.

SUPPORT GROUPS

THE SUPPORT GROUPS OFFERED AT NO COST BY THE ORGANIZATION SERVED OVER 800 PATIENTS AND FAMILIES WITH OVER 4,900 HOURS OF EMPLOYEE TIME. THESE GROUPS DISCUSS SUCH TOPICS AS ALZHEIMER'S DISEASE, CANCER, DIABETES, FIBROMYALGIA, MULTIPLE SCLEROSIS, ASTHMA, AND SEVERAL OTHERS. TO ENHANCE ACCESS, SOME SUPPORT GROUPS ARE HELD IN THE LOCATIONS. MOST GROUPS MEET ONCE OR TWICE A MONTH, TYPICALLY AT NIGHT FOR OPTIMUM PATIENT CONVENIENCE. THIS ALSO REQUIRES STAFF TO WORK ADDITIONAL HOURS ABOVE THEIR NORMAL WORKLOADS. THE ORGANIZATION EMPLOYS A FULL-TIME CHAPLAIN FOR OUR EMPLOYEES, PATIENTS, AND GUESTS, AS WELL AS A FULL-TIME CHAPLAIN FOR THE HOSPICE PROGRAM. THESE SERVICES, PROVIDED AT A COST TO THE ORGANIZATION OF OVER $135,000, INCLUDE CONSULTATION, PASTORAL COUNSELING, AND IN-SERVICE SEMINARS.

EMERGENCY

THE BAPTIST HEALTH MADISONVILLE EMERGENCY DEPARTMENT OPERATES 24 HOURS A DAY, 365 DAYS A YEAR. IN 2012, THE DEPARTMENT SERVED OVER 30,351 PATIENTS. THE DEPARTMENT SERVED AS THE AREA REFERRAL CENTER FOR SERIOUS OR TRAUMATIC INJURIES AND DISEASE. CARE IS PROVIDED REGARDLESS OF ABILITY TO PAY FOR MEDICALLY NECESSARY, NON-ELECTIVE CARE.

Name of the organization	Employer identification number
BAPTIST HEALTH MADISONVILLE	61-0654587

VOLUNTEER DEPARTMENT

IN 2012, BAPTIST HEALTH MADISONVILLE VOLUNTEERS GAVE 14,411 HOURS TO THE COMMUNITY. THIS PROGRAM EXISTS SOLELY FOR SERVICE AND IS NOT A FUND-RAISING GROUP FOR THE ORGANIZATION. VOLUNTEERS PROVIDE HELP TO COMMUNITY MEMBERS WHO USE THE HOSPITAL INCLUDING THE GIFT SHOP, WAITING ROOMS, INFORMATION DESK, PATIENT MAIL DELIVERY, AND OTHER AREAS. THE PROGRAM ALSO OFFERS NURSING SCHOLARSHIPS.

FORM 990, PART IV, QUESTION 20B

BAPTIST HEALTH MADISONVILLE DID NOT HAVE AN AUDIT AS OF DECEMBER 31, 2012. HISTORICALLY, THEY HAVE BEEN INCLUDED IN A CONSOLIDATED AUDIT FOR TROVER HEALTH SYSTEM. ON NOVEMBER 1, 2012, TROVER HEALTH SYSTEM SIGNED A MEMBERSHIP SUBSTITUTION AGREEMENT WITH BAPTIST HEALTHCARE SYSTEM, INC BASED IN LOUISIVILLE, KY AND EFFECTIVELY BECAME BAPTIST HEALTH MADISONVILLE. AUDITED FINANCIAL STATEMENTS WERE PREPARED AS OF OCTOBER 31, 2012 AS PART OF THIS TRANSACTION. THE AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDING OCTOBER 31, 2012 HAVE BEEN ATTACHED TO THIS RETURN BUTH THEY DO NOT INCLUDE NOVEMBER AND DECEMBER 2012.

FORM 990, PART VI, SECTION A, QUESTION 4

ON NOVEMBER 1, 2012, TROVER HEALTH SYSTEM SIGNED A MEMBERSHIP SUBSITITION AGREEMENT WITH BAPTIST HEALTHCARE SYSTEM, INC. BASED IN LOUISVILLE, KY AND EFFECTIVELY BECAME BAPTIST HEALTH MADISONVILLE. BAPTIST HEALTHCARE SYSTEM, ALSO A NON-PROFIT ORGANIZATION, SHARES A SIMILAR MISSION AND SUPPORTS THE PROMOTION OF HEALTH IN THE LOCAL COMMUNITIES SERVICED BY THE ORGANIZATION AS A WHOLE. SIGNIFICANT CHANGES INLCUDE:

CHANGES TO THE ORGANIZATION'S NAME

CHANGES TO THE ORGANIZATION'S BOARD

CHANGES TO THE WORDING ON THE CORPORATION'S PURPOSE

RESERVED POWERS GRANTED TO BAPTIST HEALTHCARE SYSTEM, INC

PER FORM 990 INSTRUCTIONS, A CHANGE IN NAME REQUIRES THE AMENDED ARTICLES TO BE ATTACHED TO FORM 990. AS SUCH THE AMENDED ARTICLES OF INCORPORATION ARE ATTACHED TO THIS RETURN.

FORM 990, PART VI, SECTION A, QUESTION 6

BAPTIST HEALTHCARE SYSTEM IS THE SOLE CORPORATE MEMBER OF BAPTIST HEALTH MADISONVILLE.

Name of the organization	Employer identification number
BAPTIST HEALTH MADISONVILLE	61-0654587

FORM 990, PART VI, SECTION A, QUESTION 7A AND 7B

THE BOARD OF DIRECTORS IS TO BE APPOINTED BY BAPTIST HEALTHCARE SYSTEM AND BAPTIST HEALTHCARE SYSTEM HAS CERTAIN RESERVED POWERS AS OUTLINED IN THE ATTACHED AMENDED ARTICLES OF INCORPORATION.

REVIEW OF FORM 990

FORM 990, PART VI, SECTION B, LINE 11

THE INTERNALLY PREPARED FORM 990 IS REVIEWED AND APPROVED BY TAX CONSULTANTS. COPIES ARE GIVEN TO EACH VOTING MEMBER OF THE BOARD PRIOR TO FILING FOR THEIR REVIEW. THE FORM 990 IS THEN PRESENTED AT A MONTHLY MEETING OF THE HOSPITAL'S BOARD OF DIRECTORS BEFORE IT IS FILED.

MONITORING OF COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY

FORM 990, PART VI, SECTION B, LINE 12C

CONFLICT OF INTEREST STATEMENTS ARE COMPLETED FOR EACH BOARD MEMBER, PRINCIPAL OFFICER, AND COMMITTEE MEMBER WITH BOARD DELEGATED POWERS. THE CHAIRMAN OF THE BOARD OF DIRECTORS IS RESPONSIBLE FOR BEING FAMILIAR WITH THE STATEMENTS AND IDENTIFYING EXISTING OR CONTEMPLATED TRANSACTIONS OR RELATIONSHIPS WHICH MAY GIVE RISE TO A CONFLICT OF INTEREST. AFFECTED BOARD MEMBERS, OFFICERS, AND COMMITTEE MEMBERS ARE ALSO RESPONSIBLE FOR BRINGING CONFLICTS WHICH THEY MAY BE A PART OF TO THE ATTENTION OF THE BOARD. SUCH AFFECTED PARTIES ARE REQUIRED TO WITHDRAW FROM THE MEETINGS FOR THE TIME IN WHICH THE MATTER CONTINUES UNDER DISCUSSION. IF THE MATTER IS BROUGHT TO A VOTE, THE AFFECTED PARTY WILL NOT VOTE ON IT. IF THE MATTER REQUIRES A SPECIAL CALLED MEETING, THE AFFECTED PARTY WILL NOT BE COUNTED IN ESTABLISHING A QUORUM. THE BOARD WILL ALSO APPOINT A NON-INTERESTED PERSON TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION.

PROCESS FOR DETERMINE COMPENSATION

FORM 990, PART VI, SECTION B, LINE 15A AND 15B

COMPENSATION PACKAGES FOR ORGANIZATION EXECUTIVES AND OTHER OFFICERS AND KEY EMPLOYEES ARE COMPARED WITH INDEPENDENT SURVEYS AND RECOMMENDATIONS OF CONSULTANTS. COMPENSATION IS ULTIMATELY APPROVED BY THE

Name of the organization: BAPTIST HEALTH MADISONVILLE

Employer identification number: 61-0654587

COMPENSATION COMMITTEE AND DOCUMENTED IN A WRITTEN EMPLOYMENT CONTRACT.

MAKING DOCUMENTS AVAILABLE TO THE PUBLIC

FORM 990, PART VI, SECTION C, LINE 19

THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST IN THE ORGANIZATION'S ADMINISTRATIVE OFFICE.

PART IX, LINE 11G - OTHER FEES FOR SERVICES (NON-EMPLOYEES)

PURCHASED SERVICES	$16,387,625
PURCHASED MAINTENANCE	47,366
CONSULTANT SERVICES	404,384
OUTSIDE PROFESSIONAL SERVICES	2,153,600
CONTRACTED PERSONNEL	2,744,369
MAINTENANCE AGREEMENTS	7,516
RECRUTIING	219,277
LOCUMS AND PHYSICIAN SERVICES	2,588,933
COLLECTION EXPENSE	1,022,899
TOTAL FEES FOR SERVICES (NON-EMPLOYEES)	$25,575,919

RECONCILIATION OF NET ASSETS

FORM 990, PART XI, LINE 9		FORM 990, PART XI, LINE 10	
UNRELATED BUSINESS INCOME	$ -107,151	INTANGIBLE ASSETS	3,637,500
OTHER	-176	FIXED ASSETS FMV ADJ	27,579,454
		ACCUMULATED DEP	(387,502)
OTHER CHANGES IN NET ASSETS	$ -107,327	DEPRECIATION EXPENSE	387,502
		NEGATIVE INV IN SUBSIDIARY	202,462
		TOTAL PRIOR PERIOD ADJS	31,419,416

Name of the organization	Employer identification number
BAPTIST HEALTH MADISONVILLE	61-0654587

FORM 990, PART XII, QUESTION 2A, 2B, AND 2C

BAPTIST HEALTH MADISONVILLE DID NOT HAVE AN AUDIT AS OF DECEMBER 31, 2012. HISTORICALLY THEY HAVE BEEN INCLUDED IN A CONSOLIDATED AUDIT FOR TROVER HEALTH SYSTEM. ON NOVEMBER 1, 2012, TROVER HEALTH SYSTEM SIGNED A MEMBERSHIP SUBSTITUTION AGREEMENT WITH BAPTIST HEALTHCARE SYSTEM BASED IN LOUISVILLE, KY AND EFFECTIVELY BECAME BAPTIST HEALTH MADISONVILLE. AUDITED FINANCIAL STATEMENTS WERE PREPARED AS OF OCTOBER 31, 2012 AS PART OF THIS TRANSACTION. THE AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDING OCTOBER 31, 2012 HAVE BEEN ATTACHED TO THIS RETURN BUT THEY DO NOT INCLUDE NOVEMBER AND DECEMBER 2012. THE TRANSACTION REVIEW COMMITTEE OF THE BOARD OF DIRECTORS ASSUMES RESPONSBILITY FOR OVERSIGHT OF THE AUDIT.

AMENDED RETURN EXPLANATION

ON NOVEMBER 1, 2012, THE NET ASSETS OF TROVER CLINIC FOUNDATION WERE ACQUIRED BY BAPTIST HEALTHCARE SYSTEM WHOSE TAX YEAR END IS AUGUST 31. THE ACQUISITION RESULTED IN CERTAIN ENTRIES WHICH WERE NOT COMPLETED UNTIL AFTER TROVER CLINIC FOUNDATION FILED ITS IRS FORM 990 FOR THE YEAR ENDED DECEMBER 31, 2012. AN AMENDED RETURN WAS FILED FOR BAPTIST HEALTH MADISONVILLE, INC. FOR THE YEAR ENDED DECEMBER 31, 2012 TO REFLECT THE FAIR MARKET VALUE OF ASSETS ACQUIRED BY BAPTIST HEALTHCARE SYSTEM. CHANGES WERE MADE ON THE FOLLOWING LINES OF IRS FORM 990.

SCHEDULE D, PART VI	AS ORIGNALLY FILED	11/1/2012	
COST:	TAX RETURN	ACQUISITION ENTRY	AFTER
LAND	3,218,173	6,684,287	9,902,460
BUILDINGS	66,797,896	15,421,875	82,219,771
LEASEHOLD IMPROVEMENTS	25,967	-	25,967
EQUIPMENT	166,076,851	5,191,588	171,268,379
OTHER	6,054,224	281,764	6,335,988
TOTAL	242,173,111	27,579,454	269,752,565

Name of the organization: BAPTIST HEALTH MADISONVILLE

Employer identification number: 61-0654587

AMENDED RETURN EXPLANATION (CONTINUED)

SCHEDULE D, PART VI: AS ORIGNALLY FILED 11/1/2012

	TAX RETURN	ACQUISITION ENTRY	AFTER
ACCUMULATED DEPRECIATION:			
LAND	-	-	-
BUILDINGS	41,933,416	71,602	42,005,018
LEASEHOLD IMPROVEMENTS	25,967	-	25,967
EQUIPMENT	142,004,749	314,672	142,319,421
OTHER	3,815,637	1,229	3,816,866
TOTAL	187,779,769	387,502	188,167,271
FUNCTIONAL EXPENSES: PART IX, LINE 22			
DEPRECIATION EXPENSE	11,400,424	387,502	11,787,926
BALANCE SHEET, PART X			
LINE 14 INTANGIBLE ASSETS	-	3,637,500	3,637,500
LINE 27 UNRESTRICTED NET ASSETS	116,306,322	30,829,452	147,135,774
LINE 10A FIXED ASSETS COST	242,173,111	27,579,454	269,752,565
LINE 10B ACCUMULATED DEPRECIATION	187,779,769	387,502	188,167,271
RECLASS -			
ERROR ON FILED 990			
LINE 20 TAX EXEMPT BONDS	25,780,000	(1,808,000)	23,972,000
LINE 23 SECURED NOTES PAYABLE	838,657	1,808,000	2,646,657

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
BAPTIST HEALTH MADISONVILLE, INC.

Employer identification number
61-0654587

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) MEDICAL CENTER AMBULANCE SERVICES, INC 61-09462 629 LAFFOON STREET MADISONVILLE, KY 42431	AMBULANCE SERVICE	KY	501(C)(3)	9	N/A		X
(2) BAPTIST HEALTHCARE SYSTEM, INC 61-0444707 2701 EASTPOINT PARKWAY LOUISVILLE, KY 40223	HOSPITAL	KY	501(C)(3)		N/A		X
(3) BAPTIST HEALTHCARE AFFILIATES, INC 61-1226399 2701 EASTPOINT PARKWAY LOUISVILLE, KY 40223	HOSPITAL	KY	501(C)(3)		BAPTIST HEALTH		X
(4) BAPTIST COMMUNITY HEALTH SERVICES, INC 61-114124 2701 EASTPOINT PARKWAY01 LOUISVILLE, KY 40223	MEDICAL SERVICES	KY	501(C)(3)		BAPTIST HEALTH		X
(5) BAPTIST MEDICAL ASSOCIATES, INC 20-5497203 2701 EASTPOINT PARKWAY LOUISVILLE, KY 40223	PHYSICIAN SERVICES	KY	501(C)(3)		BAPTIST HEALTH		X
(6) BAPTIST PHYSICIANS LEXINGTON, INC 20-5494939 2701 EASTPOINT PARKWAY LOUISVILLE, KY 40223	PHYSICIAN SERVICE	KY	501(C)(3)		BAPTIST HEALTH		X
(7) BAPTIST PHYSICIANS SOUTHEAST, INC 26-0766344 2701 EASTPOINT PARKWAY LOUISVILLE, KY 40223	PHYSICIAN SERVICE	KY	501(C)(3)		BAPTIST HEALTH		X

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) MUHLENBERG MEDICAL 200 CLINIC DRIVE MADISONV	RENTAL	KY	WESTERN KY		9,056	40,906		X	9,056		X	19 35%
(2) BAPTIST EAST MILESTO 750 CYPRESS STATION DRIV	FITNESS CENTER	KY	BAPTIST VENT	Excluded				X			X	
(3) BAPTIST PHYSICIANS' S 1720 NICHOLASVILLE ROAD,	AMBULATORY SURGE	KY	BAPTIST COMI	Related				X			X	
(4) BAPTIST EASTPOINT SU 2400 EASTPOINT PARKWAY L	AMBULATORY SURGE	KY	BAPTIST COMI	Related				X			X	
(5) MEDICAL ASSOCIATES C 4000 KRESGE WAY LOUISVIL	MEDICAL OFFICE BUIL	KY	BAPTIST HEAL	Related				X			X	
(6) PET CT MANAGEMENT, I 7807 SHELBYVILLE ROAD, ST	MGMT & EQUIPMENT S	KY	BAPTIST HEAL	Related				X			X	
(7) ST MATHEWS SUGERY C 4130 DUTCHMANS LANE, STE	AMBULATORY SURGE	KY	BAPTIST COMI	Related				X			X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
(1) MUTUAL CREDIT SERVICES, INC 61-0660 PO BOX 149 MADISONVILLE, KY 42431	COLLECTION AGENC	KY	BAPTIST HEA	C Corp			100 00%		X
(2) REGIONAL SURGICAL ALLIANCE, LLC 38-3 900 HOSPITAL DRIVE MADISONVILLE, KY 42431	HEALTHCARE SVCS	KY	BAPTIST HEA	C Corp			100.00%		X
(3) BAPTIST MEDICAL MANAGEMENT SERVIC 900 HOSPITAL DRIVE MADISONVILLE, KY 42431	HC MSO	KY	BAPTIST HEA	C Corp			100 00%		X
(4) BAPTIST VENTURES, INC 61-1217018 2701 EASPOINT PARKWAY LOUISVILLE, KY 402	MANAGEMENT	KY	BAPTIST HEA	C Corp			100 00%		X
(5) BLUEGRASS FAMILY HEALTH, INC 61-1241 651 PERIMETER PARK, SUITE 300 LEXINGTON,	INSURANCE	KY	BAPTIST HEA	C Corp			100 00%		X
(6) BAPTIST HEALTH NETWORK 27-2939694 4000 KRESGE WAY LOUISVILLE, KY 40207-4604	ACCOUNTABLE CARE	KY	BAPTIST HEA	C Corp			100 00%		X
(7)									

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

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

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

(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1) BAPTIST MEDICAL MANAGEMENT SERVICES, INC	p	217,001	COST/FMV
(2) MUTUAL CREDIT SERVICES, INC	p	523,678	COST/FMV
(3) BAPTIST MEDICAL MANAGEMENT SERVICES, INC	q	22,107	COST/FMV
(4) MUTUAL CREDIT SERVICES, INC	q	523,678	COST/FMV
(5) MS COMMUNITY HEALTH, LLC	r	1,415,686	COST/FMV
(6) MS COMMUNITY HEALTH, LLC	q	130,150	COST/FMV

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part VII **Supplemental Information**

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

Part II **Continuation of Identification of Related Tax-Exempt Organizations**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(8) WESTERN BAPTIST MEDICAL VENTURES, INC 61-11948 2701 EASTPOINT PARKWAY LOUISVILLE, KY 40223	PHYSICIAN SERVICE	KY	501(C)(3)		BAPTIST HEALTH		X
(9) BAPTIST HEALTHCARE FOUNDATION, INC 31-1122867 2701 EASTPOINT PARKWAY LOUISVILLE, KY 40223	FUNDRAISING	KY	501(C)(3)		BAPTIST HEALTH		X
(10) BAPTIST HOSPITAL FOUNDATION OF GREATER LOUISV 4000 KRESGE WAY LOUISVILLE, KY 40207-4604	FUNDRAISING	KY	501(C)(3)		BAPTIST HEALTH		X
(11) CENTRAL BAPTIST HOSPITAL FOUNDATION, INC 61-148 1740 NICHOLASVILLE ROAD LEXINGTON, KY 40503	FUNDRAISING	KY	501(C)(3)		BAPTIST HEALTH		X
(12) LEXINGTON CARDIAC RESEARCH FOUNDATION, INC 20 1740 NICHOLASVILLE ROAD LEXINGTON, KY 40503	MEDICAL RESEARCH	KY	501(C)(3)		BAPTIST HEALTH		X
(13) WESTERN BAPTIST HOSPITAL FOUNDATION, INC 26-40 2501 KENTUCKY AVENUE PADUCAH, KY 42003	FUNDRAISING	KY	501(C)(3)		BAPTIST HEALTH		X
(14) MERGY REGIONAL EMERGENCY MEDICAL SYSTEM, LL 126 LONE OAK ROAD PADUCAH, KY 42003	AMBULANCE SERVICE	KY	501(C)(3)		BAPTIST HEALTH		X
(15)							
(16)							
(17)							
(18)							
(19)							
(20)							
(21)							
(22)							
(23)							
(24)							
(25)							

Part V **Continuation of Transactions With Related Organizations**

(a) Name of other organization	(b) Transaction type (a–r)	(c) Amount involved	(c) Method of determining amount involved
(7) MEDICAL CENTER AMBULANCE SERVICE, INC	a	43,382	COST/FMV
(8) MEDICAL CENTER AMBULANCE SERVICE, INC	q	87,790	COST/FMV
(9) MEDICAL CENTER AMBULANCE SERVICE, INC	p	131,172	COST/FMV
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

Continuation Sheet for Form 990

Name of the Organization: BAPTIST HEALTH MADISONVILLE, INC

Employer identification number: 61-0654587

Part VII Section A **Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(26) RACHEL LEANN HIGHT, MD	40 00									
PHYSICIAN	0 00					X		407,612	0	34,488
(27) PATRICK A MURPHEE, MD	40 00									
PHYSICIAN	0 00					X		431,947	0	19,150
(28) GETU ASSEFA, MD	40 00									
PHYSICIAN	0 00					X		507,550	0	1,203
(29) THOMAS MARK STANFIELD, MD	40 00									
PHYSICIAN	0.00					X		536,750	0	46,750
(30) JOHN DACOSTA, MD	40 00									
PHYSICIAN	0 00					X		744,095	0	26,397
(31) DAVID LANG	40 00									
VP OF HUMAN RESOURCES	0 00						X	250,745	0	51,672
(32) MOHAN ROA, MD	40 00									
PHYSICIAN	0 00						X	384,020	0	40,750
(33) WILLIAM LOGAN, MD	40 00									
PHYSICIAN	0 00						X	386,195	0	35,434
(34)										
(35)										
(36)										
(37)										
(38)										
(39)										
(40)										
(41)										
(42)										
(43)										
(44)										
(45)										
(46)										

Trover Foundation d/b/a Trover Health System

Accountants' Report and Consolidated Financial Statements

October 31, 2012 and December 31, 2011

BKD LLP
CPAs & Advisors

Trover Foundation d/b/a Trover Health System

October 31, 2012 and December 31, 2011

Contents

BKD LLP
CPAs & Advisors

600 N. Hurstbourne Parkway, Suite 350
PO Box 22127
Louisville, KY 40252-0127
502 581.0435 Fax 502 581 0723 www.bkd.com

Independent Accountants' Report on Financial Statements and Supplementary Information

Board of Directors
Baptist Healthcare System, Inc.
Louisville, Kentucky

We have audited the accompanying consolidated balance sheets of Trover Foundation d/b/a Trover Health System (Foundation) as of October 31, 2012, and December 31, 2011, and the related consolidated statements of operations and changes in net assets and cash flows for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States Those standards require we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated 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 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 the Foundation as of October 31, 2012, and December 31, 2011, and the results of its operations, the changes in its net assets and its cash flows for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2013, on our consideration of the Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, including the consolidating schedule of balance sheet information, consolidating schedule of operations information and the schedule of expenditures of federal awards required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* as listed in the table of contents, is presented for additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

BKD, LLP

July 30, 2013

Trover Foundation d/b/a Trover Health System

Consolidated Balance Sheets

October 31, 2012 and December 31, 2011

Assets

(in thousands)	2012	2011
Current Assets		
Cash and cash equivalents	$ 37,441	$ 31,829
Patient accounts receivable, net of allowance; 2012 – $11,560, 2011 – $10,866	20,399	20,421
Inventories	2,644	2,627
Prepaid expenses and other	2,950	4,045
Total current assets	63,434	58,922
Assets Limited As To Use		
Internally designated for self-insurance trust agreements	3,608	5,825
Externally restricted by donors	159	154
Held by trustee	1,647	2,163
	5,414	8,142
Investments	40,883	45,593
Property and Equipment, At Cost		
Land and land improvements	7,841	7,841
Buildings and leasehold improvements	67,111	66,878
Fixed equipment	34,772	33,983
Major moveable equipment	134,353	131,472
Construction in progress	1,169	1,277
	245,246	241,451
Less accumulated depreciation	188,831	181,095
	56,415	60,356
Other Assets	3,256	3,639
Total assets	$ 169,402	$ 176,652

See Notes to Consolidated Financial Statements

Liabilities and Net Assets

(in thousands)	2012	2011
Current Liabilities		
Current maturities of long-term debt	$ 3,951	$ 4,212
Accounts payable and deferred revenue	4,284	7,824
Accrued salaries and wages	3,612	2,879
Payroll taxes and other withholdings	837	1,512
Accrued vacation and holiday pay	2,302	1,318
Estimated amounts due to third-party payors	5,498	3,330
Accrued interest on bonds	72	20
Other accrued expenses	1,690	1,526
Total current liabilities	22,246	22,621
Long-Term Debt	24,331	26,887
Other	11,841	8,673
Total liabilities	58,418	58,181
Net Assets		
Unrestricted	110,825	118,317
Temporarily restricted	159	154
Total net assets	110,984	118,471
Total liabilities and net assets	$ 169,402	$ 176,652

Trover Foundation d/b/a Trover Health System

Consolidated Statements of Operations and Changes in Net Assets

Period From January 1, 2012 Through October 31, 2012 and Year Ended December 31, 2011

(in thousands)	Ten Months Ended October 31, 2012	Year Ended December 31, 2011
Unrestricted Revenues, Gains and Other Support		
Patient service revenue, net of contractual discounts and allowances	$ 161,000	$ 188,036
Provision for uncollectible accounts	15,690	17,787
Net patient service revenue less provision for uncollectible accounts	145,310	170,249
Other	8,865	9,945
Net assets released from restrictions used for operations	3	12
Total unrestricted revenues, gains and other support	154,178	180,206
Expenses and Losses		
Salaries and wages	79,021	88,471
Employee fringe benefits	13,014	14,226
Departmental supplies	27,292	32,448
Depreciation and amortization	9,619	11,845
Interest	796	1,034
Insurance and other	32,555	33,025
Provider tax	2,126	2,560
Total expenses and losses	164,423	183,609
Operating Loss	(10,245)	(3,403)
Other Income (Expense)		
Contributions	290	229
Investment return	2,376	2,760
Change in fair market value of interest rate swap agreements	-	(11)
Other	87	522
Total other income	2,753	3,500
Excess (Deficiency) of Revenues Over Expenses and Increase (Decrease) in Unrestricted Net Assets	(7,492)	97
Temporarily Restricted Net Assets		
Contributions	8	13
Net assets released from restriction	(3)	(12)
Increase in temporarily restricted net assets	5	1
Change in Net Assets	(7,487)	98
Net Assets, Beginning of Year	118,471	118,373
Net Assets, End of Period	$ 110,984	$ 118,471

Trover Foundation d/b/a Trover Health System

Consolidated Statements of Cash Flows
Period From January 1, 2012 Through October 31, 2012
and Year Ended December 31, 2011

(in thousands)	Ten Months Ended October 31, 2012	Year Ended December 31, 2011
Operating Activities		
Change in net assets	$ (7,487)	$ 98
Items not requiring (providing) operating cash flow		
Depreciation and amortization	9,619	11,845
Provision for uncollectible accounts	15,690	17,787
Net unrealized gains on trading securities	(1,051)	(1,101)
Change in fair value of interest rate swap agreements	-	11
Gain on sale of property and equipment	(67)	(169)
Changes in		
Patient accounts receivable, net	(15,668)	(16,738)
Trading securities	5,761	(1,351)
Estimated amounts due from/to third-party payors	2,168	2,902
Accounts payable and accrued expenses	(2,759)	9
Other assets and liabilities	4,761	(1,031)
Net cash provided by operating activities	10,967	12,262
Investing Activities		
Purchase of property and equipment	(4,617)	(5,165)
Purchases of assets limited as to use	(2,404)	-
Proceeds from sales of assets limited as to use	5,132	1,606
Proceeds from sale of property and equipment	90	186
Net cash used in investing activities	(1,799)	(3,373)
Financing Activity - Principal payments on long-term debt	(3,556)	(2,312)
Increase in Cash and Cash Equivalents	5,612	6,577
Cash and Cash Equivalents, Beginning of Year	31,829	25,252
Cash and Cash Equivalents, End of Period	$ 37,441	$ 31,829
Supplemental Cash Flow Information		
Interest paid, net of amount capitalized	$ 743	$ 1,035
Capital lease obligation incurred for property and equipment	$ 739	$ 778
Property and equipment included in accounts payable	$ 261	$ -

Trover Foundation d/b/a Trover Health System
Notes to Consolidated Financial Statements
October 31, 2012 and December 31, 2011

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Trover Foundation d/b/a Trover Health System (Foundation) is organized as a nonprofit Kentucky corporation, which primarily earns revenue by providing inpatient, outpatient and emergency care services to patients in Madisonville, Kentucky, and surrounding areas The Western Kentucky Medical Management Services, Incorporated and Mutual Credit Services Incorporated are affiliates of the Foundation.

On November 1, 2012, the Foundation and its affiliates entered into a membership substitution agreement with Baptist Healthcare System, Inc. (Baptist) whereby Baptist became the sole corporate member of the Foundation and its affiliates. There was no consideration paid by Baptist to the Foundation as part of the agreement. The Foundation changed its name effective the same day to Baptist Health Madisonville, Inc.

Principles of Consolidation

The consolidated financial statements include the transactions and accounts of the Foundation and its subsidiaries. All material intercompany transactions and accounts have been eliminated in the accompanying consolidated financial statements.

Use of Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Foundation considers all liquid investments, other than those limited as to use, with original maturities of three months or less to be cash equivalents. At October 31, 2012, and December 31, 2011, cash equivalents consisted primarily of money market mutual funds and repurchase agreements.

At October 31, 2012, the Foundation's interest-bearing cash accounts exceeded federally insured limits by approximately $7,609,000. The Foundation also has a repurchase agreement of approximately $222,000 that is not covered under Federal Deposit Insurance Corporation (FDIC) insurance that is included in cash and cash equivalents The repurchase agreement is secured by U.S. Government obligations held by the financial institution.

Pursuant to legislation enacted in 2010, the FDIC fully insured all noninterest-bearing transaction accounts beginning December 31, 2010, through December 31, 2012, at all FDIC-insured institutions. This legislation expired on December 31, 2012. Beginning January 1, 2013, noninterest-bearing transaction accounts are subject to the $250,000 limit on FDIC insurance per covered institution.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value Investment return includes dividend, interest and other investment income, realized and unrealized gains and losses on investments carried at fair value and realized gains and losses on other investments Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the consolidated statements of operations and changes in net assets as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions

Assets Limited As To Use

Assets limited as to use include (1) assets held by trustees, (2) assets restricted by donors and (3) assets set aside by the board of trustees for self-insurance trust agreements over which the board retains control and may at its discretion subsequently use for other purposes. Amounts required to meet current liabilities of the Foundation are included in current assets.

Patient Accounts Receivable

Accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Foundation analyzes its past history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts.

For receivables associated with services provided to patients who have third-party coverage, the Foundation analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary.

For receivables associated with self-pay patients, which includes both patients without insurance and patients with deductible and co-payment balances due, for which third-party coverage exists for part of the bill, the Foundation records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates 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 and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

The Foundation's allowance for doubtful accounts for self-pay patients increased from 85 percent of self-pay accounts receivable at December 31, 2011, to 91 percent of self-pay accounts receivable at October 31, 2012. In addition, the Foundation's write-offs remained relatively constant from approximately $13,878,000 for the year ended December 31, 2011, to approximately $11,875,000 for the period from January 1, 2012, through October 31, 2012. The increase in the self-pay allowance percentage was the result of negative trends experienced in the collection of amounts from self-pay patients in fiscal year 2012.

Inventories

The Foundation states supply inventories at the lower of cost, determined using the first-in, first-out (FIFO) method, or market.

Property and Equipment

Property and equipment acquisitions are recorded at cost and are depreciated on a straight-line basis over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives.

The Foundation capitalizes interest costs as a component of construction in progress, based on the weighted-average rates paid for long-term borrowing. Total interest incurred for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011, was as follows

(in thousands)	2012	2011
Interest costs capitalized	$ 3	$ 75
Interest costs charged to expense	796	1,034
Total interest incurred	$ 799	$ 1,109

Goodwill

Goodwill, which is included in other assets, is tested annually for impairment. If the implied fair value of goodwill is lower than its carrying amount, an impairment is indicated and goodwill is written down to its implied fair value. Subsequent increases in goodwill value are not recognized in the consolidated financial statements

Long-Lived Asset Impairment

The Foundation evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized for the period from January 1, 2012, through October 31, 2012. An impairment loss of approximately $442,000 was recognized for the year ended December 31, 2011, for the Trover Clinic Foundation building as a result of the building no longer being used by the Foundation.

Deferred Financing Costs

Deferred financing costs represent costs incurred in connection with the issuance of long-term debt. Such costs are being amortized over the term of the respective debt using the straight-line method.

Temporarily Restricted Net Assets

Temporarily restricted net assets are those whose use by the Foundation has been limited by donors to a specific time period or purpose.

Net Patient Service Revenue

The Foundation has agreements with third-party payors that provide for payments to the Foundation at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered and include estimated retroactive revenue adjustments. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known

Charity Care

The Foundation provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy Because the Foundation does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as net patient service revenue. The cost of charity care is estimated by applying the ratio of cost to gross charges to the gross uncompensated charges The Foundation's direct and indirect costs for services furnished under its charity care policy aggregated approximately $4,007,000 and $4,838,000 for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011, respectively. The Foundation has received approximately $792,000 and $851,000 for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011, respectively, from an uncompensated care fund to subsidize charity services provided under its charity care policy.

Contributions

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Gifts received with donor stipulations are reported as either temporarily or permanently restricted support. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified and reported as an increase in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions. Conditional contributions are reported as liabilities until the condition is eliminated or the contributed assets are returned to the donor.

Electronic Health Records Incentive Program

The Electronic Health Records Incentive Program, enacted as part of the *American Recovery and Reinvestment Act of 2009*, provides for one-time incentive payments under both the Medicare and Medicaid programs to eligible hospitals that demonstrate meaningful use of certified electronic health records (EHR) technology. Payments under the Medicare program are generally made for up to four years based on a statutory formula Payments under the Medicaid program are generally made for up to four years based upon a statutory formula, as determined by the state, which is approved by the Centers for Medicare and Medicaid Services. Payment under both programs are contingent on the Foundation continuing to meet escalating meaningful use criteria and any other specific requirements that are applicable for the reporting period. The final amount for any payment year is determined based upon an audit by the fiscal intermediary. Events could occur that would cause the final amounts to differ materially from the initial payments under the program.

The Foundation recognizes revenue ratably over the reporting period starting at the point when management is reasonably assured it will meet all of the meaningful use objectives and any other specific grant requirements applicable for the reporting period.

In 2011, the Foundation completed the first-year requirements under the Medicaid program and has received approximately $922,000, which is included in other revenue within operating revenues in the consolidated statement of operations and changes in net assets. In 2012, the Foundation attested that it had met the requirements for the first-year payment under the Medicare program and has recorded revenue of approximately $1,976,000, which is included in other operating revenues for the period from January 1, 2012, to October 31, 2012. However, subsequent to October 31, 2012, the Foundation determined that Medicare meaningful use criteria had not been met and, therefore, recorded a liability for approximately $2,900,000 due to Medicare and Medicaid for the repayment of such EHR payments.

Estimated Malpractice Costs

An annual estimated provision is accrued for the self-insured portion of medical malpractice claims and includes an estimate of the ultimate costs for both reported claims and claims incurred but not reported.

Income Taxes

The Foundation has been recognized as exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, the Foundation is subject to federal income tax on any unrelated business taxable income. The Foundation files tax returns in the U.S. federal jurisdictions. With a few exceptions, the Foundation is no longer subject to U.S federal examinations by tax authorities for years before 2009.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Accountants' Report, which is the date the consolidated financial statements were available to be issued.

On November 1, 2012, the Foundation entered into a Member Substitution Agreement with Baptist. Effective November 1, 2012, the Foundation's financial statements are reflected as an affiliate of Baptist In connection with this change in ownership, there were several employment agreements and severance packages offered to executive management The liability for those agreements of approximately $2,800,000 is included within accrued salaries and wages, accrued payroll taxes and other withholdings and other long-term liabilities on the consolidated balance sheet as of October 31, 2012 These severance benefits are scheduled to be paid monthly through 2015.

Reclassifications

Certain reclassifications have been made to the 2011 financial statements to conform to the 2012 financial statement presentation. These reclassifications had no effect on net earnings.

Note 2: Net Patient Service Revenue

The Foundation 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 Foundation recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of the Foundation's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Foundation records a significant provision for bad debts related to uninsured patients in the period the services are provided. This provision for bad debts is presented on the statements of operations and changes in net assets as a component of net patient service revenue.

The Foundation has agreements with third-party payors that provide for payments to the Foundation at amounts different from its established rates. These payment arrangements include:

Medicare: Inpatient acute care services and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Inpatient skilled nursing services are paid at prospectively determined per diem rates that are based on the patients' acuity. Certain inpatient nonacute services and defined medical education costs are paid based on a cost reimbursement methodology. The Foundation is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by the Foundation and audits thereof by the Medicare fiscal intermediary

Medicaid: Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology for certain services and at prospectively determined rates for all other services. The Foundation is reimbursed for cost reimbursable services at tentative rates with final settlement determined after submission of annual cost reports by the Foundation and audits thereof by the Medicaid fiscal intermediary.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change As a result, it is reasonably possible recorded estimates will change materially in the near term

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

Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011, was approximately:

(in thousands)	2012	2011
Medicare	$ 66,374	$ 71,113
Medicaid	9,022	5,560
Other third-party payors	63,784	84,087
Patients	21,820	27,276
	$ 161,000	$ 188,036

Note 3: Concentration of Credit Risk

The Foundation grants credit without collateral to its patients, most of who are area residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at October 31, 2012, and December 31, 2011, is:

	2012	2011
Medicare	38%	37%
Medicaid	15%	10%
Blue Cross/Anthem	13%	16%
Other third-party payors	26%	29%
Patients	8%	8%
	100%	100%

Note 4: Investments and Investment Return

Assets Limited As To Use

Assets limited as to use at October 31, 2012, and December 31, 2011, include:

(in thousands)	2012	2011
Internally designated for self-insurance trust agreements		
Cash and cash equivalents	$ 1,560	$ 359
Corporate bonds	1,225	1,982
U.S Government obligations	703	3,329
Mortgage-backed securities	120	155
	$ 3,608	$ 5,825
Externally restricted by donors		
Cash and cash equivalents	$ 159	$ 154
Held by trustee under indenture agreement		
Cash and cash equivalents	$ 1,647	$ 2,163

Long-Term Investments

Long-term investments at October 31, 2012, and December 31, 2011, include:

(in thousands)	2012	2011
Trading securities		
Corporate bonds	$ 22,938	$ 22,727
U.S. Government obligations	16,158	20,789
Common stock and equity funds	924	862
Mortgage-backed securities	863	1,215
	$ 40,883	$ 45,593

Total investment return, which is reflected in other nonoperating income in the statements of operations and changes in net assets, for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011, is comprised of the following:

(in thousands)	2012	2011
Interest and dividend income	$ 1,288	$ 1,647
Realized gains (losses) on trading securities	(105)	9
Unrealized gains on trading securities	1,137	841
Realized gains on assets limited as to use	142	3
Unrealized losses on assets limited as to use	(86)	260
	$ 2,376	$ 2,760

Note 5: Insurance

Professional and General Liability Insurance

Prior to January 3, 2003, the Foundation was insured for professional and general liability claims through claims-made policies. Effective January 8, 2003, the Foundation became self-insured for the first $1.5 million per occurrence through January 1, 2008, and $2.0 million per occurrence thereafter. The Foundation purchases commercial insurance coverage on a claims-made basis over the self-insurance limits. Losses from asserted and unasserted claims identified under the Foundation's incident reporting system are accrued based on estimates that incorporate the Foundation's past experience, as well as other considerations, including the nature of each claim or incident and relevant trend factors. In connection with the retention amounts, the board established a trust account to fund potential losses The Foundation has employed consulting actuaries to

estimate its exposure for future malpractice losses, including losses resulting from claims not yet reported. Based upon the Foundation's claim experience, an accrual of approximately $10,556,000 and $8,429,000 was recorded as of October 31, 2012, and December 31, 2011, respectively, and is included in other accrued liabilities and other long-term liabilities in the consolidated balance sheets. The Foundation has recorded a receivable for insurance recoveries of $772,000 and $1,049,000 which is included in other assets in the consolidated balance sheets at October 31, 2012, and December 31, 2011, respectively. It is reasonably possible this estimate could change materially in the near term.

Workers' Compensation Insurance

Prior to January 1, 2007, the Foundation was insured by Reciprocal of America (ROA) for workers' compensation claims for certain years. As a result of ROA going into receivership, the Foundation has effectively become self-insured for claims occurring during this period In 2009, the Foundation employed an actuary to estimate its exposure for claims related to the period the Foundation was insured by ROA Effective January 1, 2007, the Foundation became self-insured for individual losses up to $350,000 per claim. The Foundation purchases commercial insurance coverage for claims that exceed the self-insured limits. The Foundation has recorded an accrual of approximately $1,044,000 and $1,094,000 as of October 31, 2012, and December 31, 2011, respectively, which is included in other long-term liabilities in the consolidated balance sheets.

Employee Health Insurance

The Foundation is self-insured for health insurance claims for individual losses up to $125,000 per claim The Foundation purchases commercial insurance coverage for claims that exceed the self-insured limits. The Foundation has recorded an accrual of approximately $452,000 and $586,000 as of October 31, 2012, and December 31, 2011, respectively, and is included in accounts payable and deferred revenue in the consolidated balance sheets.

Note 6: Long-Term Debt

Long-term debt at October 31, 2012, and December 31, 2011, include:

(in thousands)	2012	2011
Series 2010, City of Madisonville, Kentucky Variable Rate Demand Hospital Revenue Bonds (A)	$ 24,424	$ 25,780
Notes payable (B)	1,013	2,329
Capital lease obligations (C)	2,845	2,990
	28,282	31,099
Less current portion	3,951	4,212
	$ 24,331	$ 26,887

(A) On December 15, 2010, the Foundation issued City of Madisonville, Kentucky, Variable Rate Demand Hospital Revenue Bonds, Series 2010 (Series 2010 Bonds) in the amount of $25,780,000. The Series 2010 Bonds are variable rate demand bonds which were issued as bank qualified tax-exempt obligations. The Series 2010 Bonds bear interest at a fixed rate of 2.49 percent which is payable quarterly through December 21, 2015, at which time the fixed rate is reset in accordance with the provisions of the trust indenture. The Series 2010 Bonds are subject to retirement in varying annual principal payments of $452,000 to $633,250 from March 2012 through 2023. The Series 2010 Bonds are secured by the gross receipts and certain property and equipment of the Foundation. The Series 2010 Bonds were used to extinguish the remaining Series 2006 Bonds, finance the construction, rehabilitation and equipping of certain Foundation facilities and pay costs related to the issuance of the Series 2010 Bonds.

Under the terms of the trust indenture and loan agreement, the Foundation was required to maintain certain deposits with the trustee. The trust indenture also placed limits on the incurrence of additional borrowings and required that certain measures of financial performance be maintained so long as the Series 2010 Bonds are outstanding

Effective April 26, 2013, the Foundation amended the supplemental agreement to remove the financial covenants associated with the Series 2010 Bonds. In addition, the Foundation entered into a limited guarantee to acknowledge Baptist as the guarantor for all loans, advances, debts, liabilities, obligations, covenants and duties.

(B) In May 2009, the Foundation entered into six notes payable relating to its acquisition of Muhlenberg Medical Center for amounts ranging from $200,000 to $760,000 which totaled approximately $970,000 and $1,932,000 at October 31, 2012, and December 31, 2011, respectively. The notes bear interest at an imputed interest rate of 1 94 percent with total annual principal and interest payments of $1,000,000 with final amounts due at maturity on June 1, 2013. The notes are collateralized by irrevocable direct-pay letters of credit with a bank that expire on August 28, 2013 No amounts were drawn on the letters of credit at October 31, 2012, and December 31, 2011

In addition, the Foundation also acquired four notes payable in connection with its acquisition of Muhlenberg Medical Center which totaled approximately $43,000 and $397,000 at October 31, 2012, and December 31, 2011, respectively. The notes bear interest at fixed rates ranging from 6.50 percent to 7.125 percent with monthly payments ranging from $6,887 to $11,389 The notes are secured by certain equipment and mature periodically through December 2012.

(C) The Foundation has certain capital lease obligations with varying rates of imputed interest from 3.06 percent to 9.94 percent, due through 2017, collateralized by certain equipment. Property and equipment include the following property under capital leases:

(in thousands)	2012	2011
Equipment	$ 7,622	$ 6,883
Less accumulated depreciation	4,258	3,075
	$ 3,364	$ 3,808

Aggregate annual maturities of long-term debt and payments on capital lease obligations at October 31, 2012, were:

(in thousands)	(Excluding Capital Lease Obligations)	Capital Lease Obligations
2013	$ 2,862	$ 1,219
2014	1,908	1,024
2015	1,964	575
2016	2,023	173
2017	2,090	74
Thereafter	14,590	-
	$ 25,437	3,065
Less amount representing interest		220
Present value of future minimum lease payments		2,845
Less current maturities		1,089
Noncurrent portion		$ 1,756

Note 7: Functional Expenses

The Foundation provides health care services primarily to residents within its geographic area. Expenses related to providing these services for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011, are as follows:

(in thousands)	2012	2011
Health care services	$ 142,276	$ 158,879
General and administrative	22,147	24,730
	$ 164,423	$ 183,609

Note 8: Pension Plan

The Foundation has a defined contribution pension plan covering substantially all employees. Under terms of the plan, the Foundation contributes 4.6 percent of eligible compensation up to $150,000 for eligible employees with two years of service. Pension expense associated with the plan was approximately $2,275,000 and $2,769,000 for the period from January 1, 2012, through October 31, 2012, and the year ended December 31, 2011, respectively.

Note 9: Disclosures About Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

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

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Recurring Measurements

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and level within the fair value hierarchy in which the fair value measurements fall at October 31, 2012, and December 31, 2011·

(in thousands)	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
October 31, 2012				
Money market mutual funds	$ 9,047	$ 9,047	$ -	$ -
Common stock and equity funds	$ 924	$ 924	$ -	$ -
Corporate bonds	$ 24,163	$ -	$ 24,163	$ -
U S Government obligations	$ 16,861	$ -	$ 16,861	$ -
Mortgage-backed securities	$ 983	$ -	$ 983	$ -
December 31, 2011				
Money market mutual funds	$ 1,132	$ 1,132	$ -	$ -
Common stock and equity funds	$ 862	$ 862	$ -	$ -
Corporate bonds	$ 24,709	$ -	$ 24,709	$ -
U S Government obligations	$ 24,118	$ -	$ 24,118	$ -
Mortgage-backed securities	$ 1,370	$ -	$ 1,370	$ -

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the period from January 1, 2012, to October 31, 2012.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include money market mutual funds and common stock and equity funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows The inputs used by the pricing service to determine fair value may include one, or a combination of, observable inputs such as benchmark securities, bids offers and reference data market research publications and are classified within Level 2 of the valuation hierarchy. Level 2 securities include corporate bonds, U.S. Government obligations and mortgage-backed securities.

Fair Value of Financial Instruments

The following table presents estimated fair values of the Foundation's financial instruments and the level within the fair value hierarchy in which the fair value measurements fall at October 31, 2012, and December 31, 2011.

		Fair Value Measurements Using		
(in thousands)	Carrying Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
October 31, 2012				
Cash and cash equivilents	$ 37,440	$ 37,440	$ -	$ -
Assets limited as to use and investments	$ 46,297	$ 4,290	$ 42,007	$ -
Long-term debt, including current portion	$ 28,282	$ -	$ 28,282	$ -
December 31, 2011				
Cash and cash equivilents	$ 31,829	$ 31,829	$ -	$ -
Assets limited as to use and investments	$ 53,735	$ 3,538	$ 50,197	$ -
Long-term debt, including current portion	$ 31,099	$ -	$ 31,099	$ -

The following methods were used to estimate the fair value of all other financial instruments recognized in the accompanying consolidated balance sheets at amounts other than fair value

Cash and Cash Equivalents

The carrying amount approximates fair value.

Long-Term Debt

Fair value is estimated using quoted market prices and discounted cash flows of debt service, based on the current incremental borrowing rate for similar types of borrowing arrangements

Note 10: Patient Protection and Affordable Care Act

The *Patient Protection and Affordable Care Act* (PPACA) will substantially reform the United States health care system. The legislation impacts multiple aspects of the health care system, including many provisions that change payments from Medicare, Medicaid and insurance companies. Starting in 2014, the legislation requires the establishment of health insurance exchanges, which will provide individuals without employer provided health care coverage the opportunity to purchase insurance It is anticipated some employers currently offering insurance to employees will opt to have employees seek insurance coverage through the insurance exchanges. It is possible the reimbursement rates paid by insurers participating in the insurance exchanges may be substantially different than rates paid under current health insurance products Another significant component of the PPACA is the expansion of the Medicaid program to a wide range of newly eligible individuals. In anticipation of this expansion, payments under certain existing programs, such as Medicare disproportionate share, will be substantially decreased Each state's participation in an expanded Medicaid program is optional

The Commonwealth of Kentucky has indicated in May 2013 it will participate in the expansion of the Medicaid program

The PPACA is extremely complex and may be difficult for the federal government and each state to implement While the overall impact of the PPACA cannot currently be estimated, it is possible it will have a negative impact on the Foundation's net patient service revenue. Additionally, it is possible the Foundation will experience payment delays and other operational challenges during PPACA's implementation

Note 11: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Allowance for Net Patient Service Revenue Adjustments

Estimates of allowances for adjustments included in net patient service revenue are described in Notes 1 and 2.

Malpractice Claims

Estimates related to the accrual for medical malpractice claims are described in Notes 1 and 5.

Litigation

In the normal course of business, the Foundation is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by the Foundation's self-insurance program (discussed elsewhere in these notes) or by commercial insurance, for example, allegations regarding employment practices or performance of contracts. The Foundation evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of counsel, management records an estimate of the amount of ultimate expected loss, if any, for each of these matters. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

Investments

The Foundation invests in various investment securities Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such change could materially affect the amounts reported in the accompanying consolidated balance sheets.

Commitments

The Foundation entered into a construction contract for remodeling within the facility during 2012. At October 31, 2012, approximately $1,500,000 remained outstanding on the contract.

Supplementary Information

Trover Foundation d/b/a Trover Health System

Schedule of Expenditures of Federal Awards

Period From January 1, 2012 Through October 31, 2012

Program	Federal Agency/ Pass-Through Entity	CFDA Number	Amount
Delta State Rural Development Network Grant Program	U.S. Department of Health and Human Services	93.912	$ 462,853
Area Health Education Center (AHEC) Model State Supported Grant	U.S. Department of Health and Human Services/University of Louisville Research Foundation, Inc	93.107	56,076
			$ 518,929

Notes to Schedule

1. This schedule includes the federal awards activity of the Foundation and is presented on the accrual basis of accounting The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic consolidated financial statements.

2. The Foundation provided no federal awards to subrecipients during the period January 1, 2012, through October 31, 2012.

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Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Directors
Baptist Healthcare System, Inc.
Louisville, Kentucky

We have audited the consolidated financial statements of Trover Foundation d/b/a Trover Health System (Foundation) as of October 31, 2012, and for the period from January 1, 2012, through October 31, 2012, and have issued our report thereon dated July 30, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Foundation is responsible for establishing and maintaining effective internal control over financial reporting In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the Foundation's consolidated financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting we consider to be material weaknesses as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*

We noted certain matters that we reported to the Foundation's management in a separate letter dated July 30, 2013.

This report is intended solely for the information and use of Baptist's board of directors, management and others within the Foundation and Baptist, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

July 30, 2013

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Independent Accountants' Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Board of Directors
Baptist Healthcare System, Inc.
Louisville, Kentucky

Compliance

We have audited the compliance of Trover Foundation d/b/a Trover Health System (Foundation) with the types of compliance requirements described in the U S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the period from January1, 2012, through October 31, 2012. The Foundation's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Foundation's management. Our responsibility is to express an opinion on the compliance of the Foundation based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular
A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred An audit includes examining, on a test basis, evidence about the Foundation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion Our audit does not provide a legal determination on the Foundation's compliance with those requirements.

In our opinion, the Foundation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the period from January 1, 2012, through October 31, 2012.

Internal Control Over Compliance

The management of the Foundation is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Foundation's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses We did not identify any deficiencies in internal control over compliance we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of Baptist's board of directors, management, others within the Foundation and Baptist, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BKD, LLP

July 30, 2013

Trover Foundation d/b/a Trover Health System

Schedule of Findings and Questioned Costs

Period From January 1, 2012 Through October 31, 2012

Summary of Auditor's Results

1 The opinion expressed in the independent accountants' report was:

☒ Unqualified ☐ Qualified ☐ Adverse ☐ Disclaimed

2. The independent accountants' report on internal control over financial reporting disclosed:

Significant deficiency(ies)?	☐ Yes	☒ None Reported
Material weakness(es)?	☐ Yes	☒ No

3. Noncompliance considered material to the financial statements was disclosed by the audit? ☐ Yes ☒ No

4. The independent accountants' report on internal control over compliance with requirements that could have a direct and material effect on major federal awards programs described·

Significant deficiency(ies)?	☐ Yes	☒ None Reported
Material weakness(es)?	☐ Yes	☒ No

5 The opinion expressed in the independent accountants' report on compliance with requirements that could have a direct and material effect on major federal awards was:

☒ Unqualified ☐ Qualified ☐ Adverse ☐ Disclaimed

6. The audit disclosed findings required to be reported by OMB Circular A-133? ☐ Yes ☒ No

7. The Foundation's major program was.

Cluster/Program	CFDA Number
Delta State Rural Development Network Grant Program	93.912

8. The threshold used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133 was $300,000.

9. The Foundation qualified as a low-risk auditee as that term is defined in OMB Circular A-133? ☐ Yes ☒ No

Trover Foundation d/b/a Trover Health System

Schedule of Findings and Questioned Costs (Continued)

Period From January 1, 2012 Through October 31, 2012

Findings Required to be Reported by Government Auditing Standards

Reference Number	Finding	Questioned Costs
	No matters are reportable.	

Findings Required to be Reported by OMB Circular A-133

Reference Number	Finding	Questioned Costs
	No matters are reportable.	

Trover Foundation d/b/a Trover Health System

Summary Schedule of Prior Audit Findings

Period From January 1, 2012 Through October 31, 2012

Reference Number	Summary of Findings	Status
	No matters are reportable.	

Trover Foundation d/b/a Trover Health System
Consolidating Schedule of Balance Sheet Information
October 31, 2012

(in thousands)	Trover Foundation	Mutual Credit	Western Kentucky Medical Management Services	Eliminations	Consolidated
Assets					
Current Assets					
Cash and cash equivalents	$ 36,899	$ 260	$ 282	$ -	$ 37,441
Patient accounts receivable, net	19,868	-	531	-	20,399
Inventories	2,542	-	102	-	2,644
Prepaid expenses and other	2,721	128	101	-	2,950
Due from affiliates	7,719	-	-	(7,719)	-
Total current assets	69,749	388	1,016	(7,719)	63,434
Assets Limited As To Use					
Internally designated for self-insurance trust agreements	3,608	-	-	-	3,608
Externally restricted by donors	159	-	-	-	159
Held by trustee	1,647	-	-	-	1,647
	5,414	-	-	-	5,414
Investments	40,883	-	-	-	40,883
Property and Equipment, At Cost					
Land and land improvements	7,834	-	7	-	7,841
Buildings and leasehold improvements	66,861	-	250	-	67,111
Fixed equipment	34,771	1	-	-	34,772
Major moveable equipment	131,087	100	3,166	-	134,353
Construction in progress	1,169	-	-	-	1,169
	241,722	101	3,423	-	245,246
Less accumulated depreciation	185,872	99	2,860	-	188,831
	55,850	2	563	-	56,415
Other Assets	2,708	3	545	-	3,256
Total assets	$ 174,604	$ 393	$ 2,124	$ (7,719)	$ 169,402

(in thousands)	Trover Foundation	Mutual Credit	Western Kentucky Medical Management Services	Eliminations	Consolidated
Liabilities and Net Assets					
Current Liabilities					
Current maturities of long-term debt	$ 2,938	$ -	$ 1,013	$ -	$ 3,951
Accounts payable and deferred revenue	3,877	324	83	-	4,284
Accrued salaries and wages	3,465	-	147	-	3,612
Payroll taxes and other withholdings	754	-	83	-	837
Accrued vacation and holiday pay	2,247	-	55	-	2,302
Estimated amounts due to third-party payors	4,891	-	607	-	5,498
Accrued interest on bonds	72	-	-	-	72
Other accrued expenses	1,690	-	-	-	1,690
Due to affiliates	-	-	7,719	(7,719)	-
Total current liabilities	19,934	324	9,707	(7,719)	22,246
Long-Term Debt	24,331	-	-	-	24,331
Other	11,841	-	-	-	11,841
Total liabilities	56,106	324	9,707	(7,719)	58,418
Net Assets					
Unrestricted	118,339	69	(7,583)	-	110,825
Temporarily restricted	159	-	-	-	159
Total net assets	118,498	69	(7,583)	-	110,984
Total liabilities and net assets	$ 174,604	$ 393	$ 2,124	$ (7,719)	$ 169,402

Trover Foundation d/b/a Trover Health System

Consolidating Schedule of Operations Information

Period From January 1, 2012 Through October 31, 2012

(in thousands)	Hospital Division	Home Health Division	Education Division	Clinic Division	Eliminations	Trover Foundation	Mutual Credit	Western Kentucky Medical Management Services	Eliminations	Consolidated
Unrestricted Revenues, Gains and Other Support										
Patient service revenue, net of contractual discounts and allowances	$ 127,159	$ 4,913	$ 1,536	$ 21,146	$ (19)	$ 154,735	$ -	$ 6,265	$ -	$ 161,000
Provision for uncollectible accounts	12,599	3	-	2,990	-	15,592	-	98	-	15,690
Net patient service revenue less provision for uncollectible accounts	114,560	4,910	1,536	18,156	(19)	139,143	-	6,167	-	145,310
Other	6,571	-	4,110	624	(2,068)	9,237	1,141	(129)	(1,384)	8,865
Net assets released from restrictions used for operations	3	-	-	-	-	3	-	-	-	3
Total unrestricted revenues, gains and other support	121,134	4,910	5,646	18,780	(2,087)	148,383	1,141	6,038	(1,384)	154,178
Expenses and Losses										
Salaries and wages	53,443	2,238	2,869	16,162	-	74,712	331	4,006	(28)	79,021
Employee fringe benefits	8,833	482	599	2,741	(215)	12,440	93	495	(14)	13,014
Departmental supplies	24,664	265	174	1,754	(220)	26,637	6	651	(2)	27,292
Depreciation and amortization	8,426	-	-	1,064	-	9,490	-	129	-	9,619
Interest	745	-	-	-	-	745	-	51	-	796
Insurance and other	27,089	665	984	4,257	(1,652)	31,343	654	1,898	(1,340)	32,555
Provider tax	2,126	-	-	-	-	2,126	-	-	-	2,126
Total expenses and losses	125,326	3,650	4,626	25,978	(2,087)	157,493	1,084	7,230	(1,384)	164,423
Operating Income (Loss)	(4,192)	1,260	1,020	(7,198)	-	(9,110)	57	(1,192)	-	(10,245)
Other Income (Expense)										
Contributions	270	-	-	20	-	290	-	-	-	290
Investment return	2,376	-	-	-	-	2,376	-	-	-	2,376
Other	66	-	-	20	-	86	-	1	-	87
Total other income (expense)	2,712	-	-	40	-	2,752	-	1	-	2,753
Excess (Deficiency) of Revenues Over Expenses and Increase (Decrease) in Unrestricted Net Assets	$ (1,480)	$ 1,260	$ 1,020	$ (7,158)	$ -	$ (6,358)	$ 57	$ (1,191)	$ -	$ (7,492)

0052442.09 bschell AMD

Alison Lundergan Grimes
Kentucky Secretary of State
Received and Filed
11/2/2012 3 17 PM
Fee Receipt $16.00

AMENDED AND RESTATED ARTICLES OF INCORPORATION OF BAPTIST HEALTH MADISONVILLE, INC.

(formerly The Trover Clinic Foundation, Incorporated)

a Kentucky nonprofit corporation

The Corporation hereby amends and restates the provisions of its Articles of Incorporation, such Articles of Incorporation are amended and restated in their entirety, and such Amended and Restated Articles of Incorporation supersede the original Articles of Incorporation of the Corporation and all amendments to them as follows:

1. Name. The name of the corporation will be Baptist Health Madisonville, Inc. (the "Corporation").

2. Purposes. The purposes for which the Corporation is organized are:

(a) To acquire, build, own, maintain, manage, lease, or joint venture with others, hospitals or other health care-related facilities with which to care and provide for the care of the sick, injured, and/or afflicted in body or mind; to administer to their needs, and to provide loving attention, nursing care, and the services of intelligent, trained, and dedicated physicians, surgeons, and support staff, for the restoration of such persons to health and strength; and therein and thereby to perform deeds of benevolence and Christian charity to the sick, injured, and afflicted; and in connection with and as incident to the care and treatment of the sick, injured, and afflicted, to administer, in the name of Christ, to their spiritual needs, and to advance the welfare and well being of all persons admitted as patients regardless of race, creed, or gender.

(b) To use its resources exclusively for charitable and religious purposes, as may be authorized from time to time by the Corporation's Board of Directors, in conformity with its exempt purpose, as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Code or Law) (the "Code").

(c) To do, either alone or in conjunction with other persons or organizations, any and all lawful acts which are necessary and useful to the furtherance, accomplishment, and attainment of the foregoing charitable and religious purposes in accordance with the rights and powers vested in the Corporation under Chapter 273 of the Kentucky Revised Statutes (the "Act").

(d) Notwithstanding anything to the contrary in these Amended and Restated Articles of Incorporation, the Corporation is organized exclusively for charitable, religious, scientific, or educational purposes within the meaning of Code Section 501(c)(3), including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code.

(e) Notwithstanding any other provisions of these Amended and Restated Articles of Incorporation, the Corporation shall only operate for charitable purposes and the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Sections 501(c)(3) and 509(a)(1 or 2) of the Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

3. Corporate Operations. The Corporation is organized under the Kentucky Nonprofit Corporation Act and no part of the net earnings of the Corporation shall inure to the benefit of any director or officer of the Corporation or any private individual except that reasonable compensation may be paid by the Corporation for services rendered to or on its behalf and to make distributions in furtherance of the purposes set forth herein. The Corporation may make distributions or payments of its net earnings in furtherance of Section 2, however, no director or officer of the Corporation or any private individual shall be entitled to share in the distribution of any of the assets during its operation or upon the dissolution of the Corporation. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation. The Corporation shall not, directly or indirectly, participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office. The Corporation shall not

engage in or carry on, other than to an unsubstantial amount, any activities which are prohibited of a corporation exempt from federal income tax under Code section 501(c)(3).

4. Dissolution. Upon the dissolution of the Corporation, the disposition of all the assets of the Corporation shall be in a manner as provided by the Board of Directors, subject to the prior approval of Baptist Healthcare System, Inc. (hereinafter "BHS" as defined in Section 8 herein) and in accordance with the following:

(a) The paying of, or the making of provision for the payment of, all of the liabilities, direct or indirect, contingent or otherwise, including without limitation, all liabilities evidenced in all outstanding loan agreements, credit agreements, master indentures, and other similar documents.

(b) All assets remaining after the payment of all of the liabilities of the Corporation shall be distributed to BHS, if it is then an exempt organization under Section 501(c)(3) of the Code, or if BHS is not then so exempt, to such other exempt organization(s) under Section 501(c)(3) of the Code as shall be determined by BHS.

(c) Any other assets not so disposed of shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

(d) Registered Agent and Office. The name of the Corporation's registered agent and the street address of its registered office as of the date of the filing of these Amended and Restated Articles of Incorporation is:

Janet M. Norton, Esq.
Vice President & General Counsel
Baptist Healthcare System, Inc.
4007 Kresge Way
Louisville, Kentucky 40207-4604

5. Principal Office. The mailing address of the Corporation's principal office is as of the date of the filing of these Amended and Restated Articles of Incorporation:

4007 Kresge Way
Louisville, Kentucky 40207

6. Board of Directors. The names and addresses of the members of the Board of Directors as of the date of the filing of these Amended and Restated Articles of Incorporation shall be:

Tommy J. Smith	4007 Kresge Way Louisville, Kentucky 40207
Frank R. Purdy, III	346 Jesselin Drive Lexington, Kentucky 40503
Chris Hutson	300 Broadway Paducah, Kentucky 42001
Andy C. Sears	4007 Kresge Way Louisville, Kentucky 40207
Charles Allen Rudd, Jr.	P.O. Box 609 Madisonville, Kentucky 42431
R. Steven Cox	2583 Club Court Madisonville, Kentucky 42431
Janet R. Berry	2822 North Main Street Madisonville, Kentucky 42431
Kent T. Mills	5005 Deep Creek Close Madisonville, Kentucky 42431
Mark J. Fitzmaurice, M.D. (non-voting)	4040 Deep Creek Drive Madisonville, Kentucky 42431

7. Incorporators and History. The names of the incorporators of the Corporation were Loman C. Trover, M.D., Merle M. Mahr, M.D., Frederick A. Scott, M.D., and Faull S. Trover, M.D., all of Madisonville, Kentucky. The Corporation was incorporated as The Trover Clinic Foundation, Incorporated on November 6, 1956 for the purpose of establishing a group medical practice in Madisonville, Kentucky, which would offer a full range of medical services to patients from western Kentucky and access to the same level of high-quality, comprehensive care as people who live in urban areas.

8. Member; Meetings. There shall be one (1) member of the Corporation, and such member shall be Baptist Healthcare System, Inc., a Kentucky nonprofit corporation ("BHS"), and an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Meetings of the member of the Corporation shall be held at such time, date and place, both within or without the Commonwealth of Kentucky, as shall be specified by BHS.

9. Board of Directors.

(a) Number, Eligibility and Qualifications of Directors. The Board of Directors shall consist of up to nine (9) voting members as shall from time to time be appointed by resolution of BHS. BHS may, from time-to-time, appoint one (1) nonvoting member of the Board of Directors, and such nonvoting Director shall be a medical doctor whose role shall be to facilitate input from the medical staff. A majority of the members of the Board of Directors shall be residents of Hopkins County, Kentucky, or any county contiguous to it. Pursuant to the Membership Substitution Agreement, dated October 30, 2012 (the "MSA"), the individuals identified in the MSA as Enforcers and their successors as determined pursuant to Section 3.02 of the MSA shall be members of the Board of Directors for as long as the MSA requires. Enforcers count as residents of Hopkins County or a contiguous county for purposes of the above residency requirement.

(b) Powers and Responsibilities. The business, property, affairs, and funds of the Corporation shall be managed, supervised, and controlled by its Board of Directors who shall exercise all of the powers of the Corporation not otherwise reserved to BHS, but subject to the limitations contained in the Corporation's Articles of Incorporation and Bylaws, as each may be

amended from time-to-time and subject to applicable law, including but not limited to establishing and overseeing the capital and operating budgets of the Corporation which may then be approved by BHS; dealing with medical staff relations including physician recruitment and appointing and credentialing of the medical staff; overseeing the Corporation's quality, patient safety, and risk management programs; dealing with the community and public relations aspects of the Corporation; ensuring cost effectiveness and improvement of patient care services; complying with laws and regulations; and overseeing the hospital owned by the Corporation and the business operations of the Corporation.

(c) Reserved Powers. The following powers are reserved to BHS, acting through its Board:

(i) Approve the mission, vision, and values of the Corporation and amendments thereto.

(ii) Approve amendments to the Articles of Incorporation and the Bylaws of the Corporation.

(iii) Approve the strategic plan of the Corporation.

(iv) Approve the transfer or disposition of all or substantially all of the Corporation's assets or investment or interest in any business enterprise; any merger, combination, or reorganization of the Corporation; any liquidation, reorganization, or recapitalization of the Corporation; or any agreement to do the foregoing.

(v) Approve the capital expenditure and operating budgets of the Corporation, and any unbudgeted expenditures over $500,000.00.

(vi) Selection of the Corporation's auditor.

(vii) Approve the incurrence of debt of the Corporation above $500,000 or other amount established by BHS and the making of any capital expenditure above $500,000 or other amount established by BHS.

(viii) Approve the appointment, removal, and evaluation of the President or Chief Executive Officer of the Corporation acting through the President and Chief Executive Officer of BHS.

(ix) Appoint or remove, with or without cause, the members of the Board of Directors of the Corporation. Appointment and removal shall not require a recommendation of the Corporation's Board.

(x) Appoint or remove, with or without cause, the Chair of the Board of the Corporation. Appointment and removal shall not require a recommendation of the Corporation's Board.

(xi) Authorize execution of any contract, agreement, or similar instrument by which the Corporation may be obligated to pay more than an amount established by BHS.

(xii) Acquire any stock of any corporation or any equity in another corporate form, or invest in or acquire any interest in any business enterprise.

Amendments to the articles of incorporation and bylaws shall not reduce or eliminate any rights of the Enforcers under the MSA so long as such rights exist pursuant to the MSA.

10. Indemnification. Each person who is or was a Member, trustee, officer, Director, or employee of the Corporation, whether elected or appointed, and each person who is or was serving at the request of the Corporation as a member, trustee, officer, or director of a committee of the Corporation or of another corporation, whether elected or appointed, or of a partnership, joint venture, trust, or other enterprise, including service with respect to employee benefit plans, including the heirs, executors, administrators, or estate of any such person, shall be indemnified by the Corporation to the full amount against any liability, and the reasonable cost or expense (including attorneys' fees, monetary or other judgments, fines, excise taxes, or penalties and amounts paid or to be paid in settlement) incurred by such person in such person's capacity as a Member, trustee, officer, Director, or employee or arising out of such person's status as a Member, trustee, officer, Director, or employee; provided, however, no such person shall be indemnified against any such liability, cost, or expense incurred in connection with any action, suit, or proceeding in which such person shall have been adjudged liable on the basis that personal benefit was improperly received by such person or if such indemnification would be prohibited by law, including but not limited to by Section 501(c)(3) or Section 4958 of the Internal Revenue Code, or by the Stark Law as set out at 42 U.S.C. 1395nn. Such right shall be a contract right and shall include the right to be paid by the Corporation the reasonable expenses incurred in defending any threatened or pending action, suit, or proceeding in advance of its final disposition; provided, however, that such advance payments of expenses shall be made only after delivery to the Corporation of an undertaking by or on behalf of such person to repay all amounts so advanced if it shall be determined that such person is not entitled to such indemnification.

Any repeal or modification of this Section shall not affect any rights or obligations then existing. If any indemnification payment required by this Section is not paid by the Corporation with ninety (90) days after a written claim has been received by the Corporation, the Member, trustee, officer, Director, or employee may at any time thereafter bring suit against the Corporation to recover the unpaid amount and, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting such claim.

11. Insurance. The Corporation may maintain insurance, at its own expense, to protect itself and any such persons against any such liability, cost, or expense, whether or not the Corporation would have the power to indemnify such person against such cost or expense under the Kentucky Nonprofit Corporation Acts or under this Section, but it shall not be obligated to do so.

12. Non-exclusive Rights. The indemnification provided by Sections 10, 11, and shall not be deemed exclusive of any other rights which those seeking indemnification may have or hereafter acquire under any bylaw, agreement, statute, vote of members or Board of Directors, or otherwise. If Sections 10, 11, and 12 or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each such person, to the full extent permitted by any applicable portion of Sections 10, 11, and 12 that shall not have been invalidated or by any other applicable law. For the purpose of Sections 10, 11, and 12, reference to "the Corporation" includes all constituents absorbed in a consolidation or merger as well as the resulting or surviving corporation.

13. Conflicts of Interest Policy. Each member of the Board of Directors of the Corporation shall abide by the highest standards of ethical conduct while performing their duties as Directors of the Corporation as prescribed by the Act. In addition, each member of the Board of Directors and each Officer of the Corporation shall be required to certify to the Corporation that no conflict of interest exists which would impair that member or officer's ability to serve on the Board of Directors or as an Officer of the Corporation. Each member of the Board of Directors and each Officer of the Corporation shall also complete annually forms which will identify any conflicts of interest or situations that may impair such member's or officer's ability

to exercise undivided loyalty to the Corporation. Each member of the Board of Directors and each Officer of the Corporation shall also comply with the Conflict of Interest Policy of BHS.

The Corporation, through an affirmative vote of its Board of Directors, does hereby adopt these Amended and Restated Articles of Incorporation of Baptist Health Madisonville, Inc. and states that they correctly set forth the provisions of the Articles of Incorporation of the Corporation as theretofore amended, that they have been duly adopted as required by law, and that they supersede the original Articles of Incorporation of the Corporation and all amendments thereto.

Executed effective as of the 1st day of November, 2012

BAPTIST HEALTH MADISONVILLE, INC.

By: _____

Printed: E. BERTON WHITAKER

Its: President / CEO

AND

By: _____

Printed: Allen Rudd

Its: Chairman

COMMONWEALTH OF KENTUCKY)
)ss:
COUNTY OF Hopkins)

On this 29 day of October, 2012, before me personally appeared E. Berton Whitaker, to me known to be the person described above and who executed the foregoing instrument as President / CEO and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and Commonwealth aforesaid, the day and year first above written.

_____
Notary Public

James W McMurtrie
Printed

My term expires: 2-16-2015

COMMONWEALTH OF KENTUCKY)
)ss:
COUNTY OF Hopkins)

On this 24 day of October, 2012, before me personally appeared Allen Rudd, to me known to be the person described above and who executed the foregoing instrument as Chairman and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and Commonwealth aforesaid, the day and year first above written.

J. W. McMurtrie
Notary Public

JAMES W McMURTRIE
Printed

My term expires: 2-16-2015

1264659v 2

Form **8868**
(Rev January 2013)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . . ▶ X
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing *(e-file)*. You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit *www irs gov/efile* and click on *e-file for Charities & Nonprofits*

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete Part I only . . . . . ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

Type or print
File by the due date for filing your return See instructions

Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
TROVER CLINIC FOUNDATION, INC.	61-0654587
Number, street, and room or suite no If a P O box, see instructions	**Social security number (SSN)**
900 HOSPITAL DRIVE	
City, town or post office, state, and ZIP code For a foreign address, see instructions	
MADISONVILLE, KY 42431	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720- (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ E. BERTON WHITAKER

Telephone No ▶ 270 825-5201 FAX No ▶

- If the organization does not have an office or place of business in the United States, check this box . . . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . . . . . ▶ ☐ If it is for part of the group, check this box . . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15, 20 13, to file the exempt organization return for the organization named above The extension is for the organization's return for
▶ X calendar year 2012 or
▶ ☐ tax year beginning _____, 20____, and ending _____, 20____

2 If the tax year entered in line 1 is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit	3b	$
c	**Balance due.** Subtract line 3b from line 3a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

For Privacy Act and Paperwork Reduction Act Notice, see Instructions. Form **8868** (Rev 1-2013)

JSA
2F8054 2 000
4794AN K917 V 12-4.6F 11977

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . . ▶ [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1)

Part II **Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	TROVER CLINIC FOUNDATION, INC.	61-0654587
File by the due date for filing your return See instructions	Number, street, and room or suite no. If a P.O box, see instructions.	Social security number (SSN)
	900 HOSPITAL DRIVE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	MADISONVILLE, KY 42431	

Enter the Return code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ E. BERTON WHITAKER
  Telephone No ▶ 270 825-5201 FAX No ▶
- If the organization does not have an office or place of business in the United States, check this box . . . . . ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box . . . . . ▶ [ ] If it is for part of the group, check this box . . . . . ▶ [ ] and attach a list with the names and EINs of all members the extension is for

4 I request an additional 3-month extension of time until 11/15, 20 13

5 For calendar year 2012, or other tax year beginning _____, 20 _____, and ending _____, 20 _____

6 If the tax year entered in line 5 is for less than 12 months, check reason [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension
ADDITIONAL TIME IS REQUIRED TO ACCUMULATE THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$
c	**Balance Due.** Subtract line 8b from line 8a Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	8c	$

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ Kem Scales Title ▶ CPA Date ▶ 8/13/13