



Kentucky “Non-Profit” Hospital Report

As IHPA [reported this year](#), wealthy, non-profit hospitals around the country use 78% of a federal program designed to help low-income patients in underserved areas. This report includes a closer look at some of the hospital systems in Kentucky that are benefiting from the 340B federal drug pricing program and how they are spending their revenue.

What this research shows is that Kentucky hospital systems are raking in billions in revenue, handing out mega-compensation packages, and making major investments while profiting from programs meant for the poor. The evidence shows that wealthy hospitals and highly compensated administrators are taking advantage of the 340B program.

Kentucky Non-Profit Hospital Revenue Is Booming

Even if a hospital is called a “non-profit,” it can still get very rich. Kentucky’s biggest non-profit hospitals are collecting billions in operating revenue each year.

| HOSPITAL SYSTEM | ANNUAL REVENUE | YEAR REPORTED | ANNUAL INCREASE IN REVENUE | ANNUAL GROWTH RATE |
|--|-----------------|---------------|----------------------------|--------------------|
| Baptist Healthcare System Inc | \$4,336,531,405 | 2024 | \$544,415,233 | 12.6% |
| Norton Hospitals Inc | \$2,999,781,942 | 2023 | \$395,405,133 | 13.2% |
| St. Elizabeth Medical Center Inc | \$1,922,662,621 | 2023 | \$205,273,320 | 10.7% |
| UofL Health Louisville Inc | \$1,246,089,040 | 2024 | \$108,479,085 | 8.7% |

Source: [ProPublica](#)

Below are more details about how the hospitals listed above spend their revenue.

Baptist Healthcare System Inc. *\$5.185 Billion Total Assets*

High Compensation for Non-Physician Administrative Employees

Top employees at Baptist Healthcare are certainly profiting from their multimillion-dollar compensation packages. CEO and Director Gerard Colman made over \$3 million in total compensation, and according to the organization’s [990](#), Colman is also the [fourth highest-paid nonprofit employee](#) in the state.

In addition to their highly paid CEO, the system spent over \$500,000 in wages to family members of directors who were employed by the organization. Three other employees enjoyed seven-figure salaries, with an additional five employees receiving compensation of over \$300,000. None of these individuals are practicing physicians.

Profiting from Improper Use of Taxpayer Dollars

The hospital system attempted to line its pockets by improperly billing government programs. In 2011, Baptist Healthcare, Inc. [paid](#) nearly \$6 million to resolve claims that they improperly billed Medicare. Five hospitals owned by the system used “inappropriate codes” that resulted in higher reimbursement rates over the course of five years.

Tax Exemptions Outweigh Community Benefits

According to a [report](#) from the Lown Institute, based on 2018 data, Baptist Health has a \$73 million shortfall, spending just \$62 million on charity care and community investment, with more than \$135 million tax exemptions.

Numerous Million-Dollar Expansions

At the same time Baptist Healthcare profits from a federal program meant for underserved hospitals, it is reinvesting money into over \$800 million in new development.

- [Patient Care Wing Expansion](#): \$100 million (2025)
- [Surgery Expansion Project](#): \$65 million (2024)
- [Outpatient Medical Pavilion in Hardin County](#): \$225 million (2024)
- [Pharmacy Hub and Service Center](#): \$50 million (2024)
- [Brand-new hospital, Baptist Health Hamburg](#): \$253 million (2024)
- [Inpatient Rehab Hospital and Cardiac Care](#): \$120 million (2024)
- [Cancer Center Expansion](#): \$3 million (2024)

Norton Healthcare *\$3.977 Billion Total Assets*

One of the Most Profitable Hospitals in the Country

In a Johns Hopkins Bloomberg School of Public Health [study from 2016](#), researchers found that Norton Hospitals Inc. was the fourth most profitable hospital in the country based on profits from patient care services, more than other nonprofit hospitals in other higher population states like Pennsylvania and Illinois.

Furthermore, a [list](#) of the top 50 hospitals in the U.S. by net patient revenue published in April 2025 found that Norton is 34th in the country, reporting \$2,985,238,784 in patient revenue. It ranked higher than hospitals in Houston, New York, Los Angeles, and other larger U.S. cities.

Sued for Misuse of Donations

In 2014, Kosair Charities, a children’s health charity in Kentucky, [sued](#) Norton Healthcare, claiming that Norton refused to provide details about how donations from the organization were used. The charity [alleged](#) that the donations were lining the pockets of executives, rather than going to patient care. The two parties [settled](#) out of court.

Profits from Predatory Action Against Patients

An [Axios](#) investigation found that two Kentucky nonprofit hospitals, including Norton (and University of Kentucky Albert B. Chandler Hospital) were engaging in predatory billing, charging patients 5.1 times more on average than the actual cost of providing care.

Suing Patients Who Cannot Pay Their Bills

A [report](#) from *Louisville Public Media* found that no other hospital system in the area had sued as often to collect medical debt than Norton Healthcare. Between January 2017 and October 2023, Norton filed nearly 9,000 lawsuits in Jefferson County District Court. At the time, Norton also provided charity care at a higher income threshold (350% of the federal poverty level versus 300% at other comparable hospitals) and did not vet a patient for charity care eligibility before taking them to court.

Million Dollar Compensation for High-Level Employees

The health system [pays](#) three chief administrative officers compensation of over \$500,000 each. CEO Russell Cox is the [fifth-highest paid nonprofit employee in the entire state](#), with over \$3 million in total compensation.

Tax Exemptions Outweigh Community Benefits

Norton Healthcare received \$110.5 million in tax exemptions with less than \$32 million in community benefits provided, according to the [Lown Institute](#), using data from 2018. The report [stated](#) that “between the years 2019 and 2021, Norton spent \$259 million less on community services than they received in tax exemptions.”

St. Elizabeth Medical Center Inc.

\$3.176 Billion Total Assets

Executive Compensation in the Millions

The St. Elizabeth Medical Center pays six employees over seven-figure salaries, including the President and CEO Garren Colvin, who is making nearly \$1.4 million, according to its [2023 filing](#). Over 20 employees make over six figures, ranging from \$120,000 to the CEO.

Tax Exemptions Outweigh Community Benefits

The same Lown Institute [report](#) (using 2018 data) found that while the hospital system received nearly \$69 million in tax exemptions, it only provided \$46 million in community benefit spending.

Saint Joseph Health System Inc.

\$1.077 Billion Total Assets

Lining Pockets by Stealing from American Taxpayers

The Saint Joseph Health System paid the U.S. government \$16.5 million to settle claims to Medicare and Medicaid for unnecessary cardiac procedures. [According](#) to the Department of Justice, “[D]octors working at Saint Joseph Hospital performed numerous invasive cardiac procedures, including coronary stents, pacemakers, coronary artery bypass graft surgeries and diagnostic catheterizations, on Medicare and Medicaid patients who did not need them, and that the hospital was aware of these unnecessary procedures.”

High-Level Executive Compensation

The hospital pays 14 employees over six-figure salaries, ranging from \$400,000 to over \$1.2 million, according to the organization's 2023 [990](#).

UK HealthCare System

\$265 Million Total Assets

Secretive Foundation to Support Rich Executives

The UK HealthCare System puts \$200 million annually from patient billings towards the Kentucky Medical Services Foundation. The Foundation's board is made up almost completely of health system doctors, [but](#) "UK contends the foundation is a separate, private entity that does not have to make its records available for public inspection." The Foundation has paid for private planes, construction of a daycare center, and consultants and lawyers, and the membership to the private members' organization, The Keeneland Club, for UK's Executive Vice President for Health Affairs.

Preying on Patients to Line Pockets

A class action lawsuit against UK HealthCare System in 2020 exposed predatory debt collection practices of the system. The report found that the debt collection efforts had been very lucrative for the state and the hospital, and the state [determined](#) in 2012, "that [even though the state] had been violating patients' constitutional rights by collecting medical debt for UK HealthCare without meeting basic standards of due process, they decided to keep collecting older debts, despite the acknowledged due process violations."

An [Axios](#) investigation found that the University of Kentucky Albert B. Chandler Hospital, part of the UK HealthCare System, engaged in predatory billing, charging patients 3.9 times more on average than the actual cost of providing care.