

LIFEPOINT HOSPITALS, INC.

Form 11-K

June 28, 2005

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 11-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2004

or

☐ TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 0-51251

LifePoint Hospitals, Inc. Retirement Plan

(Full title of the plan and the address of the plan,
if different from that of the issuer listed below)

**LifePoint Hospitals, Inc.
103 Powell Court, Suite 200
Brentwood, Tennessee 37027**

(Name of the issuer of the securities held
pursuant to the plan and the address of
its principal executive office)

REQUIRED INFORMATION

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Report of Independent Registered Public Accounting Firm

The Plan Sponsor

LifePoint Hospitals, Inc. Retirement Plan

We have audited the accompanying statements of net assets available for benefits of the LifePoint Hospitals, Inc. Retirement Plan as of December 31, 2003 and 2004, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2003 and 2004, and the changes in its net assets available for benefits for the years then ended, in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2004, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ Ernst & Young LLP

Nashville, Tennessee
June 23, 2005

Table of Contents**LifePoint Hospitals, Inc. Retirement Plan****Statements of Net Assets Available for Benefits**

	December 31, 2003			December 31, 2004		
	Participants	ESOP		Participants	ESOP	
	Accounts	Shares		Accounts	Shares	
	(Allocated)	Fund	Total	(Allocated)	Fund	Total
	(Unallocated)			(Unallocated)		
Assets						
Investments, at fair value	\$ 181,290,092	\$ 45,067,630	\$ 226,357,722	\$ 199,852,316	\$ 45,373,698	\$ 245,226,014
Employer contributions receivable		2,937,708	2,937,708		1,428,373	1,428,373
Participant contributions receivable				188,500		188,500
Pending trade sales	164,640		164,640			
Income receivable	2,061		2,061	6,196		6,196
Total assets	\$ 181,456,793	\$ 48,005,338	\$ 229,462,131	\$ 200,047,012	\$ 46,802,071	\$ 246,849,083
Liabilities						
Accrued interest payable to LifePoint Hospitals, Inc.	\$	\$ 1,714,725	\$ 1,714,725	\$	\$ 1,480,981	\$ 1,480,981
Note payable to LifePoint Hospitals, Inc.		19,763,217	19,763,217		15,332,159	15,332,159
Expenses payable	138,586		138,586	138,584		138,584
Excess contributions payable	66,470		66,470	160,081		160,081
Total liabilities	205,056	21,477,942	21,682,998	298,665	16,813,140	17,111,805
Net assets available for benefits	\$ 181,251,737	\$ 26,527,396	\$ 207,779,133	\$ 199,748,347	\$ 29,988,931	\$ 229,737,278

See accompanying notes.

Table of Contents**LifePoint Hospitals, Inc. Retirement Plan****Statements of Changes in Net Assets Available for Benefits**

	Year Ended December 31, 2003			Year Ended December 31, 2004		
	Participants Accounts (Allocated)	ESOP Shares Fund (Unallocated)	Total	Participants Accounts (Allocated)	ESOP Shares Fund (Unallocated)	Total
Additions						
Interest and dividend income	\$ 311,554	\$	\$ 311,554	\$ 600,972	\$	\$ 600,972
Employer contributions		4,636,517	4,636,517		4,636,517	4,636,517
Participants contributions	7,407,399		7,407,399	9,512,271		9,512,271
Total additions	7,718,953	4,636,517	12,355,470	10,113,243	4,636,517	14,749,760
Deductions						
Benefits paid	10,115,010		10,115,010	12,127,539		12,127,539
Interest expense		1,714,725	1,714,725		1,480,981	1,480,981
Administrative expenses	1,162,723		1,162,723	952,150		952,150
Total deductions	11,277,733	1,714,725	12,992,458	13,079,689	1,480,981	14,560,670
Net appreciation (depreciation) in fair value of investments	19,112,325	(2,256,757)	16,855,568	14,122,995	7,646,060	21,769,055
Allocation of ESOP shares to Plan	7,696,741	(7,696,741)		7,340,061	(7,340,061)	
Net increase (decrease) in net assets available for benefits	23,250,286	(7,031,706)	16,218,580	18,496,610	3,461,535	21,958,145
Net assets available for benefits at beginning of year	158,001,451	33,559,102	191,560,553	181,251,737	26,527,396	207,779,133
Net assets available for benefits at end of year	\$ 181,251,737	\$ 26,527,396	\$ 207,779,133	\$ 199,748,347	\$ 29,988,931	\$ 229,737,278

See accompanying notes.

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LifePoint Hospitals, Inc. Retirement Plan

Notes to Financial Statements

December 31, 2004

Note 1 Description of the Plan

The following description of the LifePoint Hospitals, Inc. Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all employees of LifePoint Hospitals, Inc. (the Company) who have completed two full months of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The Plan includes a component that is an employee stock ownership plan (ESOP) within the meaning of Section 4975(e)(7) of the Internal Revenue Code of 1986, as amended (the Code). As an ESOP, the Plan generates certain favorable federal income tax consequences for the Company through an acquisition loan from the Company, as described in Note 5. These shares are held in an ESOP suspense account and are released to participant accounts as the loan is repaid. The Plan uses Company contributions to repay the loan.

Contributions

Each participant may elect to contribute up to 50% of his or her pre-tax compensation to the Plan (Salary Deferral Contribution). An automatic 2% Salary Deferral Contribution is applied to all participants who do not make a contrary election. Participants who have attained age 50 before the close of the Plan year are eligible to make catch-up contributions subject to the Code's limitations. Prior to January 1, 2004, the Company made a matching contribution of Company common stock in an amount equal to 50% of the amount the participant has elected as a Salary Deferral Contribution for that payroll period (Salary Deferral Matching Contribution Allocation) limited to 1.5% of a participant's compensation for the Plan year.

Effective January 1, 2004, the Plan was amended to provide a matching contribution of Company stock in an amount equal to 100% of the amount the participant has elected as a Salary Deferral Contribution for that payroll period, up to 3% of the participant's compensation.

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LifePoint Hospitals, Inc. Retirement Plan

Notes to Financial Statements (continued)

Note 1 Description of the Plan (continued)

Contributions (continued)

In any Plan year, the Company may contribute to participants' accounts cash or Company stock as determined by the Company's Board of Directors (ESOP Contributions). In addition, discretionary Company profit sharing contributions may be made upon a vote of the Board of Directors (Profit Sharing Contributions). To be eligible for an allocation of the ESOP Contributions and Profit Sharing Contributions, a participant must meet the following requirements:

- (i) Participant is age 21 or older on the last day of the Plan year;
- (ii) Participant completed one year of service during the Plan year; and
- (iii) Participant is an employee as of the last day of the Plan year.

An additional contribution by the Company in an amount determined by the Company to ensure that the Plan satisfies certain nondiscrimination requirements of the Code may be allocated solely to the accounts of participants who are considered non-highly compensated employees and have elected to make Salary Deferral Contributions for the Plan year (Unilateral Employer Contributions).

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contributions (which results in shares of the Company's common stock released from the ESOP suspense account), and Plan earnings. Allocations are based on participant's earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Contributions and allocations are subject to certain limitations under the Code. Effective January 1, 2004, the Plan was amended to allow participants who are fully vested to diversify their ESOP contributions by investing in other securities available under the Plan.

Payment of Benefits

Upon retirement, disability, death, or termination of employment, the total vested value of a participant's account is distributed to the participant or the beneficiary, as applicable, in cash unless the participant or the beneficiary elects certain other forms of distribution available under the Plan. A participant's contributions may also be withdrawn for certain hardship situations.

Table of Contents**LifePoint Hospitals, Inc. Retirement Plan****Notes to Financial Statements (continued)****Note 1 Description of the Plan (continued)****Participant Loans**

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum amount equal to the lesser of \$50,000 or one-half of the participant's vested account balance. Loan terms range from one to five years or up to ten years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the plan administrator. Principal and interest are paid by the participant ratably through payroll deductions.

Vesting and Forfeitures

Participants are immediately fully vested in their Salary Deferral Contributions, Unilateral Employer Contributions, rollover contributions and investment earnings arising from these contributions. Salary Deferral Matching Contribution Allocations, ESOP Contributions, Profit Sharing Contributions and certain accounts transferred from HCA Inc. sponsored benefit plans are subject to a vesting schedule based on the participant's number of years of service as follows:

Years of Service	Vested Percentage
Less than 2 years	0%
2 years but less than 3	20%
3 years but less than 4	40%
4 years but less than 5	60%
5 years but less than 6	80%
6 years or more	100%

Participants' interest in their accounts become fully vested and nonforfeitable without regard to their credited years of service if they are employed by the Company on or after age 65, attain age 55 and have completed 10 years of service, incur a total and permanent disability or die while employed by the Company.

If a participant who is not fully vested terminates employment with the Company, the participant is entitled to the vested portion of his/her account. The non-vested portion is forfeited and is used to reduce future Company contributions, pay administrative expenses of the Plan or is reallocated to participants in the Plan, if forfeitures from ESOP accounts occur.

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LifePoint Hospitals, Inc. Retirement Plan

Notes to Financial Statements (continued)

Note 1 Description of the Plan (continued)

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event of Plan termination, participants will receive the vested and non-vested portions of their accounts.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are held, and transactions are executed, by U.S. Trust Company, N.A. (the ESOP Trustee) for the ESOP portion of the Plan and by Northern Trust Company (the Trustee) for the non-ESOP portion of the Plan. Investments in collective trust funds, mutual funds, and equity securities are stated at fair value by the ESOP Trustee and the Trustee and are based on quoted prices in an active market. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the Plan year. Participant loans are valued at their outstanding balances, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Table of Contents**LifePoint Hospitals, Inc. Retirement Plan****Notes to Financial Statements (continued)****Note 2 Summary of Significant Accounting Policies (continued)****Administrative Expenses**

Administrative expenses, including legal and participant accounting expenses, and all expenses directly relating to the investments are charged to and paid by the Plan unless paid by the Company.

Benefit Payments

Benefits are recorded when paid.

Note 3 Investments

For the years ended December 31, 2003 and 2004, the Plan's investments (including investments purchased, sold and held during the year) appreciated in fair value as determined by quoted market prices as follows:

	2003	2004
Common stock	\$ 6,361	\$ 11,874,874
Collective trust funds	16,112,861	9,312,587
Mutual funds	736,346	581,594
	\$ 16,855,568	\$ 21,769,055

The fair value of individual investments that represent 5% or more of the Plan's net assets at December 31, 2003 and 2004 are as follows:

	2003	2004
LifePoint Hospitals, Inc. Common Stock*	\$ 79,539,561	\$ 91,242,258
HCA Inc. Common Stock	41,911,132	36,073,331
Northern Trust Company Stock Index Fund	32,116,685	35,701,143
Northern Trust Company Stable Value Asset Fund	30,222,995	32,780,476
Northern Trust Company Small Company Index Fund	19,034,359	22,108,453

* Includes non-participant directed investments

Table of Contents**LifePoint Hospitals, Inc. Retirement Plan****Notes to Financial Statements (continued)****Note 4 Nonparticipant-Directed Investments**

Information about net assets and the significant components of the changes in net assets relating to the nonparticipant-directed investments in the Company's common stock at December 31, 2003 and 2004 are as follows:

	2003		2004	
	Allocated	Unallocated	Allocated	Unallocated
LifePoint Hospitals, Inc. Common Stock:				
Number of shares	1,056,591	1,530,310	1,202,837	1,303,093
Cost	\$ 13,388,468	\$ 17,588,027	\$ 14,985,840	\$ 14,975,306
Fair Value	\$ 31,116,605	\$ 45,067,630	\$ 41,882,784	\$ 45,373,698

	2003	2004
Nonparticipant-directed investments at beginning of year	\$ 79,368,152	\$ 76,184,235
Change in net assets:		
Transfers to other funds	(140,732)	(739,481)
Distributions to participants	(1,061,412)	(1,491,068)
Net (depreciation) appreciation in fair value	(1,981,773)	13,302,796
Nonparticipant-directed investments at end of year	\$ 76,184,235	\$ 87,256,482

Note 5 Note Payable to LifePoint Hospitals, Inc.

On June 9, 1999, the Plan purchased 2,796,719 shares of the Company's common stock from the Company at \$11.50 per share for an aggregate purchase price of approximately \$32,162,000. The Plan issued a note payable to the Company (the ESOP Note) in an amount equal to the purchase price. The ESOP Note is secured by a pledge of the unallocated stock. The ESOP Note is payable in ten annual payments of \$4,636,517, which includes interest on the outstanding principal balance at an annual rate of 8%.

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LifePoint Hospitals, Inc. Retirement Plan

Notes to Financial Statements (continued)

Note 5 Note Payable to LifePoint Hospitals, Inc. (continued)

The purchased shares are held by the ESOP Trustee in a suspense account and a portion of these shares is allocated on a quarterly and annual basis. Through December 31, 2003 and 2004, 1,266,409 and 1,493,626 shares, respectively, had been allocated to participant accounts.

The purchase price for the Company's common stock was acknowledged to be no greater than the prevailing price of the Company's common stock quoted on NASDAQ at June 9, 1999. The Company makes contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make regularly scheduled payments of principal and interest due on the ESOP Note. Based on this determination, and subject to limitations contained in the Code, the Company is entitled to claim an income tax deduction for contributions to the Plan for the year to which such contributions relate. The participants and beneficiaries of the Plan are not subject to income tax with respect to contributions made on their behalf until they receive distributions from the Plan.

The scheduled amortization of the ESOP Note for the next four years is as follows:

2005	\$ 3,407,978
2006	3,680,616
2007	3,975,066
2008	4,268,499
	\$ 15,332,159

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LifePoint Hospitals, Inc. Retirement Plan

Notes to Financial Statements (continued)

Note 6 Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Note 7 Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service, dated January 15, 2003, stating that the Plan is qualified under Section 401(a) of the Code and that the related trust is exempt from taxation. Subsequent to this determination by the Internal Revenue Service, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Company has indicated that it will take the necessary steps, if any, to bring the Company's operations into compliance with the Code.

Note 8 Party-In-Interest Transactions

The issuance of the ESOP Note payable to the Company for the purchase of the Company's common stock and contributions received by the Plan from the Company to fund principal and interest payments on the ESOP Note are considered transactions with parties-in-interest. Certain Plan investments are shares of trust funds managed by the Trustee and, therefore, such transactions qualify as party-in-interest transactions. Purchases and sales of assets through the ESOP Trustee and Trustee are also considered party-in-interest transactions. All of these transactions are permissible under specific exemptions included in ERISA and the Code.

Note 9 Subsequent Event

Business Combination with Province Healthcare Company

On April 15, 2005 pursuant to the Agreement and Plan of Merger dated as of August 15, 2004, by and among Historic LifePoint Hospitals, Inc. (formerly LifePoint Hospitals, Inc.) ("Historic LifePoint"), the Company, and Province Healthcare Company ("Province"), as amended by Amendment No. 1 to Agreement and Plan of Merger, dated as of January 25, 2005, and Amendment No. 2 to Agreement and Plan of Merger, dated as of March 15, 2005 (as amended, the "Merger"

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LifePoint Hospitals, Inc. Retirement Plan

Notes to Financial Statements (continued)

Note 9 Subsequent Event (continued)

Agreement), the Company acquired all of the outstanding capital stock of each of Historic LifePoint and Province through the merger of Historic LifePoint continuing as the surviving corporation of such merger, and the merger of Province Merger Sub with and into Province, with Province continuing as the surviving corporation of such merger, (together with the LifePoint Merger, the Mergers). As a result of the Mergers, each of Historic LifePoint and Province is now a wholly owned subsidiary of the Company.

As a result of the Mergers, the Company became the successor issuer to Historic LifePoint under the Securities Exchange Act of 1934, as amended (the Exchange Act), and succeeded to Historic LifePoint's reporting obligations under the Exchange Act. In connection with the closing of the Mergers, shares of Historic LifePoint Common Stock, which had been listed and traded on the NASDAQ National Market under the ticker symbol LPNT, are no longer listed and traded on the NASDAQ National Market. However, shares of Company Common Stock are now listed and traded on the NASDAQ National Market under the ticker symbol LPNT.

Upon completion of the merger on April 15, 2005, through May 15, 2005, the Province 401(k) plan was in operation and its participants and the Company continued to make contributions to that plan. On May 15, 2005, all former Province employees who became employees of Lifepoint Hospitals Inc. and who met all eligibility requirements except for the two months service to the Company were automatically eligible to participate in the Plan. It is anticipated that the Province plan will merge with the Plan during 2005 and all participant accounts will be transferred to the Plan.

Table of Contents**LifePoint Hospitals, Inc. Retirement Plan**

EIN: 52-2165845 Plan No.: 001

Schedule H Line 4i

Schedule of Assets (Held at End of Year)

December 31, 2004

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Northern Trust Company	Stable Value Asset Fund	#	\$ 32,780,476
*	Northern Trust Company	Aggregate Bond Index Fund	#	8,437,722
*	Northern Trust Company	Stock Index Fund	#	35,701,143
*	Northern Trust Company	Small Company Index Fund	#	22,108,453
*	Northern Trust Company	International Equity Index Fund	#	9,440,915
*	Northern Trust Company	Short Term Investment Fund	#	3,488,922
*	LifePoint Hospitals, Inc.	Common Stock	\$ 33,305,034	91,242,258
	HCA Inc.	Common Stock	#	36,073,331
	Triad Hospitals, Inc.	Common Stock	#	1,437,199
*	Participant Loans	Interest rate ranges from 4.0% to 9.5%	#	3,631,944
*	Self-directed Brokerage Accounts	Various investments	#	883,651
				\$ 245,226,014

* Indicates a party-in-interest to the Plan.

Not necessary, as this is participant-directed.

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SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 28, 2005

LIFEPOINT HOSPITALS, INC. RETIREMENT
PLAN

By: /s/ John Bumpus
John Bumpus
Senior Vice President, Human Resources
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EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
23	Consent of Independent Registered Public Accounting Firm

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