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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 private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2015

Open to Public Inspection

A For the 2015 calendar year, or tax year beginning SEP 1, 2015 and ending AUG 31, 2016

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return/ terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
Baptist Health Madisonville, Inc.

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) 900 Hospital Drive

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
Madisonville, KY 42431

F Name and address of principal officer: Stephen R. Oglesby
2701 Eastpoint Pkwy, Louisville, KY 40223

D Employer identification number
61-0654587

E Telephone number
270-825-5201

G Gross receipts $ 214,480,489.

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

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

H(c) Group exemption number ▶

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

J Website: ▶ www.baptisthealthmadisonville.com

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 serving rural communities in Kentucky. Our mission is to

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	11
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
5	Total number of individuals employed in calendar year 2015 (Part V, line 2a)	5	1962
6	Total number of volunteers (estimate if necessary)	6	77
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	17,683.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	3,708.

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	1,540,068.	941,149.
9	Program service revenue (Part VIII, line 2g)	131,221,966.	135,538,004.
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,256,255.	1,094,042.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	55,910,901.	62,235,144.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	189,929,190.	199,808,339.
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	220,032.	633,604.
14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	89,297,367.	85,022,672.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	83,428,329.	102,802,639.
18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	172,945,728.	188,458,915.
19	Revenue less expenses. Subtract line 18 from line 12	16,983,462.	11,349,424.

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	175,835,186.	188,176,177.
21	Total liabilities (Part X, line 26)	47,716,040.	23,958,218.
22	Net assets or fund balances. Subtract line 21 from line 20	128,119,146.	164,217,959.

SCANNED AUG 02 2017

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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 7-17-17

▶ Stephen R. Oglesby, Vice President & Treasurer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: Tricia M. Johnson	Preparer's signature: Tricia M Johnson	Date: 07/17/17	Check ☐ if self-employed	PTIN: P00627205
Firm's name ▶ Ernst & Young U.S. LLP			Firm's EIN ▶ 34-6565596	
Firm's address ▶ 1900 Scripps Center, 312 Walnut Street Cincinnati, OH 45202			Phone no. 513-612-1400	

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

See Schedule O for Organization Mission Statement Continuation

X 979

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . [x]

1 Briefly describe the organization's mission:

To operate an acute care hospital 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 [x] 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 [x] 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 $ 173,223,240. including grants of $ 633,604.) (Revenue $ 192,060,795.)

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 $ _____ including grants of $ _____) (Revenue $ _____)

4e Total program service expenses ▶ 173,223,240.

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*?	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		X
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 other assistance to or for any foreign organization? *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 other assistance to or for foreign individuals? *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*	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

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
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	
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government 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 or other assistance to or for domestic individuals 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 25a*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) 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	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *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 or note to any line in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	166		
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	1962		
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," to line 3b, 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 FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
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.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the sponsoring organization make any taxable distributions under section 4966?		9a		
b	Did the sponsoring 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 or note to any line 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 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.	1a	11		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	10		
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 [x] 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, address, and telephone number of the person who possesses the organization's books and records ▶

Stephen R. Oglesby - 502-896-5000

2701 Eastpoint Parkway, Louisville, KY 40223

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation 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 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 R. Berry	1.00									
Director	0.00	X						0.	3,000.	0.
(2) Darren Chapman	1.00									
Director (Through 12/31/15)	40.00	X						0.	388,537.	33,256.
(3) Steven R. Cox	1.00									
Chairman & Director	0.00	X		X				0.	3,000.	0.
(4) Imran Dosani, MD	1.00									
Director (Effective 1/1/2016)	0.00	X						0.	0.	0.
(5) Barry Eveland	1.00									
Director	0.00	X						0.	3,000.	0.
(6) Kent T. Mills	1.00									
Director	0.00	X						0.	3,000.	0.
(7) Ron Poole	1.00									
Director	0.00	X						0.	3,000.	0.
(8) Allen C. Rudd	1.00									
Director	2.00	X						0.	3,000.	0.
(9) Amy Sanderson	1.00									
Director	0.00	X						0.	3,000.	0.
(10) Linda Thomas, PHD	1.00									
Vice Chairman & Director	0.00	X						0.	3,000.	0.
(11) Jason Vincent	1.00									
Director	0.00	X						0.	3,000.	0.
(12) Linda Q. Zellich	1.00									
Director	0.00	X						0.	0.	0.
(13) Ursula Dugger	40.00									
Assistant Secretary	0.00			X				50,696.	0.	4,955.
(14) Stephen C. Hanson	1.00									
System CEO	40.00			X				0.	1,494,664.	267,512.
(15) Robert Ramey	40.00									
President	0.00			X				0.	356,530.	25,854.
(16) Carl Herde	1.00									
Vice President & Treasurer	40.00			X				0.	1,626,897.	161,728.
(17) Janet Norton	1.00									
Vice President & Secretary	40.00			X				0.	628,094.	134,158.

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 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			
(18) Kimberly Ashby	40.00									
Vice President of Finance	0.00					X		274,830.	0.	21,673.
(19) Robert L. Wood	40.00									
Physician	0.00					X		363,500.	0.	47,943.
(20) Diana Nims	40.00									
Physician	0.00					X		313,000.	0.	24,374.
(21) James Kolka	40.00									
Chief Medical Officer	0.00					X		278,257.	0.	15,930.
(22) Tara Henson	40.00									
Physician	0.00					X		258,678.	0.	19,604.
(23) Mark Fitzmaurice, MD	0.00									
Director (Through 12/31/14)	20.00						X	0.	322,300.	22,162.
(24) Andy Sears	0.00									
Vice Chairman (Through 12/31/14)	40.00						X	0.	527,239.	49,585.
(25) Isaac Myers, MD	1.00									
Vice President	40.00						X	0.	725,986.	149,958.
(26) Timothy Dukes	0.00									
Vice President & COO (Through 4/3/15	0.00						X	274,175.	0.	8,012.
1b Sub-total						▶		1,813,136.	6,097,247.	986,704.
c Total from continuation sheets to Part VII, Section A						▶		359,828.	0.	5,738.
d Total (add lines 1b and 1c)						▶		2,172,964.	6,097,247.	992,442.

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

			Yes	No
3	Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3	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
Aramark CTS Inc., 12483 Collections Center Drive, Chicago, IL 60693	Biomedical Services	433,606.
GE Medical Systems Infomation Tech 8200 West Tower Avenue, Milwaukee, WI 53223	Clinical Information Systems	290,834.
Delta Locums Tenens 1755 Wittington Place, Dallas, TX 75234	Medical Staffing	260,307.
Southeastern Emergency Physicians 3920 Dutchmans Lane, Louisville, KY 40207	Medical Staffing	244,615.
Medical Staffing Solutions LLC PO Box 101, Rice Lake, WI 54868	Medical Staffing	194,450.

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 ▶ 5

See Part VII, Section A Continuation sheets

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line 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 - 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	768,490.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	172,659.			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f	▶	941,149.			
Program Service Revenue			**Business Code**				
	2 a	Patient Service Revenu	621110	125,135,617.	125,117,934.	17,683.	
	b	Home Health & Hospice	621610	5,064,417.	5,064,417.		
	c	Family Practice Reside	611600	3,483,707.	3,483,707.		
	d	Other	611600	1,129,759.	1,129,759.		
	e	Anesthesia Program	611600	724,504.	724,504.		
	f	All other program service revenue					
	g	**Total.** Add lines 2a-2f	▶	135,538,004.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	▶	733,242.			733,242.
	4	Income from investment of tax-exempt bond proceeds	▶				
	5	Royalties	▶				
			(i) Real / (ii) Personal				
	6 a	Gross rents	4,657,387.				
	b	Less: rental expenses	1,684,686.				
	c	Rental income or (loss)	2,972,701.				
	d	Net rental income or (loss)	▶	2,972,701.			2,972,701.
			(i) Securities / (ii) Other				
	7 a	Gross amount from sales of assets other than inventory	630,000.				
	b	Less: cost or other basis and sales expenses	0.	269,200.			
	c	Gain or (loss)	630,000.	-269,200.			
	d	Net gain or (loss)	▶	360,800.			360,800.
	8 a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events	▶				
	9 a	Gross income from gaming activities. See Part IV, line 19	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from gaming activities	▶				
	10 a	Gross sales of inventory, less returns and allowances	a 68,818,990.				
	b	Less: cost of goods sold	b 12,718,264.				
	c	Net income or (loss) from sales of inventory	▶	56,100,726.	56,100,726.		
		Miscellaneous Revenue	**Business Code**				
	11 a	Cafeteria Sales	722210	2,026,805.			2,026,805.
	b	Research Revenue	541700	518,246.			518,246.
	c	Gift Shop Revenue	453220	150,798.			150,798.
	d	All other revenue	900099	465,868.	422,065.		43,803.
	e	**Total.** Add lines 11a-11d	▶	3,161,717.			
	12	**Total revenue.** See instructions.	▶	199,808,339.	192,043,112.	17,683.	6,806,395.

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 or note to any line 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 domestic organizations and domestic governments. See Part IV, line 21	633,604.	633,604.		
2 Grants and other assistance to domestic individuals See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,509,672.	1,509,672.		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	7,508.	7,508.		
7 Other salaries and wages	69,346,935.	68,088,879.	1,258,056.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	2,743,759.	2,724,058.	19,701.	
9 Other employee benefits	6,951,494.	5,924,446.	1,027,048.	
10 Payroll taxes	4,463,304.	3,957,382.	505,922.	
11 Fees for services (non-employees).				
a Management	1,033,616.	511,552.	522,064.	
b Legal	54,504.		54,504.	
c Accounting				
d Lobbying	21,801.		21,801.	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	32,580,949.	25,663,177.	6,917,772.	
12 Advertising and promotion	53,603.	36,829.	16,774.	
13 Office expenses	2,355,036.	1,918,210.	436,826.	
14 Information technology	7,416.	4,616.	2,800.	
15 Royalties				
16 Occupancy	2,590,918.	1,703,391.	887,527.	
17 Travel	589,492.	267,536.	321,956.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	58,628.	41,722.	16,906.	
20 Interest	546,957.		546,957.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	12,422,997.	11,223,514.	1,199,483.	
23 Insurance	2,811,698.	2,041,796.	769,902.	
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 Medical Supplies	34,538,868.	34,538,868.		
b Purchased Svcs-Non-Med	9,451,992.	8,895,219.	556,773.	
c Provider Tax	2,491,258.	2,491,258.		
d Minor Equipment	684,637.	684,637.		
e All other expenses	508,269.	355,366.	152,903.	
25 **Total functional expenses.** Add lines 1 through 24e	188,458,915.	173,223,240.	15,235,675.	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 or note to any line in this Part X ☐

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	13,647.	1	13,464.
	2	Savings and temporary cash investments	14,442,962.	2	8,301,457.
	3	Pledges and grants receivable, net	0.	3	0.
	4	Accounts receivable, net	28,666,684.	4	35,176,436.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		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 instr) Complete Part II of Sch L		6	
	7	Notes and loans receivable, net	98,575.	7	72,175.
	8	Inventories for sale or use	2,913,966.	8	3,499,573.
	9	Prepaid expenses and deferred charges	2,732,291.	9	596,007.
	10a	Land, buildings, and equipment. cost or other basis Complete Part VI of Schedule D — 10a: 237,879,944.			
	b	Less accumulated depreciation — 10b: 153,908,993.	76,086,815.	10c	83,970,951.
	11	Investments - publicly traded securities	50,599,595.	11	53,197,423.
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	280,651.	15	3,348,691.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	175,835,186.	16	188,176,177.
Liabilities	17	Accounts payable and accrued expenses	19,070,556.	17	12,707,429.
	18	Grants payable		18	
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities	19,197,000.	20	0.
	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	1,427,173.	23	6,198,621.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	8,021,311.	25	5,052,168.
	26	**Total liabilities.** Add lines 17 through 25	47,716,040.	26	23,958,218.
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	127,953,677.	27	164,217,959.
	28	Temporarily restricted net assets	165,469.	28	0.
	29	Permanently restricted net assets	0.	29	0.
		Organizations that do not follow SFAS 117 (ASC 958), 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	128,119,146.	33	164,217,959.
	34	Total liabilities and net assets/fund balances	175,835,186.	34	188,176,177.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . [x]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	199,808,339.
2	Total expenses (must equal Part IX, column (A), line 25)	2	188,458,915.
3	Revenue less expenses. Subtract line 2 from line 1	3	11,349,424.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	128,119,146.
5	Net unrealized gains (losses) on investments	5	2,157,403.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	22,591,986.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	164,217,959.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII [ ]

			Yes	No
1	Accounting method used to prepare the Form 990 [ ] Cash [x] 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 [x] 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	x	
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	

Form 990 (2015)

532012
12-16-15

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.**

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

OMB No 1545-0047

2015

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 (Form 990 or 990-EZ))

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 in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g

a ☐ **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**

b ☐ **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**

c ☐ **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**

d ☐ **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**

e ☐ Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization

f Enter the number of supported organizations

g 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 (see instructions))	(iv) Is the organization listed in your governing document? Yes	(iv) No	(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
Total						

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III If the organization fails to qualify under the tests listed below, please complete Part III)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f)) 14 %

15 Public support percentage from 2014 Schedule A, Part II, line 14 15 %

16a **33 1/3% support test - 2015.** 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 - 2014.** 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 - 2015.** 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2014.** 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 VI 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) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support.** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) 2015	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 **Total support** (Add lines 9, 10c, 11, and 12)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2014 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2015** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2014** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2015.** 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 - 2014.** 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 Supporting Organizations

(Complete only if you checked a box in line 11 on Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

			Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? *If "No" describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.*	1		
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? *If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).*	2		
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? *If "Yes," answer (b) and (c) below*	3a		
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? *If "Yes," describe in Part VI when and how the organization made the determination*	3b		
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? *If "Yes," explain in Part VI what controls the organization put in place to ensure such use*	3c		
4a	Was any supported organization not organized in the United States ("foreign supported organization")? *If "Yes," and if you checked 11a or 11b in Part I, answer (b) and (c) below.*	4a		
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? *If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations*	4b		
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? *If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes*	4c		
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? *If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document)*	5a		
b	**Type I or Type II only.** Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b		
c	**Substitutions only.** Was the substitution the result of an event beyond the organization's control?	5c		
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? *If "Yes," provide detail in Part VI.*	6		
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ)*	7		
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? *If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).*	8		
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? *If "Yes," provide detail in Part VI.*	9a		
b	Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? *If "Yes," provide detail in Part VI.*	9b		
c	Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? *If "Yes," provide detail in Part VI.*	9c		
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? *If "Yes," answer 10b below.*	10a		
b	Did the organization have any excess business holdings in the tax year? *(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)*	10b		

Part IV Supporting Organizations *(continued)*

			Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?			
a	A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11a		
b	A family member of a person described in (a) above?	11b		
c	A 35% controlled entity of a person described in (a) or (b) above? *If "Yes" to a, b, or c, provide detail in* ***Part VI.***	11c		

Section B. Type I Supporting Organizations

			Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? *If "No," describe in* ***Part VI*** *how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year*	1		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in* ***Part VI*** *how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.*	2		

Section C. Type II Supporting Organizations

			Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in* ***Part VI*** *how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).*	1		

Section D. All Type III Supporting Organizations

			Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	1		
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? *If "No," explain in* ***Part VI*** *how the organization maintained a close and continuous working relationship with the supported organization(s)*	2		
3	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in* ***Part VI*** *the role the organization's supported organizations played in this regard.*	3		

Section E. Type III Functionally-Integrated Supporting Organizations

1 *Check the box next to the method that the organization used to satisfy the Integral Part Test during the yea* ***(see instructions):***

a ☐ The organization satisfied the Activities Test. *Complete* ***line 2*** *below*

b ☐ The organization is the parent of each of its supported organizations *Complete* ***line 3*** *below.*

c ☐ The organization supported a governmental entity. *Describe in Part VI how you supported a government entity (see instructions)*

			Yes	No
2	Activities Test. ***Answer (a) and (b) below.***			
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in* ***Part VI identify those supported organizations and explain*** *how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*	2a		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in* ***Part VI*** *the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*	2b		
3	Parent of Supported Organizations ***Answer (a) and (b) below.***			
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in ***Part VI.***	3a		
b	Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in ***Part VI*** *the role played by the organization in this regard.*	3b		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 **Adjusted Net Income** (subtract lines 5, 6 and 7 from line 4)	8		

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d **Total** (add lines 1a, 1b, and 1c)	1d		
e **Discount** claimed for blockage or other factors (explain in detail in **Part VI**).			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 **Minimum Asset Amount** (add line 7 to line 6)	8		

Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 **Distributable Amount.** Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		

7 ☐ Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).

Part V **Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** *(continued)*

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	
4	Amounts paid to acquire exempt-use assets	
5	Qualified set-aside amounts (prior IRS approval required)	
6	Other distributions (describe in **Part VI**). See instructions.	
7	**Total annual distributions.** Add lines 1 through 6	
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in **Part VI**). See instructions	
9	Distributable amount for 2015 from Section C, line 6	
10	Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2015	(iii) Distributable Amount for 2015
1	Distributable amount for 2015 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2015 (reasonable cause required-see instructions)			
3	Excess distributions carryover, if any, to 2015:			
a				
b				
c				
d	From 2013			
e	From 2014			
f	**Total** of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2015 distributable amount			
i	Carryover from 2010 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2015 from Section D, line 7. $			
a	Applied to underdistributions of prior years			
b	Applied to 2015 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2015, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6	Remaining underdistributions for 2015. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7	**Excess distributions carryover to 2016.** Add lines 3j and 4c.			
8	Breakdown of line 7			
a				
b				
c	Excess from 2013			
d	Excess from 2014			
e	Excess from 2015			

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10, Part II, line 17a or 17b, Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3, Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1, Part V, Section B, line 1e, Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. 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.**

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

OMB No 1545-0047

2015

Open to Public Inspection

If the organization answered "Yes," on 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," on 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," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), 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 .. ▶ $

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

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

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

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

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

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

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

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

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

4-Year Averaging Period Under section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes," response on 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	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		21,801.
j Total Add lines 1c through 1i			21,801.
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?			

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	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

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, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information

Part II-B, Line 1, Lobbying Activities:

The organization and certain employees are members of various associations that attribute a portion of their dues to lobbying expense. The organization has disclosed a lobbying expense allocation of $21,801 per Form 990. These associations include the American Medical Association, the Kentucky Hospital Association, the Kentucky

Part IV **Supplemental Information** *(continued)*

Medical Association, and various others.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990.*

OMB No 1545-0047
2015
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" on Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of 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" on 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 a 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, handling of violations, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, 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" on 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) Revenue included on 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 Revenue included on 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" on 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

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

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

Part V Endowment Funds. Complete if the organization answered "Yes" on 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	171,094.	164,488.	164,559.	159,404.	153,560.
b Contributions	890.	5,625.	4,023.	9,552.	197,043.
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs	171,984.	-981.	4,094.	4,397.	191,199.
f Administrative expenses		0.	0.	0.	0.
g End of year balance		171,094.	164,488.	164,559.	159,404.

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 ▶ 100.00 %

The percentages on 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" on line 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.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. 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		9,902,460.		9,902,460.
b Buildings		104,049,240.	53,866,419.	50,182,821.
c Leasehold improvements				
d Equipment		116,868,986.	95,655,511.	21,213,475.
e Other		7,059,258.	4,387,063.	2,672,195.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10c.)* ▶				83,970,951.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c See Form 990, Part X, line 13

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

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d See Form 990, Part X, line 15

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

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) MCC Building Pledge	400,000.
(3) Third Party Payables	4,652,168.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	5,052,168.

2. Liability for uncertain tax positions. 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.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

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 (losses) 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	
3	Subtract line 2e from line 1			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines 4a and 4b			4c	
5	Total revenue. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 12.)*			5	

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

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

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	
3	Subtract line 2e from line 1			3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII.)	4b			
c	Add lines 4a and 4b			4c	
5	Total expenses. Add lines 3 and 4c. *(This must equal Form 990, Part I, line 18.)*			5	

Part XIII Supplemental Information.

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:

Intended Use of Endowment Funds:

Patient care, hospice bereavement camp, Mahr Cancer Center and other patient care initiatives.

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
▶ Attach to Form 990.
▶ Information about Schedule H (Form 990) and its instructions is at *www.irs.gov/form990* .

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization	Employer identification number
Baptist Health Madisonville, Inc.	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 ☐ 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% ☒ 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% ☒ 400% ☐ Other _____ %	3b	X	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used 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)			3,996,993.	807,903.	3,189,090.	1.69%
b Medicaid (from Worksheet 3, column a)			39,606,467.	38,878,387.	728,080.	.39%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			43,603,460.	39,686,290.	3,917,170.	2.08%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			547,927.		547,927.	.29%
f Health professions education (from Worksheet 5)			6,095,394.	796,010.	5,299,384.	2.81%
g Subsidized health services (from Worksheet 6)			5,909,950.	3,449,624.	2,460,326.	1.31%
h Research (from Worksheet 7)			71,696.		71,696.	.04%
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,334,223.		1,334,223.	.71%
j **Total.** Other Benefits			13,959,190.	4,245,634.	9,713,556.	5.16%
k **Total.** Add lines 7d and 7j			57,562,650.	43,931,924.	13,630,726.	7.24%

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						
2	Economic development			2,547.		2,547.	.00%
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development			19,181.		19,181.	.01%
9	Other						
10	Total			21,728.		21,728.	.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	1,960,396.		
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	50,641,272.
6	Enter Medicare allowable costs of care relating to payments on line 5	6	54,195,289.
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-3,554,017.
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 %

Part V Facility Information

Section A. Hospital Facilities

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

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

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)	Licensed hospital	Gen. 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 100184	X			X			X			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group Baptist Health Madisonville

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

			Yes	No
Community Health Needs Assessment				
1	Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1		X
2	Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2		X
3	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 12	3	X	
	If "Yes," indicate what the CHNA report describes (check all that apply).			
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 significant 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 Section C)			
4	Indicate the tax year the hospital facility last conducted a CHNA: 20 14			
5	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	X	
6a	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a		X
b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b		X
7	Did the hospital facility make its CHNA report widely available to the public?	7	X	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	[X] Hospital facility's website (list url): www.baptisthealthmadisonville.com			
b	[ ] Other website (list url)			
c	[X] Made a paper copy available for public inspection without charge at the hospital facility			
d	[X] Other (describe in Section C)			
8	Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	X	
9	Indicate the tax year the hospital facility last adopted an implementation strategy 20 14			
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	X	
a	If "Yes," (list url) www.baptisthealthmadisonville.com			
b	If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b		X
11	Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed			
12a	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)?	12a		X
b	If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b		
c	If "Yes" to line 12b, 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)*

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group Baptist Health Madisonville

			Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	13	X	
	If "Yes," indicate the eligibility criteria explained in the FAP:			
a	[X] Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 200 % and FPG family income limit for eligibility for discounted care of 400 %			
b	[X] Income level other than FPG (describe in Section C)			
c	[X] Asset level			
d	[ ] Medical indigency			
e	[X] Insurance status			
f	[X] Underinsurance status			
g	[ ] Residency			
h	[ ] Other (describe in Section C)			
14	Explained the basis for calculating amounts charged to patients?	14	X	
15	Explained the method for applying for financial assistance?	15	X	
	If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)			
a	[X] Described the information the hospital facility may require an individual to provide as part of his or her application			
b	[X] Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application			
c	[X] Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process			
d	[X] Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications			
e	[ ] Other (describe in Section C)			
16	Included measures to publicize the policy within the community served by the hospital facility?	16	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply).			
a	[X] The FAP was widely available on a website (list url) www.baptisthealthmadisonville.com			
b	[X] The FAP application form was widely available on a website (list url). www.baptisthealthmadisonville.com			
c	[X] A plain language summary of the FAP was widely available on a website (list url). See Part V, Page 7			
d	[X] The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
e	[X] The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)			
f	[X] A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)			
g	[X] Notice of availability of the FAP was conspicuously displayed throughout the hospital facility			
h	[X] Notified members of the community who are most likely to require financial assistance about availability of the FAP			
i	[ ] Other (describe in Section C)			

Billing and Collections

17	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 all of the actions the hospital facility or other authorized party may take upon non-payment?	17	X	
18	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 individual's eligibility under the facility's FAP.			
a	[ ] Reporting to credit agency(ies)			
b	[ ] Selling an individual's debt to another party			
c	[ ] Actions that require a legal or judicial process			
d	[ ] Other similar actions (describe in Section C)			
e	[X] None of these actions or other similar actions were permitted			

Part V Facility Information *(continued)*

Name of hospital facility or letter of facility reporting group Baptist Health Madisonville

			Yes	No
19	Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged:	19		x
a	☐ Reporting to credit agency(ies)			
b	☐ Selling an individual's debt to another party			
c	☐ Actions that require a legal or judicial process			
d	☐ Other similar actions (describe in Section C)			

20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):

- a ☒ Notified individuals of the financial assistance policy on admission
- b ☒ Notified individuals of the financial assistance policy prior to discharge
- c ☒ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d ☒ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Section C)
- f ☐ None of these efforts were made

Policy Relating to Emergency Medical Care

21	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required 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:	21	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 Section C)			
d	☐ Other (describe in Section C)			

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

22	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	☒ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d	☐ Other (describe in Section C)			
23	During the tax year, did the hospital facility charge any FAP-eligible individual 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 Section C.	23		x
24	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.	24		x

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24 If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2" "B, 3," etc.) and name of hospital facility

Baptist Health Madisonville:

Part V, Section B, Line 5: Input From Community Representatives:

Interviews with 25 key informants were conducted over a three day period.

Interviewees were determined based on:

a) specialized knowledge or expertise in public health

b) their affiliation with local government, schools, or industry or

c) their involvement with underserved and minority populations.

All interviews were conducted using a standard questionnaire. A summary of their opinions is reported without judgment as to 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 healthcare issues discussed and actions necessary for addressing these issues. Name and organizational affiliations were not connected to the information presented in the report. Key informants from the community worked for the following types of organizations and agencies: social service agencies, local school system and community college, local city and county government, public health agencies, industry, faith community, and medical providers.

Baptist Health Madisonville:

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2" "B, 3," etc.) and name of hospital facility.

Part V, Section B, Line 7d: Availability of CHNA Report:

Copies of the CHNA were distributed internally and externally to those who participated in the needs assessment (individuals and organizations).

Baptist Health Madisonville:

Part V, Section B, Line 11: CHNA Significant Needs:

Baptist Health Madisonville's approach to providing community benefit is to target the intersection of documented unmet community health needs and our organization's key strengths and mission commitment.

Information was gathered, analyzed and reviewed to identify the health issues of uninsured persons, low-income persons, minority groups and the community as a whole. Health needs were ranked using the following criteria:

1) The ability to evaluate and measure outcomes,

2) The size of the problem,

3) The seriousness of the problem, and

4) The prevalence of common themes.

Health needs were then prioritized taking into account the perceived degree of influence the hospital has to impact the need and the impact on overall health.

PRIORITY: Heart Disease

Strategies:

A. Promote environments that support the prevention of heart disease, i.e.

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2" "B, 3," etc.) and name of hospital facility

healthy eating, increased physical activity, tobacco-free lifestyle, and moderate alcohol use.

1. Work with Sports Medicine staff to provide education on the benefits of exercise on heart health.

B. Target heart healthy education and prevention among those in high risk groups.

1. Obtain and distribute educational materials on risk factors for heart disease and methods of preventing it to churches, health departments and community agencies that serve people at high risk of heart disease.

2. Schedule short heart health presentations to target groups.

C. Collaborate with the health care community to develop and promote a public campaign for all individuals "to know their numbers" including blood pressure, Hemoglobin A1c, and cholesterol.

1. Obtain the "Know Your Numbers" program and highly promote its use in conjunction with our collaborative partners.

D. Encourage worksites to educate their employees about their benefit package, including preventive services.

1. Contact the Human Resources staff in local businesses and educate them about the benefit of using personal health risk assessments to pinpoint the health needs of their employees.

PRIORITY: Smoking Prevention/Cessation

Strategies:

A. Engage youth in tobacco prevention education and advocacy.

1. Work with community partners to identify individuals who have the

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2" "B, 3," etc.) and name of hospital facility.

opportunity to assist in creating working groups of young people to develop an anti-smoking marketing campaign for their peers.

2. Provide educators at every level with the latest information regarding the effects of smoking and secondhand smoke on children and youth. Meet with school administrators to emphasize the need to deter students and staff from smoking and to make all campuses smoke free.

B. Increase availability and access to cessation resources including components targeting diverse/special populations.

1. Conduct community awareness campaigns on how to contact the Smoke Free Kentucky hotline, where to go for smoking cessation classes, how to acquire nicotine patches, etc.

2. Assure that media campaign reaches the special populations that have the highest risk from smoking and intensify messages for that group.

C. Identify health care professionals, organizations, and agencies that represent the interest of pregnant women and encourage them to participate in tobacco prevention and cessation efforts.

1. Encourage pregnant women to participate in Centering Pregnancy and the Centering Parenting program where available.

2. Educate health providers on evidence-based strategies for treating tobacco use dependence.

3. Educate pediatric health care providers to assess exposure to secondhand smoke and encourage parents and family members to quit and/or "take it outside".

PRIORITY: Diabetes and Obesity

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24 If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2" "B, 3," etc) and name of hospital facility.

Strategies:

A. Increase prevention behaviors in persons identified as being at high risk for diabetes by working with providers to encourage prevention strategies in this population.

1. Promote increased physical activity, weight loss, reduction of fat or calories in diets and maintain provider/patient relationships to monitor the disease.

B. Increase participation in diabetes education classes and maternal and child health nutrition programs via BHM, local health departments and schools, and in prenatal classes.

1. Increase awareness of types of exercises and places to go to exercise, i.e., gyms, YMCA's, parks, walking/bike trails, athletics/team sports, etc.

C. Educate community members about the risk factors for diabetes by developing and distributing culturally appropriate public awareness materials.

D. Promote and support local farmers' markets in the communities.

E. Encourage school districts to offer healthy food choices at lunch and to limit access to soft drink/snack machines and to promote physical fitness and exercise in schools.

1. Promote "Two Hour Tours" and "Take 10!" programs, and the incorporation of physical fitness and exercise into the school day and after school activities.

Health Needs Not Addressed:

The most notable health needs not addressed at this time are mental health and substance abuse. Unfortunately, most of rural America is without the

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

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2" "B, 3," etc) and name of hospital facility.

necessary resources to adequately address the pandemic increase in people who are impacted by these problems. Our service area is no different. BHM does not have the resources that would be required to effect the changes that are needed to adequately address the lack of mental health and substance abuse care in its service area. However, we continue to explore potential partnerships and internal strategies to find a way to provide these essential services to our patients, and every effort will be made to assist our existing mental health and substance abuse providers in maintaining and/or expanding the services that they currently provide.

The need for inpatient mental health services was partially met when BHM opened an adult psychiatry unit in the fall of 2015 through a services agreement with Horizon Health for a 20 bed inpatient adult behavioral health unit at the hospital which provides an additional 20 inpatient beds for our service area.

Baptist Health Madisonville:

Part V, Section B, Line 13b: Criteria for determining eligibility for free or discounted care:

As provided for in the written charity care policy, an individual must meet all of the following conditions to qualify for charity:

a. The individual is a resident of Kentucky.

b. The individual is not eligible for Medicaid.

c. The individual is not covered by a 3rd party payor.

d. The individual is not in the custody of a unit of government which is

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

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2" "B, 3," etc) and name of hospital facility

responsible for coverage of the acute care needs of the individual.

e. The individual meets the following income and resources criteria:

HOUSEHOLD SIZE	MONTHLY INCOME LIMIT	ANNUAL INCOME LIMIT
1	$1,005	$12,060
2	$1,353	$16,240
3	$1,702	$20,420
4	$2,050	$24,600
5	$2,398	$28,780

For each additional member add $348 monthly and $4,180 annually.

Baptist Health Madisonville

Part V, line 16c, FAP Plain Language Summary website:

www.baptisthealthmadisonville.com

Part V Facility Information *(continued)*

Section D. 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? 3

Name and address	Type of Facility (describe)
1 Baptist Health Sports Medicine & Rehab 500 Clinic Drive Madisonville, KY 42431	Rehab Services
2 Baptist Health Hospice 418 North Scott Street Madisonville, KY 42431	Hospice Care
3 Baptist Health Transitional Care 900 Hospital Drive Madisonville, KY 42431	Skilled Nursing Facility

Part VI Supplemental Information

Provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.

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

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

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

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

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

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

Part I, Line 7:

Costing Methodology:

A cost-to-charge ratio based on the most recent as-filed Medicaid cost report was used to calculate the amounts reported on each line of the table.

Part III, Line 3:

Rationale for including other bad debt amount in community benefit:

No other bad debt amounts have been included as community benefit. The hospital educates patients with limited ability to pay regarding financial assistance and for this reason, the organization believes it accurately captures all charity care deductions provided according to the financial assistance policy, and the amount of bad debt expense attributable to patients eligible under the organization's charity care policy is negligible.

Part III, Line 4:

Bad debt expense footnote:

Part VI Supplemental Information *(Continuation)*

Per the financial statements of Baptist Healthcare System, Inc. (which include the activity of Baptist Health Madisonville), there is no bad debt footnote for the current year. The amount on line 2 was calculated using a cost-to-charge ratio.

Part III, Line 8:

Treatment of Medicare shortfall as community benefit:

Due to the fact that Medicare rates are non-negotiable and are established by the government, all of the shortfall for Medicare should be included as a community benefit.

Medicare Costing Methodology:

Medicare revenues and allowable costs were taken from the as-filed Medicare cost report. Much care is taken to ensure that all adjustments to remove non-allowable costs are taken.

Part III, Line 9b:

Collection practices:

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 VI, Line 2:

NEEDS ASSESSMENT:

The community served by the hospital was defined by utilizing inpatient and outpatient data regarding patient origin. Population demographics and socioeconomic characteristics of the community were gathered and reported

Part VI | Supplemental Information *(Continuation)*

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.org. 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 were 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 and 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, Line 3:

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE:

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 self-pay policy. Except for emergency room visits, new patients who are unable to pay at the time of service are provided services by financial counselors for education and assistance. Emergency department patients are not asked for payment or insurance upon registration or admission. During financial 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

Part VI Supplemental Information *(Continuation)*

will also be advised of the financial assistance policy and applications will be provided.

Part VI, Line 4:

COMMUNITY INFORMATION:

The organization is based in Madisonville, Kentucky (Hopkins County) near interstate 69, approximately 50 miles south of Evansville, Indiana. The bulk of the community's population is concentrated in and around the city of Madisonville, with portions of the nearby counties of Webster and Muhlenberg also having significant discharge numbers. Approximately 23% of the community's population falls in the under 18 age range and 17% in the over 65 age range. Approximately 51% are female and 49% are male based on 2016 data.

Part VI, Line 5:

PROMOTION OF COMMUNITY HEALTH:

The organization promotes the health of the community through an open medical staff, service on community boards, a 24 hour emergency department, an occupational medicine program, free athletic physicals, health fairs and screenings, courtesy memberships to a fitness center for athletes, police officers and fire department personnel, educational programs, athletic trainers at school events, and a centering pregnancy program.

See also Schedule O, Part III, Line 4a for additional detail.

Part VI, Line 6:

AFFILIATED HEALTH CARE SYSTEM:

On November 1, 2012, Trover Health System signed a membership substitution

Part VI **Supplemental Information** *(Continuation)*

agreement with Baptist Healthcare System, Inc. based in Louisville, Ky and effectively became Baptist Health Madisonville. Baptist Healthcare System Inc., 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, List of States Receiving Community Benefit Report:

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" on Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

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

OMB No 1545-0047

2015

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 Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on 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
Boys and Girls Club of Hopkinsville - PO Box 1071 - Hopkinsville, KY 42241	20-2103260	501(c)(3)	10,000.	0.			General Support
City of Central City 214 N. First Street Central City, KY 42330	61-6001800	Government	75,000.	0.			General Support
City of Madisonville PO Box 705 Madisonville, KY 42431	61-6001864	Government	10,000.	0.			General Support
Hopkins County Board of Education 320 S. Seminary Street Madisonville, KY 42431	61-6001319	Government	78,702.	0.			General Support
Madisonville Community College 2000 College Drive Madisonville, KY 42431	61-1320380	501(c)(3)	10,600.	0.			General Support
Madisonville Chamber of Commerce 15 East Center Street Madisonville, KY 42431	61-0561820	501(c)(6)	6,500.	0.			General Support

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 12.

3 Enter total number of other organizations listed in the line 1 table ▶ 2.

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

(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
Madisonville/Hopkins County Economic Development - 755 Industrial Road - Madisonville, KY 42431	61-1264426	501(c)(6)	6,500.	0.			General Support
March of Dimes 920 Frederica Street Owensboro, KY 42301	13-1846366	501(c)(3)	6,445.	0.			General Support
Muhlenberg County Board of Education - 501 Robert L. Draper Way - Greenville, KY 42345	61-6001286	Government	132,171.	0.			General Support
Project Fit America PO Box 308 Boyes Hot Springs, CA 95416	36-3730823	501(c)(3)	65,400.	0.			General Support
Regional Health Care Affiliates 215 Main Street Providence, KY 42450	61-1043375	501(c)(3)	66,300.	0.			General Support
Supplies Over Seas 1500 Arlington Avenue Louisville, KY 40206	27-2624272	501(c)(3)	15,600.	0.			General Support
United Way PO Box 366 Madisonville, KY 42431	61-0732633	501(c)(3)	25,900.	0.			General Support
Baptist Health Foundation Madisonville, Inc. - 2701 Eastpoint Parkway - Louisville, KY 40223	47-2893430	501(c)(3)	75,220.	0.			General Support

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on 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

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information

Part I, Line 2:

There is a committee that is responsible for approving all donations. The committee selects 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" on Form 990, Part IV, line 23.**

▶ **Attach to Form 990.**

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

OMB No 1545-0047

2015

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 on 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		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including 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 on 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), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed on 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 on 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" on line 6a or 6b, describe in Part III.			
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7	X	
8	Were any amounts reported on 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 on 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 in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Darren Chapman	(i)	0.	0.	0.	0.	0.	0.	0.
Director (Through 12/31/15)	(ii)	386,605.	0.	1,932.	13,250.	20,006.	421,793.	0.
(2) Stephen C. Hanson	(i)	0.	0.	0.	0.	0.	0.	0.
System CEO	(ii)	1,057,026.	413,012.	24,626.	207,454.	60,058.	1,762,176.	0.
(3) Robert Ramey	(i)	0.	0.	0.	0.	0.	0.	0.
President	(ii)	283,411.	70,289.	2,830.	14,310.	11,544.	382,384.	0.
(4) Carl Herde	(i)	0.	0.	0.	0.	0.	0.	0.
Vice President & Treasurer	(ii)	631,056.	150,131.	845,710.	122,493.	39,235.	1,788,625.	835,495.
(5) Janet Norton	(i)	0.	0.	0.	0.	0.	0.	0.
Vice President & Secretary	(ii)	498,227.	117,520.	12,347.	92,684.	41,474.	762,252.	0.
(6) Kimberly Ashby	(i)	195,587.	20,091.	59,152.	14,095.	7,578.	296,503.	0.
Vice President of Finance	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) Robert L. Wood	(i)	349,669.	12,386.	1,445.	18,550.	29,393.	411,443.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) Diana Nims	(i)	269,699.	43,009.	292.	13,250.	11,124.	337,374.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) James Kolka	(i)	275,698.	0.	2,559.	0.	15,930.	294,187.	0.
Chief Medical Officer	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) Tara Henson	(i)	226,815.	31,571.	292.	10,127.	9,477.	278,282.	0.
Physician	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) Mark Fitzmaurice, MD	(i)	0.	0.	0.	0.	0.	0.	0.
Director (Through 12/31/14)	(ii)	296,621.	22,242.	3,437.	16,430.	5,732.	344,462.	0.
(12) Andy Sears	(i)	0.	0.	0.	0.	0.	0.	0.
Vice Chairman (Through 12/31/14)	(ii)	373,906.	90,303.	63,030.	18,550.	31,035.	576,824.	0.
(13) Isaac Myers, MD	(i)	0.	0.	0.	0.	0.	0.	0.
Vice President	(ii)	573,142.	141,962.	10,882.	105,773.	44,185.	875,944.	0.
(14) Timothy Dukes	(i)	227,445.	0.	46,730.	1,939.	6,073.	282,187.	0.
Vice President & COO (Through 4/3/15	(ii)	0.	0.	0.	0.	0.	0.	0.
(15) Berton E. Whitaker	(i)	350,938.	0.	8,890.	0.	5,738.	365,566.	0.
President (Through 9/26/2013)	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							

Part III Supplemental Information

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 3:

Baptist Healthcare System, Inc., a related organization of Baptist Health Madisonville, Inc., uses the following to establish the compensation of the organization's CEO:

- Compensation committee
- Independent compensation consultant
- Form 990 of other organizations
- Written employment contract
- Compensation survey or study
- Approval by the Board or Compensation Committee.

Part I, Lines 4a-b:

Four officers and executives who participated in the Supplemental Executive Retirement Plan accrued amounts for 2015 which is a portion of the amount reported as deferred compensation in Schedule J, Column C, Other retirement and deferred compensation reported in Schedule J, Column C include amounts for the Retirement Accumulation Plan and Thrift Plan. The following individuals participated in and accrued amounts from the Supplemental

Part III Supplemental Information

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.

Executive Retirement Plan:

Carl Herde $103,942

Stephen Hanson $194,204

Janet Norton $76,254

Isaac Myers, MD $92,523

The following individuals received a payout from the Supplemental Executive Retirement Plan, a nonqualified deferred compensation plan, as they are fully vested in the plan:

Andrew Sears, MD $47,868

Carl Herde $835,495

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.

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.

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

OMB No 1545-0047

2015

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), section 501(c)(4), and 501(c)(29) 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

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) From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	(g) No	(h) Approved by board or committee? Yes	(h) No	(i) Written agreement? Yes	(i) No
Total					▶ $							

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

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
Gail Eveland	Family Member-Direc	7,508.	Compensatio		X

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions)

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Gail Eveland

(b) Relationship Between Interested Person and Organization:

Family Member-Director

(d) Description of Transaction: Compensation

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
2015
Open to Public Inspection

Name of the organization: Baptist Health Madisonville, Inc.

Employer identification number: 61-0654587

Form 990, Part I, Line 1, Description of Organization Mission:

provide excellent care, every time.

Form 990, Part III, Line 4a: Statement of Program Service Accomplishments:

a. 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 8,062 inpatient adult, pediatric, and nursery admissions during fiscal year 2016. Patient days totaled 45,597 and there were 856 live births. Surgery visits totaled 5,508 for fiscal year 2016. 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 approximately 33,000 treatments to patients during fiscal year 2016, and is affiliated with the James Graham Brown Cancer Center at the University of Louisville.

b. The Baptist Health Madisonville Residency Program is an educational program in which hospital physicians instruct and work with residents. The Residency Program is affiliated with the University Of Louisville School Of Medicine. Twenty-eight residents were involved in the Residency Program during 2016.

c. The Baptist Health Madisonville Medical Education and Research Center provides numerous educational programs that benefit the communities of Western Kentucky. In addition to the Family Practice Residency Program, the Center collaborates with Murray State University

Name of the organization: Baptist Health Madisonville, Inc.

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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 and had 34 students during the fiscal year. Baptist Health Madisonville serves as the primary clinical site. The Baptist Health Madisonville Education and Research 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 Center is a regional campus for the University Of Louisville School Of Medicine through the Center's off-campus Teaching Center. The Center provides individualized clinical training in a small-town environment, with a goal toward increasing the number of physicians in rural areas. The Center also 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, and also sponsors the Delta Project for 20 counties in Kentucky. The goal of the Delta Project is to improve the health status and health care system in each county served. During the 2016 fiscal year 31,780 students were contacted in approximately 70 different schools.

d. Baptist Health Hospice is a program assisting terminally ill patients and their families through the death and bereavement process. The Hospice program provided service for approximately 6,841 hospice days during the fiscal year.

2016 COMMUNITY SERVICE:

Community Service Detail:	Hours	No. of Events	Contacts

Name of the organization: Baptist Health Madisonville, Inc.

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Educational & Health			
Improvement Events-	11,460	1,029	87,491
Community Events-	1,205	42	4,536
Donations/Support-	5,333	2,630	4,622
Total	17,998	2,801	96,649

CHARITY AND COMMUNITY BENEFIT CARE:

Baptist Health Madisonville provides care to patients who meet guidelines established in the organization's charity 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 following summary quantifies additional community benefit expense in terms of uncompensated care, services to the indigent and benefits to the broader community during 2016:

Uncompensated care:	
Bad debt expense (at cost)	$1,960,000
Benefits for the poor:	
Traditional charity care	$3,189,000
Unpaid costs of Medicare	$3,554,000
Total quantifiable benefits for the poor	$6,743,000
Benefits for the broader community:	
Educational & Health Improvement Events	$6,643,000

Name of the organization: Baptist Health Madisonville, Inc.

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Donations/Support	$1,334,000
Research	$72,000
Total quantifiable benefits for the broader community	$8,049,000
Total quantifiable community benefits	$16,752,000

Community benefit expense represents approximately 11% of the total organization's expense for the period ended August 31, 2016. In addition to the above, Baptist Health Madisonville provides a wide range of community benefits including coordination of charitable activities by the organization's staff.

Form 990, Part III, Line 4a: Statement of Program Service Accomplishments:

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 Certified Registered Nurse Anesthesia Program has trained more than 250 nurses to become CRNAs since the program's inception.

The University of Louisville/Baptist Health Madisonville Education and Research Center's Medical Campus provided training for 28 medical students, and 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, the Baptist Health Madisonville Education and Research Center, the Hopkins County Health Department, the national Centering Pregnancy initiative and

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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. In over 1,000 events, the Center offered everything from tours to seminars to participation in community educational events.

Thousands of students in western Kentucky benefited in some way from the Center's efforts. Over 11,000 hours were dedicated to educational events involving over 87,000 individuals throughout the service area.

Baptist Health Madisonville physicians also participated in a Women's Health Forum sponsored in part by the organization. Physicians gave presentations on women's health issues, and there were also exhibits about women's health. This event attracted approximately 100 participants.

Baptist Health Madisonville also participates in the World's Greatest Baby Showers throughout the service area, with over 150 participants. These events are held to help educate expectant mothers about their pregnancy and about taking care of their babies. An OB/GYN, a Family Practice physician or a Pediatrician typically participate.

Baptist Health Madisonville maintains a website for consumer health education topics in both English and Spanish which includes daily consumer health news and interactive consumer health tools such as quizzes and calculators. The fees for maintaining this website were $12,000 in 2016.

Other educational events sponsored or supported by the organization include the first Step Nursing Program, Rural Health Scholar Program, shadowing opportunities for students, and Breast Cancer Awareness Bingo in Muhlenberg County. Baptist Health Madisonville served over 3,800

Name of the organization: Baptist Health Madisonville, Inc.

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individuals through health fairs and screenings in 2016. The Center provided blood sugar and blood pressure screenings regularly at satellite locations. Working with the Kentucky Cancer Program, The Mahr Cancer Center provided prostate 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 over 1,350 high school students in Hopkins, 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 Baptist Health Madisonville Medical Education and Research Center for Clinical Studies has participated in projects sponsored by Aventis, Merck, GlaxoSmithKline, Duke University, the University of Louisville School of Medicine and others.

The support groups offered at no cost by the organization served over 540 patients and families with over 120 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 at satellite 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

Name of the organization: Baptist Health Madisonville, Inc.

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program. These services, provided at a cost to the organization of almost $75,000, include consultation, pastoral care, counseling, and in-service seminars.

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 Madisonville'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 2016. 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.

Name of the organization	Employer identification number
Baptist Health Madisonville, Inc.	61-0654587

Form 990, Part III, Line 4a: Statement of Program Service Accomplishments:

DONATIONS/SUPPORT:

Baptist Health Madisonville supported its communities through financial and in-kind donations. Approximately 2,600 events were supported. Examples include giveaways 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 2016 valued at over $931,000. The free or discounted memberships were given to coaches, athletes, senior citizens, employees, and rehab patients, schools, and other community organizations.

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, 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.

The Sports Medicine Center provided free athletic trainer coverage at 6 area schools for all sports.

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.

Name of the organization: Baptist Health Madisonville, Inc.

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In 2016, 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.

EMERGENCY:

The Baptist Health Madisonville Emergency Department operates 24 hours a day, 365 days a year. In 2016, the department served over 27,999 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.

VOLUNTEER DEPARTMENT:

In 2016, Baptist Health Madisonville volunteers gave 11,400 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 VI, Section A, line 6:

Members or stockholders:

The organization's sole member is Baptist Healthcare System, Inc. ("BHS"), a non-profit, tax-exempt corporation organized under and pursuant to the provisions of the law of the Commonwealth of Kentucky.

Name of the organization	Employer identification number
Baptist Health Madisonville, Inc.	61-0654587

Form 990, Part VI, Section A, line 7a:

Power to elect or appoint members:

The Board of Directors of Baptist Health Madisonville, Inc. is appointed by Baptist Healthcare System, Inc., (BHS).

Form 990, Part VI, Section A, line 7b:

Decisions reserved to members or stockholders:

The consent & approval of the sole member shall be required for all major corporate actions, and any act the result of which would be to:

a. Approve the mission, vision, and value of the corporation and amendments thereto;

b. Approve amendments to the articles of incorporation and the bylaws of the corporation;

c. Approve the strategic plan of the corporation;

d. 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;

e. Approve the capital expenditure and operating budgets of the corporation, and any unbudgeted expenditures over $500,000;

f. Selection of the corporation's auditor;

g. 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;

h. 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;

Name of the organization: Baptist Health Madisonville, Inc.

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i. 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;

j. 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;

k. 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;

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

Form 990, Part VI, Section B, line 11:

Process used to review the Form 990:

The internally prepared Form 990 is reviewed and approved by tax consultants. Copies are given to each voting member of the Board of Directors prior to filing for their review. The Form 990 is then presented at a monthly meeting of the hospital's Board of Directors.

Form 990, Part VI, Section B, Line 12c:

Monitoring and enforcement of compliance with conflict of interest policy:

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

Name of the organization: Baptist Health Madisonville, Inc.

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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.

Form 990, Part VI, Section B, Line 15:

Compensation determination process:

Executive compensation for Baptist Health Madisonville employees is reviewed annually in September. This review is also included in the review performed at the System level. Compensation packages for organization executives and other officers are compared with independent surveys and the recommendations of consultants. Compensation is ultimately approved by the compensation committee and documented in a written employment contract.

Form 990, Part VI, Section C, Line 19:

Process for making documents available to the public:

The organization's governing documents, conflict of interest policy and financial statements are available upon request in the organization's administrative office.

Form 990, Part IX, Line 11g, Other Fees:

Adminstrative Services:

Program service expenses	19,200,513.
Management and general expenses	6,784,327.
Fundraising expenses	0.
Total expenses	25,984,840.

Name of the organization: Baptist Health Madisonville, Inc.

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Physician Fees:	
Program service expenses	2,635,578.
Management and general expenses	0.
Fundraising expenses	0.
Total expenses	2,635,578.
Consulting Fees:	
Program service expenses	304,235.
Management and general expenses	126,445.
Fundraising expenses	0.
Total expenses	430,680.
Professional Fees:	
Program service expenses	3,522,851.
Management and general expenses	7,000.
Fundraising expenses	0.
Total expenses	3,529,851.
Total Other Fees on Form 990, Part IX, line 11g, Col A	32,580,949.
Form 990, Part XI, line 9, Changes in Net Assets:	
Capitalized Interest	9,874.
Physician Entity Funding	-28,204,445.
IS Depreciation	2,350,470.
Other	-808,835.
InterCompany	49,244,922.
Total to Form 990, Part XI, Line 9	22,591,986.

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

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

OMB No 1545-0047

2015

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" on 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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
Baptist Healthcare System, Inc. - 61-0444707 2701 Eastpoint Parkway Louisville, KY 40223	Hospital	Kentucky	501(c)(3)	Schedule A, Line 3	N/A		X
Baptist Community Health Services, Inc. - 61-1141242, 2701 Eastpoint Parkway, Louisville, KY 40223	Medical Services	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Baptist Health Medical Group,Inc. - 20-5497203, 2701 Eastpoint Parkway, Louisville, KY 40223	Physician Services	Kentucky	501(c)(3)	Schedule A, Line 3	Baptist Healthcare System, Inc.	X	
Baptist Healthcare Foundation, Inc. - 31-1122867, 2701 Eastpoint Parkway, Louisville, KY 40223	Fundraising	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	

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 organization? Yes	(g) No
Baptist Health Foundation Richmond, Inc. - 31-1506378, PO Box 1600, Richmond, KY 40476	Fundraising	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Baptist Health Foundation of Greater Louisville, Inc. - 20-0292291, 4000 Kresge Way, Louisville, KY 40207-4604	Fundraising	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Baptist Health Foundation Lexington, Inc. - 61-1480774, 1740 Nicholasville Rd, Lexington, KY 40503	Fundraising	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Lexington Cardiac Research Foundation, Inc. - 20-4242792, 1740 Nicholasville Rd, Lexington, KY 40503	Medical Research	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Baptist Health Foundation Paducah, Inc. - 26-4057759, 2501 Kentucky Ave, Paducah, KY 42003	Fundraising	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Mercy Regional Emergency Medical System, LLC - 61-1310466, 126 Lone Oak Rd, Paducah, KY 42001	Ambulance Services	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Baptist Health Richmond, Inc. - 61-0461940 801 Eastern Bypass Richmond, KY 40475	Hospital	Kentucky	501(c)(3)	Schedule A, Line 3	Baptist Healthcare System, Inc.	X	
Medical Center Ambulance Services, Inc. - 61-0946210, 629 Lafoon Street, Madisonville, KY 42431	Ambulance Services	Kentucky	501(c)(3)	Schedule A, Line 11a	N/A	X	
Pattie A. Clay Hospital Auxiliary - 51-0172717, PO Box 1600, Richmond, KY 40476	Support Hospital	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Baptist Health Foundation Corbin, Inc. - 47-3033550, 2701 Eastpoint Parkway, Louisville, KY 40223	Fundraising	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	
Baptist Health Foundation Madisonville, Inc. - 47-2893430, 2701 Eastpoint Parkway, Louisville, KY 40223	Fundraising	Kentucky	501(c)(3)	Schedule A, Line 11a	Baptist Healthcare System, Inc.	X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? 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
Baptist East/Milestone, LLC - 61-1355065, 750 Cypress Station Dr, Louisville, KY 40207	Fitness Center	KY	Baptist Ventures, Inc,	Excluded				X	N/A		X	
Baptist Physicians' Surgery Center, LLC - 04-3665929, 1720 Nicholasville Rd, #101, Lexington, KY 40503-1490	Ambulatory Surgery Center	KY	Baptist Community Health Services, Inc,	Related				X	N/A		X	
Baptist Eastpoint Surgery Center, LLC - 26-0834852, 2400 Eastpoint Parkway, Louisville, KY 40223	Ambulatory Surgery Center	KY	Baptist Community Health Services, Inc,	Related				X	N/A		X	
Medical Associates of Middletown, LLC - 20-0399400, 4000 Kresge Way, Louisville, KY 40207	Medical Office Building	KY	Baptist Healthcare System, Inc,	Related				X	N/A		X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
Baptist Ventures, Inc, - 61-1217018 2701 Eastpoint Parkway Louisville, KY 40223	Management	KY	Baptist Healthcare System, Inc,	C CORP				X	
Baptist Health Plan, Inc, - 61-1241101 651 Perimeter Park, Ste 300 Lexington, KY 40517	Insurance	KY	Baptist Healthcare System, Inc,	C CORP				X	
Baptist Health Employer Solutions, Inc, - 27-2939694, 2701 Eastpoint Parkway, Louisville, KY 40223	Accountable Care Organization	KY	Baptist Healthcare System, Inc,	C CORP				X	
Mutual Credit Services, Inc, - 61-0660705 PO Box 149 Madisonville, KY 42431	Collection Agency	KY	Baptist Health Madisonville, Inc,	C CORP				X	
MS Community Health, LLC, - 61-1303514 2701 Eastpoint Parkway Louisville, KY 40223	Health Clinic	KY	Baptist Health Medical Group, Inc,	C CORP				X	

Part III Continuation of Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) 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
Muhlenberg Medical Center - 20-0108053, 200 Clinic Drive, Madisonville, KY 42431	Rental	KY	Baptist Medical Management Services, Inc.	Unrelated				X	N/A		X	
D1 Sports Training of Louisville - 47-3567887, 2701 Eastpoint Parkway, Louisville, KY 40223	Sports Training	KY	Baptist Ventures, Inc.	Related				X	N/A		X	

Part IV Continuation of Identification of Related Organizations Taxable as a Corporation or Trust

(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) Section 512(b)(13) controlled entity? No
Baptist Medical Management Services, Inc. - 37-1519513, 2701 Eastpoint Parkway, Louisville, KY 40223	HC MSO	KY	Baptist Healthcare System, Inc.	C CORP					X

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule		**Yes**	**No**
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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Baptist Healthcare System, Inc.	A	134,773.	Cost
(2) Baptist Healthcare System, Inc.	S	70,569,086.	Cost
(3) Baptist Healthcare System, Inc.	P	24,413,128.	Cost
(4) Baptist Healthcare System, Inc.	C	328,000.	Cost
(5) Baptist Health Medical Group, Inc.	R	18,864,657.	Cost
(6) Baptist Health Medical Group, Inc.	O	186,189.	Cost

Part V **Continuation of Transactions With Related Organizations** (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7)Baptist Health Medical Group, Inc.	P	234,667.	Cost
(8)Baptist Health Medical Group, Inc.	J	3,570,517.	Cost
(9)Baptist Health Foundation Madisonville, Inc.	B	75,220.	Cost
(10)Baptist Health Foundation Madisonville, Inc.	C	42,890.	Cost
(11)Baptist Health Foundation Madisonville, Inc.	S	840,205.	Cost
(12)Baptist Community Health Services, Inc.	S	101,417.	Cost
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners sec 501(c)(3) orgs? Yes	(e) No	(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

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions).