

Edgar Filing: LIFEPOINT HOSPITALS, INC. - Form 8-K

LIFEPOINT HOSPITALS, INC.  
Form 8-K  
March 01, 2006

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

-----  
FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):  
February 28, 2006 (February 22, 2006)

-----  
LIFEPOINT HOSPITALS, INC.  
(Exact name of registrant as specified in its charter)

Delaware (State or Other Jurisdiction of Incorporation)	0-51251 (Commission File Number)	20-1538254 (IRS Employer Identification No.)
---	--	--

103 Powell Court, Suite 200 Brentwood, Tennessee (Address of principal executive offices)	37027 (Zip Code)
---	---------------------

(615) 372-8500  
(Registrant's telephone number, including area code)

Not applicable  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1 Registrant's Business and Operations

## Edgar Filing: LIFEPOINT HOSPITALS, INC. - Form 8-K

### Item 1.01. Entry into a Material Definitive Agreement.

On February 22, 2006, the Compensation Committee (the "Compensation Committee") of the Board of Directors of LifePoint Hospitals, Inc. (the "Company") approved the grant of restricted stock awards and nonqualified stock options to the Company's executive officers, as set forth in the following table:

Executive Officer	Shares of Restricted Stock Awarded	Stock Options
Kenneth C. Donahey Chairman, President and Chief Executive Officer	50,000	100,000
Michael J. Culotta Chief Financial Officer	22,500	45,000
William F. Carpenter III Executive Vice President, General Counsel and Secretary	22,500	45,000
William M. Gracey Chief Operating Officer	22,500	45,000

The Compensation Committee granted the restricted stock awards and the nonqualified stock options pursuant to the Company's Amended and Restated Long-Term Incentive Plan (the "Incentive Plan"). The vesting of the restricted stock awards granted to the executive officers is subject to the achievement of certain predetermined performance criteria. In addition to requiring continued service as an employee through December 31, 2008, the vesting of the restricted stock awards requires the realization of certain predetermined amounts for either annual revenue or annual pre-tax income (expressed as "EBITDA") for the 2006, 2007 or 2008 fiscal year. In the event that the shares do not vest because the performance conditions are not met, the unvested portion of the award shall be forfeited and shall not carry over to any subsequent year. The nonqualified stock options granted to the executive officers vest in three equal annual installments on the first, second and third anniversaries of the date of grant.

On February 22, 2006, the Compensation Committee certified the level of achievement for fiscal 2005 in order to determine the annual bonus to be awarded under the LifePoint Hospitals, Inc. Executive Performance Incentive Plan (the "Performance Plan"). For fiscal 2005, the amount of the annual bonus award for each participant under the Performance Plan was based on the achievement of certain predetermined performance targets related to the Company's annual revenue and annual EBITDA. While the maximum amount payable under the Performance Plan for fiscal 2005 for such performance would have been higher, the Compensation Committee determined to reduce such payments, in its discretion pursuant to the terms of the Performance Plan, to the following totals:

Executive Officer	Annual Bonus Payment
Kenneth C. Donahey Chairman, President and Chief Executive Officer	\$647,125.08
Michael J. Culotta Chief Financial Officer	\$281,812.56
William F. Carpenter III Executive Vice President, General Counsel and Secretary	\$281,812.56

## Edgar Filing: LIFEPOINT HOSPITALS, INC. - Form 8-K

William M. Gracey  
 Chief Operating Officer \$281,812.56

On February 22, 2006, the Compensation Committee approved the following salary increases for executive officers named in the Company's 2005 proxy statement:

Executive Officer	Current Salary	% Increase	New
Kenneth C. Donahey Chairman, President and Chief Executive Officer	\$775,000	3.2%	\$8
Michael J. Culotta Chief Financial Officer	\$455,000	11.1%	\$5
William F. Carpenter III Executive Vice President, General Counsel and Secretary	\$455,000	11.1%	\$5
William M. Gracey Chief Operations Officer	\$455,000	11.1%	\$5
Jone Law Koford Division President	\$355,000	2.8%	\$3

On February 22, 2006, the Compensation Committee also designated Messrs. Donahey, Culotta, Carpenter and Gracey as the executive officers who are eligible to receive an annual bonus under the Performance Plan for the 2006 fiscal year. The amount of the annual bonus award for each participant for fiscal 2006 will be based on the achievement of certain predetermined performance targets related to the Company's annual revenue and annual EBITDA, subject to reduction by the Compensation Committee, in its discretion pursuant to the terms of the Performance Plan.

### Section 9 Financial Statements and Exhibits.

#### Item 9.01. Financial Statements and Exhibits.

##### (d) Exhibits.

- 10.1 Amended and Restated 1998 Long-Term Incentive Plan incorporated by reference from exhibits to the Current Report on Form 8-K of LifePoint Hospitals, Inc., File No. 000-51251, filed July 7, 2005;
- 10.2 Form of LifePoint Hospital's Inc. Restricted Stock Award Agreement incorporated by reference from exhibits to the Quarterly Report on Form 10-Q of LifePoint Hospitals, Inc. for the quarter ended June 30, 2005, File No. 000-51251;
- 10.3 Form of LifePoint Hospital's Inc. Nonqualified Stock Option Agreement incorporated by reference from exhibits to the Quarterly Report on Form 10-Q of LifePoint Hospitals, Inc. for the quarter ended June

Edgar Filing: LIFEPOINT HOSPITALS, INC. - Form 8-K

30, 2005, File No. 000-51251; and

10.4 LifePoint Hospitals, Inc. Executive Performance Incentive Plan incorporated by reference from exhibits to the Current Report on Form 8-K of LifePoint Hospitals, Inc., File No. 000-29818, filed May 16, 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 28, 2006

LIFEPOINT HOSPITALS, INC.

By: /s/ Michael J. Culotta

-----  
Michael J. Culotta  
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number -----	Description of Exhibits -----
10.1	Amended and Restated 1998 Long-Term Incentive Plan incorporated by reference from exhibits to the Current Report on Form 8-K of LifePoint Hospitals, Inc., File No. 000-51251, filed July 7, 2005;
10.2	Form of LifePoint Hospital's Inc. Restricted Stock Award Agreement incorporated by reference from exhibits to the Quarterly Report on Form 10-Q of LifePoint Hospitals, Inc. for the quarter ended June 30, 2005, File No. 000-51251;
10.3	Form of LifePoint Hospital's Inc. Nonqualified Stock Option Agreement incorporated by reference from exhibits to the Quarterly Report on Form 10-Q of LifePoint Hospitals, Inc. for the quarter ended June 30, 2005, File No. 000-51251; and
10.4	LifePoint Hospitals, Inc. Executive Performance Incentive Plan incorporated by reference from exhibits to the Current Report on Form 8-K of LifePoint Hospitals, Inc., File No. 000-29818, filed May 16, 2002.