

COHEN RUTHERFORD + KNIGHT, PC
CERTIFIED PUBLIC ACCOUNTANTS
6903 ROCKLEDGE DRIVE, SUITE 500
BETHESDA, MD 20817
301-828-1008

INSTRUCTIONS FOR FILING
CARROLL HOSPITAL CENTER, INC.
FORM 8879-EO - IRS E-FILE SIGNATURE AUTHORIZATION
FOR THE PERIOD ENDED JUNE 30, 2012

SIGNATURE...

THE ORIGINAL IRS E-FILE SIGNATURE AUTHORIZATION FORM SHOULD BE
SIGNED (USE FULL NAME) AND DATED BY THE TAXPAYER.

FILING...

RETURN YOUR SIGNED FORM 8879-EO TO:

COHEN, RUTHERFORD + KNIGHT, PC
6903 ROCKLEDGE DRIVE, SUITE 500
BETHESDA MD 20817-1800

PAYMENT OF TAX...

NO PAYMENT OF TAX IS REQUIRED.

FORM 8879-EO SERVES AS A REPLACEMENT FOR YOUR SIGNATURE THAT WOULD BE
AFFIXED TO FORM 990 IF YOU PAPER FILED YOUR RETURN.
PLEASE DO NOT SEPARATELY FILE FORM 990 WITH THE INTERNAL REVENUE
SERVICE. DOING SO WILL DELAY THE PROCESSING OF YOUR RETURN.

WE MUST RECEIVE YOUR SIGNED FORM BEFORE WE CAN ELECTRONICALLY
TRANSMIT YOUR RETURN WHICH IS DUE ON MAY 15, 2013. WE
WOULD APPRECIATE YOUR RETURNING THIS FORM AS SOON AS POSSIBLE
AS THIS WILL EXPEDITE THE PROCESSING OF YOUR RETURN. THE INTERNAL
REVENUE SERVICE WILL NOTIFY US WHEN YOUR RETURN IS ACCEPTED.
YOUR RETURN IS NOT CONSIDERED FILED UNTIL THE INTERNAL REVENUE
SERVICE CONFIRMS THEIR ACCEPTANCE, WHICH MAY OCCUR AFTER THE DUE
DATE OF YOUR RETURN.

IF POSSIBLE, PLEASE EMAIL THE SIGNED FORM TO TECKLOFF@CRKCPA.COM OR
FAX IT TO ME AT 301-530-3625.

COHEN RUTHERFORD + KNIGHT, PC
CERTIFIED PUBLIC ACCOUNTANTS
6903 ROCKLEDGE DRIVE, SUITE 500
BETHESDA, MD 20817
301-828-1008

INSTRUCTIONS FOR FILING
CARROLL HOSPITAL CENTER, INC.
FORM 990T - EXEMPT ORGANIZATION BUSINESS RETURN
FOR THE PERIOD ENDED JUNE 30, 2012

SIGNATURE...

THE ORIGINAL RETURN SHOULD BE SIGNED (USING FULL NAME AND TITLE)
AND DATED ON PAGE 2 BY AN AUTHORIZED OFFICER OF THE ORGANIZATION.

FILING...

THE SIGNED RETURN SHOULD BE FILED ON OR BEFORE
WITH...

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0027

PAYMENT OF TAX...

NO PAYMENT OF TAX IS REQUIRED.

THE RETURN SHOULD BE SENT CERTIFIED MAIL, RETURN RECEIPT REQUESTED.

IRS e-file Signature Authorization for an Exempt Organization

For calendar year 2011, or fiscal year beginning 07/01, 2011, and ending 06/30, 20 12

Department of the Treasury
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**
▶ **See instructions on back.**

2011

Name of exempt organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

Name and title of officer

KEVIN KELBLY, SR VP FINANCE CFO

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-E0 and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue , if any (Form 990, Part VIII, column (A), line 12) . . .	1b <u>229915438.</u>
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue , if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5).	4b _____
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance Due (Form 8868, Part I, line 3c or Part II, line 8c)	5b _____

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2011 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize COHEN, RUTHERFORD + KNIGH to enter my PIN

1	4	2	8	1
---	---	---	---	---

 as my signature
ERO firm name Enter five numbers, but do not enter all zeros

on the organization's tax year 2011 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2011 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ _____

Date ▶ _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

5	2	0	5	1	5	2	0	8	1	7
---	---	---	---	---	---	---	---	---	---	---

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2011 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.**

ERO's signature ▶ _____

Date ▶ 05/10/2013

ERO Must Retain This Form - See Instructions
Do Not Submit This Form To the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see back of form.

Return of Organization Exempt From Income Tax
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2011 calendar year, or tax year beginning 07/01, 2011, and ending 06/30, 2012

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization CARROLL HOSPITAL CENTER, INC. Doing Business As			D Employer identification number 52-1452024	
	Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	E Telephone number (410) 871-6859	
	City or town, state or country, and ZIP + 4 WESTMINSTER, MD 21157			G Gross receipts \$ 229,915,438.	
	F Name and address of principal officer: JOHN SERNULKA 200 MEMORIAL AVE WESTMINSTER, MD 21774			H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
J Website: ▶ WWW.CARROLLHOSPITALCENTER.ORG					
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶				L Year of formation: 1957 M State of legal domicile: MD	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT, COMPASSIONATE CARE, AND EXPERT GUIDANCE IN MAINTAINING THEIR HEALTH AND WELL-BEING.				
	2 Check this box <input type="checkbox"/> 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)	15.		
	4	Number of independent voting members of the governing body (Part VI, line 1b)	14.		
	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	1,997.		
	6	Total number of volunteers (estimate if necessary)	355.		
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	3,124,515.		
	7b	Net unrelated business taxable income from Form 990-T, line 34	0		
	Revenue	8	Contributions and grants (Part VIII, line 1h)	1,090,000.	925,000.
		9	Program service revenue (Part VIII, line 2g)	201,412,609.	224,019,831.
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,179,446.	4,597,814.	
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	532,102.	372,793.	
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	206,214,157.	229,915,438.	
Expenses		13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	115,000.	155,000.
	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)	97,467,463.	106,909,146.	
	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)	91,916,180.	107,142,153.	
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	189,498,643.	214,206,299.	
Net Assets or Fund Balances	19	Revenue less expenses. Subtract line 18 from line 12	16,715,514.	15,709,139.	
			Beginning of Current Year	End of Year	
	20	Total assets (Part X, line 16)	313,981,970.	338,128,205.	
	21	Total liabilities (Part X, line 26)	195,306,839.	233,448,150.	
22	Net assets or fund balances. Subtract line 21 from line 20	118,675,131.	104,680,055.		

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 _____				
	Type or print name and title _____				
Paid Preparer Use Only	Print/Type preparer's name TINA C ECKLOFF	Preparer's signature _____	Date 05/10/2013	Check <input type="checkbox"/> if self-employed	PTIN P01074058
	Firm's name ▶ COHEN, RUTHERFORD + KNIGHT, PC			Firm's EIN ▶ 52-1202280	
	Firm's address ▶ 6903 ROCKLEDGE DRIVE, SUITE 500 BETHESDA, MD 20817-1800			Phone no. 301-828-1008	
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

ATTACHMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 \$ 184,976,441. including grants of \$ 155,000.) (Revenue \$ 221,206,753.)

ATTACHMENT 2

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 **▶** 184,976,441.

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)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		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? <i>If "Yes," complete Schedule C, Part II</i>	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? <i>If "Yes," complete Schedule C, Part III</i>		
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? <i>If "Yes," complete Schedule D, Part I</i>		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? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	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? <i>If "Yes," complete Schedule D, Part VI</i>	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? <i>If "Yes," complete Schedule D, Part VII</i>	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? <i>If "Yes," complete Schedule D, Part VIII</i>	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? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	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)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		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? <i>If "Yes," complete Schedule F, Parts I and IV</i>	X	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		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? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>		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? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	

Part IV Checklist of Required Schedules *(continued)*

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>	X	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>		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? <i>If "Yes," complete Schedule J.</i>	X	
24 a	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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25.</i>	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25 a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		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? <i>If "Yes," complete Schedule L, Part I.</i>		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II.</i>		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? <i>If "Yes," complete Schedule L, Part III.</i>		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? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>	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? <i>If "Yes," complete Schedule L, Part IV.</i>		X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>		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? <i>If "Yes," complete Schedule R, Part I.</i>	X	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1.</i>	X	
35 a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>	X	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		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? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 1a through 14b regarding Form 1096, Form W-2G, Form W-3, and various tax compliance issues.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI. [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include questions 1a, 1b, 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9. Marked 'Yes' for 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include questions 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b. Marked 'Yes' for 10a, 11a, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA, MD,
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
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: DAVID MCCORMICK 200 MEMORIAL AVE WESTMINSTER, MD 21157 410-871-6859

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
ATTACHMENT 3										
(1) CHARLES O FISHER JR DIRECTOR	1.00	X						0	0	0
(2) MIRIAM BECK DIRECTOR	1.00	X						0	0	0
(3) ETHAN SEIDEL DIRECTOR	1.00	X						0	0	0
(4) JOHN SERNULKA PRESIDENT	35.00	X		X				409,261.	0	290,544.
(5) KIMBERLY JOHNSTON MD BOARD MEMBER	1.00	X						0	0	0
(6) HAROLD WALSH BOARD MEMBER	1.00	X						0	0	0
(7) HELEN W WHITEHEAD BOARD MEMBER	1.00	X						0	0	0
(8) SYED HOSAIN MD BOARD MEMBER	1.00	X						0	0	0
(9) THOMAS WELLS BOARD MEMBER	1.00	X						0	0	0
(10) JEFFREY A WOTHERS BOARD MEMBER	1.00	X						0	0	0
(11) W DENNIS THOMAS BOARD MEMBER	1.00	X						0	0	0
(12) GERALD LEE STURGILL BOARD MEMBER	1.00	X						0	0	0
(13) LARRY VAN SANT SR BOARD MEMBER	1.00	X						0	0	0
(14) JOHN STEERS MD BOARD MEMBER	1.00	X						0	0	0

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) MARTIN HILL BOARD MEMBER	1.00	X						0	0	0
(16) CHARLES O FISHER, SR DIRECTOR	1.00	X						0	0	0
(17) CHRISTOS BALLAS DIRECTOR	1.00	X						0	0	0
(18) STEPHAN HOCHULI, MD DIRECTOR	1.00	X						0	0	0
(19) PAULA LANGMEAD DIRECTOR	1.00	X						0	0	0
(20) JACK TEVIS DIRECTOR	1.00	X						0	0	0
(21) LESLIE SIMMONS CHIEF OPERATING OFFICER	38.00			X				329,679.	0	26,026.
(22) KEVIN KELBLY SR VP FINANCE CFO	34.00			X				350,751.	0	28,812.
(23) KEVIN SMOTHERS CHIEF MEDICAL OFFICER	40.00			X				421,153.	0	22,640.
(24) STEPHANIE REID ASSISTANT VICE PRESIDENT	40.00			X				170,910.	0	6,782.
(25) DAVID HORN VICE PRESIDENT	40.00				X			215,086.	0	23,952.
1b Sub-total								409,261.	0	290,544.
c Total from continuation sheets to Part VII, Section A								3,952,884.	0	203,924.
d Total (add lines 1b and 1c)								4,362,145.	0	494,468.

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 ► 95

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>		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
ATTACHMENT 4		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ► 5

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(26) M ELLEN FINNERTY MYERS VICE PRESIDENT	20.00				X		222,452.	0	6,435.	
(27) JOYCE ROMANS VICE PRESIDENT	40.00				X		211,525.	0	15,078.	
(28) TRACEY ELLISON VICE PRESIDENT	40.00				X		197,579.	0	0	
(29) DAVID LOUDER VICE PRESIDENT	40.00				X		324,881.	0	2,135.	
(30) FLAVIO KRUTER PHYSICIAN	38.00				X		475,016.	0	9,947.	
(31) JEROME MARAVE PHYSICIAN	40.00				X		223,125.	0	15,151.	
(32) DAVID SALINGER PHYSICIAN	39.00				X		301,061.	0	9,606.	
(33) DEE HUBBARD PHYSICIAN	40.00				X		264,666.	0	17,630.	
(34) AMANDEEP SINGH PHYSICIAN	40.00				X		245,000.	0	19,730.	
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

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 ► 95

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		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? <i>If "Yes," complete Schedule J for such individual</i>	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? <i>If "Yes," complete Schedule J for such person</i>		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

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ►

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1 a					
	b Membership dues	1 b					
	c Fundraising events	1 c					
	d Related organizations	1 d	925,000.				
	e Government grants (contributions)	1 e					
	f All other contributions, gifts, grants, and similar amounts not included above	1 f					
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			925,000.			
Program Service Revenue	2 a NET PATIENT SERVICE REVENUE	Business Code	216,395,218.	216,395,218.			
	b CAFETERIA/VEND.		878,942.	878,942.			
	c LAB	621500	3,073,563.		3,073,563.		
	d OTHER OPERATING REVENUE		3,672,108.	3,672,108.			
	e _____						
	f All other program service revenue						
	g Total. Add lines 2a-2f			224,019,831.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	ATTACHMENT 5		4,593,966.		-61,356.	4,655,322.
	4 Income from investment of tax-exempt bond proceeds			0			
	5 Royalties			0			
	6 a Gross rents	(i) Real	(ii) Personal				
		282,793.					
	b Less: rental expenses						
	c Rental income or (loss)	282,793.					
	d Net rental income or (loss)			282,793.	260,485.	22,308.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			3,848.				
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)			3,848.			
	d Net gain or (loss)			3,848.			3,848.
	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		0					
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		0					
10 a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory		0					
Miscellaneous Revenue		Business Code					
11 a CARROLL COUNTY MED SERVICES MGMT FEE	541610	90,000.		90,000.			
b _____							
c _____							
d All other revenue							
e Total. Add lines 11a-11d			90,000.				
12 Total revenue. See instructions			229,915,438.	221,206,753.	3,124,515.	4,659,170.	

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) but are not required to complete columns (B), (C), and (D).

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	155,000.	155,000.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	2,823,798.		2,823,798.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	85,208,531.	78,008,875.	7,199,656.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	3,449,302.	3,057,574.	391,728.	
9 Other employee benefits	9,204,080.	8,171,021.	1,033,059.	
10 Payroll taxes	6,223,435.	5,516,656.	706,779.	
11 Fees for services (non-employees):	0			
a Management				
b Legal	37,944.		37,944.	
c Accounting	411,201.		411,201.	
d Lobbying	36,281.		36,281.	
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	226,700.		226,700.	
g Other	14,509,521.	8,318,989.	6,190,532.	
12 Advertising and promotion	864,916.	11,008.	853,908.	
13 Office expenses	922,777.	599,894.	322,883.	
14 Information technology	96,041.	8,869.	87,172.	
15 Royalties	0			
16 Occupancy	4,055,195.	2,732,686.	1,322,509.	
17 Travel	482,354.	280,742.	201,612.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	213,098.	176,041.	37,057.	
20 Interest	7,746,635.	7,746,635.		
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	14,451,395.	13,842,571.	608,824.	
23 Insurance	3,343,796.	2,595,687.	748,109.	
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 <u>MEDICAL SUPPLIES</u>	30,033,055.	30,030,665.	2,390.	
b <u>FOOD</u>	1,054,133.	980,312.	73,821.	
c <u>OTHER</u>	1,117,335.	802,723.	314,612.	
d <u>MINOR EQUIPMENT</u>	1,030,807.	716,815.	313,992.	
e All other expenses <u>ATTACHMENT 6</u>	26,508,969.	21,223,678.	5,285,291.	
25 Total functional expenses. Add lines 1 through 24e	214,206,299.	184,976,441.	29,229,858.	
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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash - non-interest-bearing	2,300.	1	2,300.
	2 Savings and temporary cash investments	28,013,039.	2	30,205,023.
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	16,873,397.	4	17,620,679.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	0	6	0
	7 Notes and loans receivable, net ATCH. 7.	50,000.	7	0
	8 Inventories for sale or use	2,637,299.	8	3,054,835.
	9 Prepaid expenses and deferred charges ATCH. 8.	2,405,896.	9	3,034,669.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 267,617,865.		
	b Less: accumulated depreciation	10b 138,206,604.	132,056,438.	10c 129,411,261.
	11 Investments - publicly traded securities ATCH 9	46,469,198.	11	43,942,335.
	12 Investments - other securities. See Part IV, line 11	35,388,415.	12	34,054,195.
	13 Investments - program-related. See Part IV, line 11	28,600,900.	13	39,097,680.
	14 Intangible assets	4,400,000.	14	3,950,000.
	15 Other assets. See Part IV, line 11	17,085,088.	15	33,755,228.
16 Total assets. Add lines 1 through 15 (must equal line 34)	313,981,970.	16	338,128,205.	
Liabilities	17 Accounts payable and accrued expenses	20,358,923.	17	22,217,367.
	18 Grants payable	0	18	0
	19 Deferred revenue ATCH 10	1,264,732.	19	917,882.
	20 Tax-exempt bond liabilities	135,424,555.	20	138,135,615.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	38,258,629.	25	72,177,286.
	26 Total liabilities. Add lines 17 through 25	195,306,839.	26	233,448,150.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	118,675,131.	27	93,036,912.
	28 Temporarily restricted net assets	0	28	10,527,844.
	29 Permanently restricted net assets	0	29	1,115,299.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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	118,675,131.	33	104,680,055.	
34 Total liabilities and net assets/fund balances	313,981,970.	34	338,128,205.	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	229,915,438.
2	Total expenses (must equal Part IX, column (A), line 25)	2	214,206,299.
3	Revenue less expenses. Subtract line 2 from line 1	3	15,709,139.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	118,675,131.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-29,704,215.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)).	6	104,680,055.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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?		X
b	Were the organization's financial statements audited by an independent accountant?	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.	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
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?		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		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a Type I **b** Type II **c** Type III - Functionally integrated **d** Type III - Other

e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	
(ii) A family member of a person described in (i) above?	11g(ii)	
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

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

Table with 7 columns: (a) 2007, (b) 2008, (c) 2009, (d) 2010, (e) 2011, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 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

Table with 7 columns: (a) 2007, (b) 2008, (c) 2009, (d) 2010, (e) 2011, (f) Total. Rows include: 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 IV.); 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 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

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)); 15 Public support percentage from 2010 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2011; b 33 1/3% support test - 2010; 17a 10%-facts-and-circumstances test - 2011; b 10%-facts-and-circumstances test - 2010; 18 Private foundation.

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

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2007, (b) 2008, (c) 2009, (d) 2010, (e) 2011, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2007, (b) 2008, (c) 2009, (d) 2010, (e) 2011, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c 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 IV.); 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

Table with 3 columns: Description, Line number, Percentage. Row 15: Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2010 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Line number, Percentage. Row 17: Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2010 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2011. 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 - 2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

2011

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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Organization type (check one):

Filers of:	Section:	
Form 990 or 990-EZ	<input checked="" type="checkbox"/> 501(c)(3) (enter number) organization	
	<input type="checkbox"/> 4947(a)(1) nonexempt charitable trust not treated as a private foundation	
	<input type="checkbox"/> 527 political organization	
Form 990-PF	<input type="checkbox"/> 501(c)(3) exempt private foundation	
	<input type="checkbox"/> 4947(a)(1) nonexempt charitable trust treated as a private foundation	
	<input type="checkbox"/> 501(c)(3) taxable private foundation	

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization **CARROLL HOSPITAL CENTER, INC.**

Employer identification number
52-1452024

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CARROLL HOSPITAL CENTER FOUNDATION 200 MEMORIAL AVE. WESTMINSTER, MD 21157	\$ 925,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization **CARROLL HOSPITAL CENTER, INC.**

Employer identification number

52-1452024

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____

Name of organization CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry.

For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ► \$ _____

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	
_____	_____ _____ _____	_____ _____ _____	_____ _____ _____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____ _____ _____		_____ _____ _____	

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

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

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

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

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

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

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

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

Name of organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
--	---

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-.
(1)	-----			
(2)	-----			
(3)	-----			
(4)	-----			
(5)	-----			
(6)	-----			

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1 a 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.		
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.	
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-		
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?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2 a 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)).

Table with 3 main columns: Question, (a) Yes/No, and (b) Amount. Rows include questions about lobbying activities like volunteers, paid staff, media, and direct contact with legislators.

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

Table with 3 columns: Question, Yes, No. Rows include questions about dues, in-house lobbying, and carryover of lobbying expenditures.

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."

Table with 3 columns: Question, Yes, No. Rows include questions about dues, nondeductible lobbying expenditures, and carryover of lobbying expenditures.

Part IV Supplemental Information

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

Series of horizontal dashed lines provided for entering supplemental information.

Part IV Supplemental Information *(continued)*

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Attach to Form 990. See separate instructions.

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors... Yes No, 6 Did the organization inform all grantees...

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution... 2a Total number of conservation easements, 2b Total acreage restricted by conservation easements, 2c Number of conservation easements on a certified historic structure included in (a), 2d Number of conservation easements included in (c) acquired after 8/17/06... 3 Number of conservation easements modified, transferred, released, extinguished, or terminated... 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... Yes No, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year... 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year... \$, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet...

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Amounts. Rows include: 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 XIV, the text of the footnote to its financial statements that describes these items. b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenues included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X, 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenues included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2011

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 XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV 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? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	10,086,170.	7,900,509.	7,009,809.		
b Contributions	735,458.	690,978.	251,338.		
c Net investment earnings, gains, and losses	48,548.	1,503,183.	639,362.		
d Grants or scholarships	11,000.	8,500.			
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	10,859,176.	10,086,170.	7,900,509.		

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

- a Board designated or quasi-endowment ▶ 87.0000 %
 - b Permanent endowment ▶ 10.0000 %
 - c Temporarily restricted endowment ▶ 3.0000 %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	3a(i)	X
(ii) related organizations	X	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	X

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,983,973.		1,983,973.
b Buildings		119,385,388.	37,660,852.	81,724,536.
c Leasehold improvements		9,494,934.	9,494,934.	
d Equipment		108,993,240.	83,653,619.	25,339,621.
e Other		27,760,330.	7,397,199.	20,363,131.

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c)). ▶ 129,411,261.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) LONG-TERM INVESTMENTS OTHER	15,245,002.	COST
(B) LONG TERM INVESTMENTS	4,038,632.	FMV
(C) CD	169,335.	COST
(D) SHORT TERM INVESTMENTS	14,501,226.	FMV
(E) MONEY MARKET ACCT	100,000.	FMV
(F)		
(G)		
(H)		
(I)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.)	34,054,195.	

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INVESTMENT IN SUBSIDIARIES	36,989,036.	COST
(2) INVESTMENT IN PREMIER	245,968.	COST
(3) INVESTMENT IN MT AIRY HLTH SER	384,402.	COST
(4) INVESTMENT IN COLONIAL	64,097.	COST
(5) INVESTMENT IN CMOA	1,414,177.	COST
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.)	39,097,680.	

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

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES	10,037,146.
(2) UMAMORTIZED BOND ISSUANCE COST	2,007,413.
(3) OTHER RECEIVABLES	1,973,326.
(4) FUNDS HELD BY TRUSTEE	19,737,343.
(5) ASSETS LIMITED TO USE	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	33,755,228.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ADVANCES FROM THIRD PARTY	8,490,822.
(3) ACCRUED PENSION	19,848,753.
(4) OTHER LIABILITIES	
(5) MERRILL LYNCH SWAP RATE	14,701,979.
(6) CAPITAL LEASE	610,286.
(7) MOB	16,247,812.
(8) DEF COMPENSATION	4,038,632.
(9) CENMAR	8,239,002.
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	72,177,286.

2. FIN 48 (ASC 740) Footnote. In Part XIV, 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).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

Table with 10 rows and 3 columns. Row 1: Total revenue (Form 990, Part VIII, column (A), line 12). Row 2: Total expenses (Form 990, Part IX, column (A), line 25). Row 3: Excess or (deficit) for the year. Subtract line 2 from line 1. Row 4: Net unrealized gains (losses) on investments. Row 5: Donated services and use of facilities. Row 6: Investment expenses. Row 7: Prior period adjustments. Row 8: Other (Describe in Part XIV.). Row 9: Total adjustments (net). Add lines 4 through 8. Row 10: Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9.

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

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

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

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

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part XIV Supplemental Information *(continued)*

**SCHEDULE F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered "Yes" to Form 990,
Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 For grantmakers. Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		11,447,288.
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total					11,447,288.
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					11,447,288.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) 2011

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000 Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									
(8)									
(9)									
(10)									
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter _____

3 Enter total number of other organizations or entities _____

Part III Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926).* Yes No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A).* Yes No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471).* Yes No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621).* Yes No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865).* Yes No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).* Yes No

Part V Supplemental Information

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2011

Open to Public Inspection

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990. ▶ See separate instructions.**

Department of the Treasury
Internal Revenue Service

Name of the organization: **CARROLL HOSPITAL CENTER, INC.**
Employer identification number: **52-1452024**

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	X	
b If "Yes," was it a written policy?	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. <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> 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) to determine eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>300.0000</u> %	X	
b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>375.0000</u> %	X	
c If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine 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"?	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	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?		X
6a Did the organization prepare a community benefit report during the tax year?	X	
b If "Yes," did the organization make it available to the public?	X	

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)			2,330,747.		2,330,747.	1.14
b Medicaid (from Worksheet 3, column a)						
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			2,330,747.		2,330,747.	1.14
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,255,032.	121,315.	2,133,717.	1.04
f Health professions education (from Worksheet 5)			543,703.		543,703.	.26
g Subsidized health services (from Worksheet 6)			7,391,994.	1,942,795.	5,449,199.	2.65
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			286,175.		286,175.	.14
j Total Other Benefits			10,476,904.	2,064,110.	8,412,794.	4.09
k Total . Add lines 7d and 7j.			12,807,651.	2,064,110.	10,743,541.	5.23

For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule H (Form 990) 2011

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						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy			520,593.		520,593.	.25
8 Workforce development						
9 Other						
10 Total			520,593.		520,593.	.25

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

- 1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?
- 2 Enter the amount of the organization's bad debt expense
- 3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy
- 4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.

	Yes	No
1		X
2		
3		
4		

Section B. Medicare

- 5 Enter total revenue received from Medicare (including DSH and IME)
- 6 Enter Medicare allowable costs of care relating to payments on line 5
- 7 Subtract line 6 from line 5. This is the surplus (or shortfall)
- 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:

5	92,594,124.
6	76,622,349.
7	15,971,775.

- 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?
- 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

9a	X	
9b	X	

Part IV Management Companies and Joint Ventures (see instructions)

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1	CC RADIOLOGY LLC	IMAGING CENTER	60.00000		40.00000
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

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 and address

1 CARROLL HOSPITAL CENTER INC
 200 MEMORIAL AVE
 WESTMINSTER MD 21157

Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)
X								

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of Hospital Facility: CARROLL HOSPITAL CENTER INC

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)			
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8 If "Yes," indicate what the Needs Assessment describes (check all that apply):	1	
a	<input type="checkbox"/> A definition of the community served by the hospital facility		
b	<input type="checkbox"/> Demographics of the community		
c	<input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input type="checkbox"/> How data was obtained		
e	<input type="checkbox"/> The health needs of the community		
f	<input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 __ __		
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	
5	Did the hospital facility make its Needs Assessment widely available to the public? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):	5	
a	<input type="checkbox"/> Hospital facility's website		
b	<input type="checkbox"/> Available upon request from the hospital facility		
c	<input type="checkbox"/> Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a	<input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b	<input type="checkbox"/> Execution of the implementation strategy		
c	<input type="checkbox"/> Participation in the development of a community-wide community benefit plan		
d	<input type="checkbox"/> Participation in the execution of a community-wide community benefit plan		
e	<input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f	<input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g	<input type="checkbox"/> Prioritization of health needs in its community		
h	<input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	<input type="checkbox"/> Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care: <u>3</u> <u>0</u> <u>0</u> % If "No," explain in Part VI the criteria the hospital facility used.	9	X

Part V Facility Information (continued) CARROLL HOSPITAL CENTER INC

		Yes	No
10	Used FPG to determine eligibility for providing <i>discounted care</i> ?	X	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>3</u> <u>7</u> <u>5</u> %		
	If "No," explain in Part VI the criteria the hospital facility used.		
11	Explained the basis for calculating amounts charged to patients?	X	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):		
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input checked="" type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Other (describe in Part VI)		
12	Explained the method for applying for financial assistance?	X	
13	Included measures to publicize the policy within the community served by the hospital facility?	X	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available on request		
g	<input type="checkbox"/> Other (describe in Part VI)		

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	X	
15	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Part VI)		
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?		X
	If "Yes," check all actions in which the hospital facility or a third party engaged:		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Part VI)		
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):		
a	<input checked="" type="checkbox"/> Notified patients of the financial assistance policy on admission		
b	<input checked="" type="checkbox"/> Notified patients of the financial assistance policy prior to discharge		
c	<input checked="" type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d	<input checked="" type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy		
e	<input type="checkbox"/> Other (describe in Part VI)		

Part V Facility Information (continued) CARROLL HOSPITAL CENTER INC

Policy Relating to Emergency Medical Care

		Yes	No
18	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	X	
If "No," indicate why:			
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)		
d	<input type="checkbox"/> Other (describe in Part VI)		

Individuals Eligible for Financial Assistance

19	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	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input checked="" type="checkbox"/> Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and 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?		X
If "Yes," explain in Part VI.			
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?		X
If "Yes," explain in Part VI.			

Part V Facility Information *(continued)*

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

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

How many non-hospital health care facilities did the organization operate during the tax year? 5

Name and address	Type of Facility (describe)
1 CARROLL COUNTY RADIOLOGY 7253 AMBASSADOR ROAD BALTIMORE MD 21244	IMAGING CENTER
2 CARROLL COUNTY RADIOLOGY 1430 PROGRESS WAY, STE 108 ELDERSBURG MD 21784	IMAGING CENTER
3 CARROLL COUNTY RADIOLOGY 193 STONER AVE, STE 200 WESTMINSTER MD 21157	IMAGING CENTER
4 CARROLL COUNTY RADIOLOGY 1 VILLAGE SQUARE WESTMINSTER MD 21157	IMAGING CENTER
5 CARROLL COUNTY RADIOLOGY 844 WASHINGTON ROAD, STE 102 WESTMINSTER MD 21157	IMAGING CENTER
6	
7	
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under 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 hospitals 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 3C

FOR PATIENTS THAT EXPERIENCE A MEDICAL HARDSHIP (MEDICAL DEBT THAT EXCEEDS 25% OF HOUSEHOLD INCOME), CARROLL HOSPITAL CENTER ALSO PROVIDES DISCOUNTED CARE FOR INDIVIDUALS EARNING UP TO 500% OF THE FEDERAL POVERTY GUIDELINES. IF A PATIENT HAS RECEIVED REDUCED COST MEDICALLY NECESSARY CARE DUE TO A MEDICAL HARDSHIP, THE PATIENT OR ANY IMMEDIATE FAMILY MEMBER OF THE PATIENT LIVING IN THE SAME HOUSEHOLD SHALL REMAIN ELIGIBLE FOR REDUCED COST MEDICALLY NECESSARY CARE WHEN SEEKING SUBSEQUENT CARE AT THE SAME HOSPITAL DURING THE 12 MONTH PERIOD BEGINNING ON THE DATE ON WHICH THE REDUCED COST MEDICALLY NECESSARY CARE WAS INITIALLY RECEIVED.

IN ADDITION, SOME PATIENTS ARE PRESUMED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE DISCOUNTS ON THE BASIS OF LIFE CIRCUMSTANCES. THESE PATIENTS THAT THE HOSPITAL HAS DETERMINED PRESUMPTIVELY QUALIFY FOR FINANCIAL ASSISTANCE ARE NOT REQUIRED TO COMPLETE ADDITIONAL FORMS OR PROVIDE ADDITIONAL INFORMATION AND ARE GRANTED 100% FINANCIAL ASSISTANCE DISCOUNTS. THE HOSPITAL INTERNALLY DOCUMENTS ANY AND ALL RECOMMENDATIONS

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under 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 hospitals 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.

TO PROVIDE PRESUMPTIVE FINANCIAL ASSISTANCE DISCOUNTS FROM PATIENTS AND OTHER SOURCES, SUCH AS PHYSICIANS, COMMUNITY OR RELIGIOUS GROUPS, INTERNAL OR EXTERNAL SOCIAL SERVICES OR FINANCIAL COUNSELING PERSONNEL.

THE FOLLOWING ARE EXAMPLES OF PATIENT SITUATIONS THAT MAY REASONABLY ASSIST IN THE DETERMINATION OF PRESUMPTIVE ELIGIBILITY FOR FINANCIAL ASSISTANCE: (1) PATIENT HAS RECEIVED CARE FROM AND/OR HAS PARTICIPATED IN WOMEN'S, INFANTS AND CHILDREN (WIC) PROGRAMS, (2) PATIENT IS HOMELESS AND/OR HAS RECEIVED CARE FROM A HOMELESS CLINIC, (3) PATIENT'S FAMILY IS ELIGIBLE FOR AND IS RECEIVING FOOD STAMPS, (4) PATIENT'S FAMILY IS ELIGIBLE FOR AND IS PARTICIPATING IN SUBSIDIZED SCHOOL LUNCH PROGRAMS, (5) PATIENT QUALIFIES FOR OTHER STATE OR LOCAL ASSISTANCE PROGRAMS THAT ARE UNFOUNDED OR THE PATIENT'S ELIGIBILITY HAS BEEN DISMISSED DUE TO A TECHNICALITY (I.E. MEDICAID SPEND-DOWN), (6) FAMILY OR FRIENDS OF A PATIENT HAVE PROVIDED INFORMATION ESTABLISHING THE PATIENT'S INABILITY TO PAY, (7) THE PATIENT'S STREET ADDRESS AND DOCUMENTATION EVIDENCING STATUS IN AN AFFORDABLE OR SUBSIDIZED HOUSING DEVELOPMENT, (8) PATIENT/GUARANTOR'S WAGES ARE INSUFFICIENT FOR GARNISHMENT, AS DEFINED BY STATE LAW, OR (9) PATIENT IS DECEASED, WITH NO KNOWN ESTATE.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under 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 hospitals 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 5A

CARROLL HOSPITAL CENTER DOES NOT DENY FINANCIAL ASSISTANCE TO ANY PATIENT ELIGIBLE FOR FREE OR DISCOUNTED CARE UNDER ITS FINANCIAL ASSISTANCE POLICY REGARDLESS OF WHETHER OR NOT THE FINANCIAL ASSISTANCE BUDGET WAS EXCEEDED.

PART I, LINE 7A, COLUMN C

THE METHODOLOGY USED TO CALCULATE CHARITY CARE COST WAS A COST-TO-CHARGE RATIO DERIVED FROM WORKSHEET 2, RATIO OF PATIENT CARE-TO-CHARGES.

PART I, LINE 7A

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE-SETTING PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE HOSPITAL. MARYLAND'S UNIQUE ALL-PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYOR'S RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT

Part VI Supplemental Information

Complete this part to provide the following information.

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ANY OFFSETTING REVENUE RELTED TO UNCOMPENSATED CARE.

PART I, LINE 7B

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE-SETTING PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE HOSPITAL. MARYLAND'S UNIQUE ALL-PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYOR'S RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELTED TO UNCOMPENSATED CARE. COMMUNITY BENEFIT EXPENSES ARE EQUAL TO MEDICAID REVENUES IN MARYLAND, AS SUCH, THE NET EFFECT IS ZERO. THE EXCEPTION TO THIS IS THE IMPACT ON THE HOSPITAL FOR ITS SHARE OF MEDICAID ASSESSMENT. IN RECENT YEARS THE STATE OF MARYLAND HAS CLOSED FISCAL GAPS IN THE STATE MEDICAID BUDGET BY ASSESSING HOSPITALS THROUGH THE RATE-SETTING SYSTEM. FOR TAX YEAR 2010 CARROLL HOSPITAL CENTER'S MEDICAID BUDGET DEFICIT UNFUNDED ASSESSMENT AMOUNTED TO \$504,659.

Part VI Supplemental Information

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PART I, LINE 6A

MARYLAND HOSPITALS ARE REQUIRED TO SUBMIT AN ANNUAL COMMUNITY BENEFIT REPORT TO THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) THAT DESCRIBES THE PROGRAMS AND SERVICES OFFERED THAT ARE DESIGNED TO PROMOTE THE HEALTH AND WELLNESS OF THE COMMUNITIES SERVED. THESE REPORTS ARE AVAILABLE TO THE PUBLIC ON THE HSCRC WEBSITE (WWW.HSCRC.STATE.MD.US). ADDITIONALLY, CARROLL HOSPITAL CENTER MAKES AVAILABLE ITS COMMUNITY BENEFIT REPORT ON ITS WEBSITE (WWW.CARROLLHOSPITALCENTER.ORG)

PART I, LINE 7G

CARROLL HOSPITAL CENTER INCURRED \$5.4 MILLION OF NET COMMUNITY BENEFIT EXPENSE AS A RESULT OF UNDERTAKING SUBSIDIZED HEALTH SERVICES.

A SHORTAGE OF PRIMARY OR SPECIALTY PROVIDERS HAS PERHAPS POSED THE MOST SIGNIFICANT CHALLENGES IN INPATIENT CARE DELIVERY. SUBSTANTIAL PHYSICIAN SUBSIDIES HAVE BECOME NECESSARY TO ENSURE THAT ALL PATIENTS REQUIRING ANESTHESIA AND PEDIATRIC, PSYCHIATRIC, OBSTETRICAL AND CRITICAL AND GENERAL MEDICAL CARE HAVE THE ACCESS THEY NEED ONCE ADMITTED TO THE

Part VI Supplemental Information

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HOSPITAL, INCLUDING 24/7 COVERAGE. CARROLL HOSPITAL CENTER HAS HOSPITALIST PROGRAMS IN EACH OF THESE AREAS AND ALLOCATES A SIGNIFICANT AMOUNT OF RESOURCES SUSTAINING THE PROGRAMS.

IN FY12, APPROXIMATELY \$7 MILLION WAS SPENT IN ENSURING CARE FOR ALL PATIENTS AND RECRUITING AND RETAINING PHYSICIANS - OF WHICH \$4.8 MILLION HAS BEEN REPORTED AS SUBSIDIZED HEALTH SERVICES.

EQUALLY IMPORTANT IS ACCESS TO PHYSICIANS ON AN OUTPATIENT BASIS, NOT JUST FOR THE UNINSURED, BUT ALSO FOR ALL PATIENTS IN OUR GROWING COMMUNITY. TO ENSURE OUR COMMUNITY HAS ACCESS TO QUALITY PHYSICIANS, CARROLL HOSPITAL CENTER CONTINUALLY MONITORS STATISTICALLY CALCULATED NEED BY DEVELOPING A COMPREHENSIVE MEDICAL STAFF DEVELOPMENT PLAN BASED ON THE HEALTH CARE NEEDS OF OUR MEDICAL SERVICE AREA. THE REPORT INCLUDES BOTH AN ANALYSIS OF THE HOSPITAL'S SERVICE AREA AND SPECIFIC RECOMMENDATIONS REGARDING APPROPRIATE STAFFING LEVELS IN A VARIETY OF MEDICAL SPECIALTIES. THE PHYSICIAN NEEDS ASSESSMENT METHODOLOGY USED IS BASED ON A QUALITATIVE STANDARD ESTABLISHED BY THE INTERNAL REVENUE SERVICE (IRS). THE REPORT GUIDES THE HOSPITAL'S RECRUITING STRATEGY,

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HELPS US TO PRIORITIZE RECRUITING EFFORTS AND ALLOWS THE HOSPITAL TO PLACE CONTINGENCIES ON RECRUITED PHYSICIANS TO ENSURE THEY SEE MEDICALLY UNDERSERVED, UNINSURED, MEDICARE AND MEDICAID PATIENTS.

WHILE CARROLL HOSPITAL CENTER CARES FOR PATIENTS WITH NO MEANS TO PAY THEIR MEDICAL EXPENSES THROUGHOUT THE HOSPITAL, IT IS SEEN MOST ACUTELY IN THE EMERGENCY DEPARTMENT (ED), WHERE MANY UNINSURED PATIENTS OFTEN COME FOR PRIMARY AND EMERGENT CARE. SINCE ALL PATIENTS PRESENTING TO THE ED ARE TREATED FOR ANY MEDICAL CONDITION REGARDLESS OF THEIR ABILITY TO PAY FOR CARE, THE UNINSURED POPULATION POSES A SIGNIFICANT CHALLENGE NOT ONLY TO THE HOSPITAL, BUT ALSO TO PHYSICIANS PROVIDING CARE IN THE HOSPITAL AND IN THE ED. DUE IN PART TO A LACK OF, OR MINIMAL REIMBURSEMENT, IT HAS BECOME INCREASINGLY DIFFICULT TO FIND SPECIALISTS TO PROVIDE ON-CALL SERVICES FOR THE ED AROUND-THE-CLOCK. THE MORE SERIOUS ISSUE IS THAT THIS TREND AFFECTS NOT ONLY OUR UNINSURED PATIENTS, BUT ALL PATIENTS SEEKING TREATMENT IN OUR ED.

THE LIKELIHOOD THAT PATIENTS PRESENT MORE ACUTELY IN THE UNINSURED

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POPULATION AND THE ACCOMPANYING INCREASED POTENTIAL FOR MALPRACTICE CLAIMS ALSO HAS CONTRIBUTED TO SPECIALISTS CHOOSING NOT TO COVER NONPAYING PATIENTS IN THE ED. THAT GAP IS MOST SIGNIFICANT IN SURGICAL SPECIALTIES INCLUDING, ORTHOPAEDICS, OTOLARYNGOLOGY (ENT), GENERAL SURGERY AND PLASTIC SURGERY. THERE ALSO HAS BEEN INCREASING RELUCTANCE FROM OTHER SPECIALTIES WITH SIGNIFICANT ED VOLUMES, INCLUDING VASCULAR SURGERY, NEUROSURGERY AND NEUROLOGY.

TO HELP EASE THE EFFECTS OF UNCOMPENSATED CARE ON PHYSICIANS AND ADDRESS THE GAP IN CARE FOR OUR PATIENTS, CARROLL HOSPITAL CENTER HAS CONTINUED TWO MAJOR, COSTLY INITIATIVES TO ADDRESS THE GAP PROACTIVELY. FIRST, THE HOSPITAL CONTRACTS WITH 10 MEDICAL SPECIALTIES TO ENSURE 24/7 COVERAGE IN THE ED. IMPLEMENTED IN 2006, THOSE SPECIALTIES INCLUDE NEUROSURGERY; GENERAL, PLASTIC, VASCULAR AND ORAL SURGERY; ORTHOPAEDICS; UROLOGY; PODIATRY; OPHTHALMOLOGY AND ENT. ADDITIONALLY, THE GROWING VOLUMES OF UNINSURED PATIENTS HAS CAUSED THE HOSPITAL TO RECENTLY INSTITUTE AN ADDITIONAL POLICY WHICH ALLOWS PHYSICIANS WHO SEE PATIENTS WITHOUT A PAYMENT SOURCE IN THE ED TO

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BE REIMBURSED FOR PHYSICIAN SERVICES BY THE HOSPITAL AT CURRENT
 MEDICARE RATES. WHILE PAYMENT FOR ED CALL MAY HELP WITH THE GAPS IN
 COVERAGE FOR THE UNINSURED, IT BEARS A SIGNIFICANT FINANCIAL TOLL ON THE
 HOSPITAL. THE EXPENSE TO PAY PHYSICIANS FOR ED CALL HAS COST THE HOSPITAL
 \$426,992 IN FY12.

ALL THE INITIATIVES AND SUPPORT LISTED ABOVE WOULD NOT BE PROVIDED IF
 CARROLL HOSPITAL CENTER DID NOT PROVIDE THEM. AS THE ONLY HOSPITAL IN
 THE COUNTY, IT IS OUR PRIMARY RESPONSIBILITY TO PROVIDE THESE SERVICES
 FOR THE UNINSURED AND UNDERINSURED, AS WELL AS ALL COMMUNITY MEMBERS. NO
 OTHER ORGANIZATION OR INDIVIDUAL IN THE COUNTY WOULD BE ABLE TO PROVIDE
 ALL OF THESE COMPREHENSIVE SERVICES IN THE AREAS THAT THE HOSPITAL DOES.

PART I LINE 7

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL
 PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES
 COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE-SETTING

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PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S UNIQUE ALL-PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYOR'S RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART III, LINE 4

CARROLL HOSPITAL CENTER INCURRED \$8,854,000 BAD DEBT EXPENSE DURING THE TAX YEAR 2011. THIS REFLECTS THE AMOUNT OF GROSS PATIENT CHARGES UNCOLLECTED FROM PATIENTS THAT DID NOT QUALIFY FOR FINANCIAL ASSISTANCE.

PER AUDIT REPORT (1M): "NET PATIENT SERVICE FOR THE HOSPITAL REFLECTS ACTUAL CHARGES TO PATIENTS BASED ON RATES ESTABLISHED BY THE STATE OF MARYLAND HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) IN EFFECT DURING THE PERIODS IN WHICH SERVICES ARE RENDERED, NET OF CONTRACTUAL ADJUSTMENTS. CONTRACTUAL ADJUSTMENTS REPRESENT THE DIFFERENCE BETWEEN AMOUNTS BILLED BY THE HOSPITAL AND AMOUNTS PAID BY THIRD-PARTY PAYORS. BECAUSE THE HOSPITAL DOES NOT PURSUE COLLECTION OF AMOUNTS DETERMINED TO

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QUALIFY AS CHARITY CARE, SUCH AMOUNTS ARE NOT REPORTED AS REVENUE".

BAD DEBT EXPENSE REFLECTS ACTUAL PATIENT CHARGES THAT HAVE BEEN DETERMINED TO BE UNCOLLECTIBLE FOR PATIENTS THAT HAVE NOT QUALIFIED FOR CHARITY CARE. BAD DEBT EXPENSE MAY ALSO INCLUDE ADDITIONAL "BAD DEBT PROVISIONS" FOR DOUBTFUL ACCOUNTS BASED ON MANAGEMENT'S ESTIMATES OF FUTURE ACCOUNT COLLECTIONS BASED ON CHARGES IN SERVICE MIX AND PAYOR MIX.

CARROLL HOSPITAL CENTER INC. DETERMINES ELIGIBILITY FOR FINANCIAL ASSISTANCE THROUGH OTHER VARIOUS MEANS (CREDIT REPORTS, DEBT AND ASSET REVIEWS, AND REFERRALS FROM THE HOSPITAL'S BILLING AGENTS) WHEN THE PATIENT HAS NOT COMPLETED THE FINANCIAL ASSISTANCE APPLICATION. IF A DETERMINATION IS MADE REGARDING THE PATIENT'S INABILITY TO PAY, THE ACCOUNT CAN BE APPROVED FOR FINANCIAL ASSISTANCE ON A PRESUMPTIVE BASIS RATHER THAN BE REFLECTED AS BAD DEBT EXPENSE. OF THE REMAINING BAD DEBT EXPENSE, IT IS ESTIMATED THAT \$711,000 AT COST (10%) MAY BE ATTRIBUTABLE TO PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE/CHARITY CARE.

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PART III, LINE 8

CARROLL HOSPITAL CENTER'S TAX YEAR 2011 (FISCAL YEAR 2012) MEDICARE COST REPORT SUBMISSION WAS UTILIZED AS THE SOURCE DOCUMENT TO REPORT MEDICARE TOTAL REVENUE AND ALLOWABLE COSTS.

PART III, LINE 9B

FOR THOSE PATIENTS THAT DO NOT INITIALLY APPLY OR QUALIFY FOR FINANCIAL ASSISTANCE, THE ORGANIZATION CONTINUES TO MONITOR WHETHER THE PATIENT MAY QUALIFY FOR FINANCIAL ASSISTANCE. IF THE PATIENT IS FOUND TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE, AT ANY POINT (INCLUDING ONCE COLLECTION EFFORTS HAVE BEGUN), THE ORGANIZATION WILL APPROVE THE PATIENT FOR FINANCIAL ASSISTANCE. COLLECTION EFFORTS WILL BE STOPPED IMMEDIATELY ONCE THE PATIENT IS FOUND TO QUALIFY FOR FINANCIAL ASSISTANCE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY. PATIENTS DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE SUBSEQUENT TO THE DATE OF SERVICE MAY BE ELIGIBLE FOR A REFUND OF PAYMENTS MADE IF IT IS DETERMINED THAT THE PATIENT WAS ELIGIBLE FOR FINANCIAL ASSISTANCE AT THE TIME OF SERVICE.

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PART V, LINE 17

THE HOSPITAL FACILITY OR AN AUTHORIZED THIRD PARTY DID NOT UNDERTAKE ANY OF THE COLLECTION ACTIONS NOTED IN PART V, SECTION B, LINE 16 BEFORE MAKING REASONABLE EFFORTS TO DETERMINE ANY PATIENTS ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY. IN ORDER TO HELP DETERMINE PATIENTS' ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE HOSPITAL UNDERTAKES A NUMBER OF ACTIONS, INCLUDING NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY ON ADMISSION, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY PRIOR TO DISCHARGE, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY IN COMMUNICATIONS WITH THE PATIENTS' BILLS, AND DOCUMENTING ITS DETERMINATION OF WHETHER PATIENTS WERE ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.

PART V, LINE 19D

THE HOSPITAL FACILITY PROVIDES A DISCOUNT OF AT LEAST 25% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO ANY INDIVIDUAL THAT IS ELIGIBLE FOR DISCOUNTED CARE UNDER THE HOSPITAL

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FACILITY'S FINANCIAL ASSISTANCE POLICY AND AT LEAST 15% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO ANY INDIVIDUAL THAT QUALIFIES UNDER THE MEDICAL HARDSHIP PROVISIONS OF THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY. PURSUANT TO THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) ALL-PAYOR SYSTEM FOR HOSPITALS IN THE STATE OF MARYLAND, THE GREATEST DISCOUNT OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE PERMITTED TO ANY COMMERCIAL INSURER OR MEDICARE IS ONLY 6% AS A RESULT, THE HOSPITAL FACILITY WAS ABLE TO DETERMINE THAT THE MAXIMUM AMOUNT CHARGED TO INDIVIDUALS THAT WERE ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY WAS NOT GREATER THAN THE AMOUNT GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE.

PART V, LINE 21

THE HOSPITAL FACILITY DOES NOT CHARGE ANY INDIVIDUALS THAT IT KNOWS ARE ELIGIBLE FOR FINANCIAL ASSISTANCE AN AMOUNT EQUAL TO THE GROSS CHARGE FOR ANY SERVICE. THE HOSPITAL USES THE CHARGE MASTER RATES FOR A SERVICE AS

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A STARTING POINT AGAINST WHICH THE DISCOUNTS MANDATED IN THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY ARE APPLIED TO DETERMINE THE AMOUNT ACTUALLY BILLED TO PATIENTS ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY. THE HOSPITAL FACILITY WILL NOT COLLECT PAYMENT FROM ANY PATIENT ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY IN EXCESS OF THE REDUCED AMOUNT THAT IS ACTUALLY BILLED TO SUCH FINANCIAL ASSISTANCE PATIENT.

NEEDS ASSESSMENT

PART VI, LINE 2

MONITORING THE HEALTH STATUS OF THE COMMUNITY IS AN ONGOING AND INTERACTIVE PROCESS ENGAGED IN BY THE HOSPITAL, WITH SUBSTANTIAL INVOLVEMENT FROM OUR COMMUNITY VIA THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY, INC. ("THE PARTNERSHIP"), AN ENTITY ESTABLISHED BY THE HOSPITAL AND THE CARROLL COUNTY HEALTH DEPARTMENT SPECIFICALLY TO ASSESS UNMET HEALTH NEEDS IN THE COMMUNITY, EXPAND THE CAPACITY FOR HEALTH AND QUALITY OF LIFE IMPROVEMENT IN THE COMMUNITY, SERVE AS A COLLABORATIVE VEHICLE FOR INTERACTION WITH THE COMMUNITY, AND WITH OUR COMMUNITY, TO

Part VI Supplemental Information

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DRIVE THE EFFORT TO CREATE A HEALTHIER CARROLL COUNTY. THE PARTNERSHIP IS A RELATED SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION OF THE HOSPITAL, WHICH RECEIVES A MAJORITY OF ITS OPERATING FUNDS FROM CONTRIBUTIONS MADE DIRECTLY BY THE HOSPITAL.

IMPROVEMENT IN THE CORE HEALTH IMPROVEMENT AREAS (C.H.I.A.S) IS ONE OF THE HOSPITAL'S GOALS. THE C.H.I.A.S ARE THE NEED AREAS REQUIRING INDIVIDUAL AND ORGANIZATIONAL ACTION TO ACHIEVE TARGETED IMPROVED STATUS USING THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES' HEALTHY PEOPLE 2020 TARGETS AS THE BENCHMARK. THE HOSPITAL PARTICIPATES ACTIVELY IN MANY OF THE C.H.I.A. LEADERSHIP TEAMS COMPRISED OF DIVERSE INDIVIDUALS AND ORGANIZATIONS FROM THROUGHOUT THE HOSPITAL'S SERVICE AREA, WHO SHARE EXPERTISE AND INTEREST IN THE CHIA. WITH SUPPORT AND GUIDANCE FROM THE PARTNERSHIP, THOSE LEADERSHIP TEAMS DEVELOP AND IMPLEMENT ACTION PLANS SPECIFICALLY INTENDED TO ACCOMPLISH TARGETED RESULTS. "HEALTHY CARROLL VITAL SIGNS" (DESCRIBED BELOW) ARE THEN AFFIRMED, ARE SPECIFIC TO EACH CHIA LEADERSHIP TEAM AND SERVE AS ONE OF THE PRIMARY TOOLS FOR MEASURING AND REPORTING RESULTS TO THE HOSPITAL LEADERSHIP AND TO THE COMMUNITY.

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RECENTLY THE HOSPITAL HAS COLLABORATED WITH THE PARTNERSHIP WITH RESPECT TO AN ASSESSMENT OF HEALTH NEEDS VIA MARYLAND'S STATE HEALTH IMPROVEMENT PROCESS (S.H.I.P.), WHICH WAS ORGANIZED TO PRODUCE A LOCAL HEALTH IMPROVEMENT PLAN (L.H.I.P.). THE PARTNERSHIP ORGANIZATION ENTHUSIASTICALLY AGREED TO SERVE AS THE LOCAL COALITION REQUIRED IN THE S.H.I.P. PROCESS. THIS PROVIDED CARROLL HOSPITAL CENTER YET ANOTHER OPPORTUNITY FOR LINKAGE TO IMPORTANT, VALIDATED INFORMATION ABOUT HEALTH NEEDS IN OUR COMMUNITY AND ONGOING OPPORTUNITIES TO COLLABORATE WITH OUR LOCAL AND STATE HEALTH DEPARTMENT REGARDING IMPLEMENTATION STRATEGIES FOR TARGETED RESULTS.

PURSUANT TO THE S.H.I.P. ASSESSMENT, THIRTY-NINE "HIGH IMPACT OBJECTIVES" WERE IDENTIFIED BY THE STAFF AT MARYLAND'S DEPARTMENT OF HEALTH AND MENTAL HYGIENE. A CARROLL COUNTY SPECIFIC DATA PROFILE SERVED AS THE BASELINE DOCUMENT. AFTER THOROUGH ANALYSIS, A LOCAL TEAM, WHICH INCLUDED THE HOSPITAL, PRODUCED A LOCAL HEALTH IMPROVEMENT PLAN (L.H.I.P.) ADDRESSING FIVE PRIORITY NEED AREAS. THE S.H.I.P. AND L.H.I.P. PROVIDE

Part VI Supplemental Information

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ANOTHER IMPORTANT SET OF VERY USEFUL INFORMATION AND IS BEING FULLY INTEGRATED WITHIN THE HOSPITAL'S FIRST IRS COMPLIANT COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) AND COMMUNITY BENEFIT PLANNING PROCESSES.

THE HOSPITAL AND THE PARTNERSHIP HAVE CONDUCTED MULTIPLE PREVIOUS NEEDS ASSESSMENTS, HAVE MADE REAL PROGRESS TOWARDS COMMUNITY ENGAGEMENT IN THESE PROCESSES AND HAVE INTEGRATED ANNUAL MEASUREMENT SYSTEMS INTO THE HEALTH IMPROVEMENT WORK KNOWN AS "HEALTHY CARROLL VITAL SIGNS (HCVS)." THESE MEASURES BUILD ON NATIONAL BENCHMARKS AND IMPROVEMENT TARGETS SUCH AS HP 2020. FUTURE EDITIONS OF HEALTHY CARROLL VITAL SIGNS WILL ALSO INTEGRATE S.H.I.P. 2014 BENCHMARKS AND IMPROVMENT TARGETS.

IN TY 2011, THE HOSPITAL, IN COLLABORATION WITH THE PARTNERSHIP, BEGAN THE PROCESS OF UNDERTAKING THE CHNA FOR THE CARROLL HOSPITAL CENTER HOSPITAL FACILITY. THE HOSPITAL EXPECTS THAT THIS CHNA WILL BE COMPLETED IN JUNE 2013.

THE CHNA PROCESS BEING PURSUED BY THE HOSPITAL WILL BE IN COMPLIANCE WITH

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THE IRS REQUIREMENTS. FURTHERMORE THE CHNA ASSESSMENT AND DOCUMENTATION PROCESS WILL ASSURE THE HOSPITAL'S ABILITY TO DEVELOP A HOSPITAL BOARD APPROVED COMMUNITY BENEFITS PLAN FOR REVIEW AND ACTION BY THE HOSPITAL'S BOARD OF DIRECTORS BY SPRING 2013, AS WELL AS ACTION BY THE HOSPITAL TO PURSUE AND ANALYZE THE CHNA IMPLEMENTATION STRATEGY ADOPTED BY THE HOSPITAL THEREAFTER.

PATIENTS EDUCATION OF ELIGIBILITY FOR ASSISTANCE

PART VI, LINE 3

CARROLL HOSPITAL CENTER (CHC) HAS A NUMBER OF PROGRAMS TO ASSIST PATIENTS WITH THEIR PAYMENT OBLIGATIONS. FIRST, WE PROVIDE A MEDICAID ENROLLMENT SERVICE TO PATIENTS WHO QUALIFY FOR MEDICAL ASSISTANCE. THIS SERVICE ASSISTS PATIENTS WITH PAPERWORK AND WILL EVEN PROVIDE TRANSPORTATION IF NEEDED. THIS PAST YEAR, CHC ASSISTED 310 PATIENTS IN APPLYING FOR THE STATE'S MEDICAL ASSISTANCE PROGRAM. IN ADDITION, THE HOSPITAL HELD A FREE ENROLLMENT SESSION FOR "COVER THE UNINSURED DAY" FOR UNINSURED COMMUNITY MEMBERS TO COME IN TO SEE IF THEY QUALIFIED FOR MEDICAL OR FINANCIAL ASSISTANCE. FOR PATIENTS WHO DO NOT QUALIFY FOR MEDICAID

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COVERAGE, CHC HAS AN IN-HOUSE FINANCIAL ASSISTANCE PROGRAM. OUR ELIGIBILITY STANDARDS ARE MORE LENIENT THAN EVEN THOSE PROPOSED BY THE MARYLAND HOSPITAL ASSOCIATION GUIDELINES. WE WRITE OFF 100% OF THE BILL FOR PATIENTS WHOSE INCOME IS BELOW 300% OF THE FEDERAL POVERTY GUIDELINES (FPG) AND WRITE OFF A PORTION OF THE BILL FOR PATIENTS WHOSE INCOME IS BETWEEN 301%-375% OF THE FPG. WHEN PATIENTS EXPRESS THEIR INABILITY TO PAY FOR SERVICES, OUR STAFF WORKS TO FIND THE BEST POSSIBLE OPTION FOR THEM BY DISCUSSING IN DETAIL THEIR SITUATION. THE FAMILY IS INVOLVED IN THOSE CONVERSATIONS TO THE EXTENT THE PATIENT FEELS COMFORTABLE. THE HOSPITAL ALSO HAS A PROCESS IN PLACE FOR PATIENTS TO HAVE FINANCIAL ASSISTANCE DECISIONS RECONSIDERED AND THAT PROCESS IS CLEARLY OUTLINED IN OUR FINANCIAL ASSISTANCE POLICY AND IN INFORMATION PROVIDED TO OUR PATIENTS. IN ADDITION, FOR PATIENTS WITH INCOME BELOW 500% OF THE FPG AND WHOSE MEDICAL DEBT AT CHC IS IN EXCESS OF 25% OF THEIR HOUSEHOLD INCOME, THE HOSPITAL HAS A MEDICAL HARDSHIP PLAN THAT PROVIDES FOR REDUCED-COST CARE. THE HOSPITAL POSTS A SUMMARY OF ITS FINANCIAL ASSISTANCE POLICY, INFORMING PATIENTS OF THE AVAILABILITY OF FINANCIAL ASSISTANCE, IN ALL REGISTRATION AND INTAKE AREAS FOR ALL PATIENTS TO SEE. IN ADDITION,

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DETAILED INFORMATION ON OUR FINANCIAL ASSISTANCE POLICY IS INCLUDED IN EVERY ADMISSION FOLDER, ON BILLS MAILED TO PATIENTS AND ON THE HOSPITAL'S WEBSITE (WWW.CARROLLHOSPITALCENTER.ORG).

COMMUNITY INFORMATION

PART VI, LINE 4

AS THE ONLY HOSPITAL IN THE COUNTY, CHC'S PRIMARY SERVICE AREA IS THE ENTIRE COUNTY. THE HOSPITAL DOES, HOWEVER, ALSO SERVE PORTIONS OF BALTIMORE, FREDERICK AND MONTGOMERY COUNTIES AS WELL AS AREAS IN SOUTHERN PENNSYLVANIA. THE GENERAL DEMOGRAPHICS FOR OUR PRIMARY COMMUNITY (CARROLL COUNTY) ARE LISTED BELOW:

POPULATION

TOTAL POPULATION 2011: 167,288

POPULATION PERCENT CHANGE 2010 TO 2011: 0.1%

PERSONS UNDER 5 YEARS PERCENT 2011: 5.1%

PERSONS UNDER 18 YEARS PERCENT 2011: 23.8%

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PERSONS 65 YEARS AND OVER PERCENT 2011: 13.5%

FEMALE PERSONS, PERCENT 2011: 50.6%

RACE WHITE PERSONS: 93.2%

BLACK PERSONS: 3.5%

AMERICAN INDIAN AND ALASKA NATIVE PERSONS: 0.2%

ASIAN PERSONS: 1.5%

NATIVE AMERICAN AND OTHER PACIFIC ISLANDER: 0

PERSONS REPORTING TWO OR MORE RACES: 1.5%

PERSONS OF HISPANIC OR LATINO ORIGIN: 2.8%

WHITE PERSONS NOT HISPANIC: 90.8%

SOURCE: SOURCE US CENSUS BUREAU: STATE AND COUNTY QUICKFACTS.

FAMILY

TOTAL NUMBER OF HOUSEHOLDS (2007-2011): 59,314

AVERAGE HOUSEHOLD SIZE (2007-2011): 2.75 PERSONS

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SOURCE: US CENSUS BUREAU: STATE AND COUNTY QUICK FACTS.

ECONOMICS

MEDIAN HOUSEHOLD INCOME (2007-2011): \$83,325

PERSONS BELOW POVERTY LEVEL, PERCENT (2007-2011): 5.6%

SOURCES: CARROLL COUNTY DEPARTMENT OF ECONOMIC DEVELOPMENT AND US CENSUS

BUREAU: STATE AND COUNTY QUICKFACTS.

OTHER SIGNIFICANT DEMOGRAPHIC CHARACTERISTICS

ACCORDING TO AMREICAN COMMUNITY SURVEY (2011) THE PERCENTAGE OF UNINSURED PATIENTS IN CARROLL COUNTY IS 6.6%. IN TY 2011, OF THE CARROLL COUNTY RESIDENTS THAT WERE HOSPITALIZED (EITHER AT CHC OR OTHER HOSPITALS), 10.4% WERE ENROLLED IN MEDICAL ASSISTANCE PROGRAMS IN CARROLL COUNTY, WHICH INCLUDES MCHIP, PAC, AND MEDICAL ASSISTANCE. THE AVERAGE LIFE EXPECTANCY WITH CARROLL COUNTY WAS 79.6.

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PROMOTION OF COMMUNITY HEALTH

PART VI, LINE 5

CARROLL HOSPITAL CENTER, FOUNDED IN 1961, IS THE SOLE HOSPITAL SERVING THE JURISDICTION OF CARROLL COUNTY, MARYLAND WITH A FY 2012 POPULATION ESTIMATED AT MORE THAN 168,000 PERSONS. CARROLL HOSPITAL CENTER IS THE SECOND -LARGEST EMPLOYER IN CARROLL COUNTY WITH OVER 1,750 ASSOCIATES IN FY 2012. CARROLL HOSPITAL CENTER IS ACCREDITED WITH COMMENDATION BY THE JOINT COMMISSION.

OUR GOVERNING BODY IS COMPRISED PREDOMINANTLY OF INDEPENDENT LEADERS REPRESENTATIVE OF OUR COMMUNITY WHO ASSURE THAT ALL FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION.

WE ARE A NOT-FOR-PROFIT ORGANIZATION WITH DIVERSE SERVICE LINES INCLUDING COMPREHENSIVE ACUTE CARE SUCH AS MEDICAL, SURGICAL, PERI-NATAL, PEDIATRICS, PSYCHIATRY, MEDICAL AND RADIATION ONCOLOGY, ADULT INTENSIVE CARE AND CARDIOVASCULAR SERVICES, INCLUDING EMERGENCY PERCUTANEOUS

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INTERVENTIONAL HEART SURGERY. BOTH HOME-BASED AND INPATIENT HOSPICE CARE IS PROVIDED THROUGH OUR AFFILIATED AGENCY, CARROLL HOSPICE INC. DIVERSE DIAGNOSTIC SERVICES ARE PROVIDED AT MULTIPLE LOCATIONS AND INCLUDE BOTH LABORATORY AND RADIOLOGIC CAPABILITIES. WE PARTICIPATE IN MEDICARE AND MEDICAID PROGRAMS.

THERE ARE MORE THAN 400 PHYSICIANS REPRESENTING 38 SPECIALTIES ON OUR MEDICAL STAFF WHOSE MEMBERSHIP IS OPEN TO ALL QUALIFIED AREA PHYSICIANS. WE OPERATE AN EMERGENCY DEPARTMENT (ED) SERVING ALL PERSONS REGARDLESS OF ABILITY TO PAY. THE ED HAD OVER 56,000 PATIENT VISITS IN FY 2012 AND WE ALSO RECORDED 12,276 INPATIENT ADMISSIONS, 2,807 OBSERVATION STAY CASES, 1,128 BIRTHS AND APPROXIMATELY 8,485 SURGICAL PROCEDURES.

AN EXTENSIVE NETWORK OF HOSPITAL OPERATED PHYSICIAN PRACTICES ASSURES ADEQUATE AVAILABILITY OF BOTH PRIMARY AND SPECIALTY CARE PHYSICIANS THROUGHOUT THE SERVICE AREA-MEETING THE CARROLL HOSPITAL CENTER STANDARDS OF EXCELLENCE AND INCORPORATING THE SAME VALUES AND PRINCIPLES.

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BUILDING ON OUR LONG TRADITION OF COLLABORATION WITH OUR LOCAL RESIDENTS,
 THE HOSPITAL IN JOINT EFFORT WITH THE CARROLL COUNTY HEALTH DEPARTMENT,
 ESTABLISHED THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY, INC. (THE
 PARTNERSHIP) IN 1999 TO LINK HOSPITAL STRENGTHS, ALONGSIDE THOSE OF OTHER
 WELL-ESTABLISHED COMMUNITY PARTNERS TO ACHIEVE AN IMPROVED HEALTH STATUS.
 THE PARTNERSHIP IS A RELATED SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION OF
 CARROLL HOSPITAL CENTER, WHICH RECEIVES A MAJORITY OF ITS OPERATING FUNDS
 FROM CONTRIBUTIONS MADE DIRECTLY BY THE HOSPITAL.

THE PARTNERSHIP WAS ESTABLISHED TO:

- * ASSESS UNMET HEALTH NEEDS IN OUR COMMUNITY
- * EXPAND THE CAPACITY FOR HEALTH AND QUALITY OF LIFE IMPROVEMENT IN OUR
 COMMUNITY
- * SERVE AS OUR COLLABORATIVE VEHICLE FOR INTERACTION WITH THE COMMUNITY
- * DRIVE THE EFFORT TO CREATE A HEALTHIER CARROLL COUNTY COMMUNITY.

THIS STRATEGY HAS ALLOWED CARROLL HOSPITAL CENTER TO REMAIN CONTINUALLY
 WELL-CONNECTED TO THE COMMUNITY, TO LEVERAGE OUR RESOURCES IN ACTION

Part VI Supplemental Information

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ALONGSIDE THOSE OF OTHER KEY ORGANIZATIONS AND AGENCIES (PARTICULARLY, THE CARROLL COUNTY HEALTH DEPARTMENT) AND TO ASSURE MEASURABLE RESULTS. MONITORING THE HEALTH STATUS OF THE COMMUNITY IS AN ONGOING AND INTERACTIVE PROCESS ENGAGED IN BY CARROLL HOSPITAL CENTER AND THE PARTNERSHIP. CARROLL HOSPITAL CENTER AND THE PARTNERSHIP PURSUE IMPROVEMENT IN THE CORE HEALTH IMPROVEMENT AREAS (CHIAS) VIA LEADERSHIP TEAMS COMPRISED OF DIVERSE INDIVIDUALS AND ORGANIZATIONS WHO SHARE EXPERTISE AND INTEREST IN THE CHIA. THOSE LEADERS DEVELOP AND IMPLEMENT ACTION PLANS SPECIFICALLY INTENDED TO ACCOMPLISH TARGETED RESULTS. "HEALTHY CARROLL VITAL SIGNS" ARE THEN AFFIRMED, ARE SPECIFIC TO EACH CHIA LEADERSHIP TEAM AND SERVE AS ONE OF THE PRIMARY TOOLS FOR RESULTS REPORTING. WWW.HEALTHYCARROLL.ORG IS THE PARTNERSHIP'S WEBSITE WHERE CURRENT SECONDARY DATA, NATIONAL BENCHMARKS, IMPROVEMENT TARGETS AND BEST PRACTICE REFERENCES ARE EASILY AVAILABLE, ARE AS CURRENT AS AVAILABLE AND ARE AVAILABLE TO ANYONE AT NO COST.

CARROLL HOSPITAL CENTER HAS LONG RECOGNIZED THAT PROMOTING THE HEALTH OF ITS COMMUNITY IS ONE OF ITS ESSENTIAL RESPONSIBILITIES. EXTENSIVE

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COMMUNITY OUTREACH AND LEARNING PROGRAMS ARE OFFERED BY THE HOSPITAL WITH AN EMPHASIS ON DISEASE PREVENTION, EARLY INTERVENTION AND WELLNESS.

IN FY 2012 WE EXPANDED ON AN INTEGRATED APPROACH TO POPULATION HEALTH; SEEKING TO ASSURE ACCESS TO EXCELLENT HEALTH CARE AND DISEASE MANAGEMENT ASSISTANCE. OUR INTEGRATED APPROACH RECOGNIZES AND STRIVES TO ELIMINATE BARRIERS SUCH AS TRANSPORTATION CHALLENGES OR LIMITED ABILITIES TO PURCHASE ESSENTIAL PRESCRIPTION PRODUCTS; IT ALSO INCLUDES MORE IN-COMMUNITY CARE COORDINATION AND ASSISTANCE WITH NAVIGATING THE OFTEN COMPLEX WORLD OF HEALTH CARE ASSOCIATED SERVICES.

CHC IS ONE OF THE FOUNDING AND FUNDING PARTNERS IN A UNIQUE AND HIGHLY SUCCESSFUL INTEGRATED PRIMARY CARE CENTER KNOWN AS ACCESS CARROLL. INC. AT ACCESS CARROLL, INC. THE BARRIERS OF LOW INCOME AND INELIGIBILITY FOR STATE, FEDERAL OR OTHER INSURANCE ASSISTANCE ARE BEING ELIMINATED FOR SIGNIFICANT NUMBERS OF CARROLL COUNTY RESIDENTS WHO ARE RECEIVING THE SAME STELLAR INTEGRATED PRIMARY AND SPECIALTY CARE SERVICES NEEDED TO MANAGE THEIR ACUTE AND/OR CHRONIC DISEASE ISSUES AS THEIR HIGHER INCOME

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AND INSURED NEIGHBORS. IN ADDITION TO PRIMARY AND SPECIALTY MEDICAL CARE AND CARE MANAGEMENT NAVIGATION ASSISTANCE, THE ACCESS CARROLL PATIENTS RECEIVE DIAGNOSTIC LABORATORY AND RADIOLOGY SERVICES, PRESCRIPTION ASSISTANCE (MORE THAN \$1,000,000 RETAIL VALUE IN FY 2012 FROM PHARMACEUTICAL PRESCRIPTION ASSISTANCE PROGRAMS COORDINATED BY ACCESS CARROLL) AND MORE. CARROLL HOSPITAL CENTER CONTRIBUTED \$259,068 TO ACCESS CARROLL IN FY12 TO COVER SALARY AND BENEFIT EXPENSES FOR THE EXECUTIVE DIRECTOR, ONE FULL TIME RN CASE MANAGER AND TWO PART-TIME POSITIONS (AIDE AND DEVELOPMENT SPECIALIST), AS WELL AS ADDITIONAL FUNDS TOWARD THEIR FACILITY MOVE AND EXPANSION. THE HOSPITAL ALSO PROVIDES LABORATORY AND DIAGNOSTIC IMAGING SERVICES TO ACCESS CARROLL CAPTURED UNDER CHARITY CARE, WHICH TOTALED \$282,910 IN FY12. MANY CARROLL HOSPITAL CENTER AFFILIATED PHYSICIANS AND SPECIALISTS DONATE THEIR TIME TO AND ACCEPT REFERRALS FROM ACCESS CARROLL. IN FY12, ACCESS CARROLL HAD 40,135 PATIENT ENCOUNTERS.

THESE HEALTH PROMOTION EFFORTS ARE IN ADDITION TO PROGRAMS AND SERVICES THAT SEEK TO ALSO HELP PEOPLE CHANGE THEIR LIFESTYLES TO MOVE TOWARD A

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STATE OF OPTIMAL HEALTH IN MIND, BODY AND SPIRIT.

CARROLL HOSPITAL CENTER DEMONSTRATES ITS COMMITMENT TO IMPROVING THE HEALTH AND WELLNESS OF THE COMMUNITIES IT SERVES BY PROVIDING SERVICES AND PROGRAMS THAT ADDRESS CRITICAL NEEDS, INCLUDING HEALTH CARE TO VULNERABLE OR UNDERSERVED PEOPLE; PUBLIC HEALTH PROGRAMS; AND HEALTH EDUCATION, SCREENING AND PREVENTION SERVICES. AS REPORTED IN THE FY 2012 STATE OF MARYLAND HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) COMMUNITY BENEFIT REPORT, CARROLL HOSPITAL CENTER PROVIDED \$14,918,396 (NET OF REVENUES) ON PROGRAMS AND ACTIVITIES BENEFITING THE COMMUNITIES WE SERVE. THESE PROGRAMS AND ACTIVITIES INCLUDED HOSPICE SERVICES, PHYSICIAN SUPPORT, CHARITY/UNCOMPENSATED CARE, EDUCATION PROGRAMS, HEALTH SCREENINGS, SUPPORT GROUPS, HEALTH PROFESSIONS EDUCATION AND COMMUNITY CONTRIBUTIONS.

THE HOSPITAL'S COMMUNITY EDUCATION AND WELLNESS EFFORTS ARE LED BY COMMUNITY EDUCATORS IN THE WOMEN'S PLACE AND THE LEARNING CENTER DEPARTMENTS, IN COORDINATION WITH THE PARTNERSHIP FOR A HEALTHIER CARROLL

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COUNTY, SO AS TO MAXIMIZE STRATEGIES AND PROGRAMS IN ADDRESSING COMMUNITY HEALTH NEEDS. CARROLL HOSPITAL CENTER, IN FY 2012, HAD 21,109 ENCOUNTERS IN COMMUNITY HEALTH EDUCATION ACTIVITIES, 2,520 ENCOUNTERS FOR SUPPORT GROUPS, 153 ENCOUNTERS FOR SELF-HELP PROGRAMS AND 1,825 ENCOUNTERS FOR SCREENINGS.

CARROLL HOSPITAL CENTER OFFERS THESE PROGRAMS AND SERVICES NOT ONLY TO ADDRESS THE NEEDS OF PEOPLE WITH CHRONIC OR ACUTE MEDICAL ISSUES, BUT ALSO TO ADDRESS PREVENTION AND EDUCATION TO KEEP OUR POPULATION WELL. THE FOLLOWING ARE FIVE EXAMPLES OF INITIATIVES WITH MEASURABLE OUTCOMES.

INITIATIVE A. TOTAL HEALTH EXPO 2011

COSTS: \$32,732

DESCRIPTION: TO PROVIDE FREE AND LOW-COST SCREENINGS, AS WELL AS HEALTH AND WELLNESS EDUCATIONAL INFORMATION, ALL IN ONE FREE, FUN EVENT DESIGNED FOR THE WHOLE FAMILY.

THE FREE EVENT INCLUDED:

* FREE AND LOW-COST SCREENINGS

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* MEDICAL ASSISTANCE ENROLLMENT & INFORMATION

* HEALTH INFORMATION BOOTHS

* KIDS ACTIVITIES

* INTERACTIVE EDUCATIONAL DISPLAYS ON NUTRITION, HEART HEALTH, BEHAVIORAL HEALTH, SLEEP DISORDERS, CANCER EDUCATION, HEALTH DEPARTMENT RESOURCES, PRENATAL RESOURCES, DIABETES, CONCUSSION AWARENESS, DURABLE MEDICAL EQUIPMENT, CAR SEAT SAFETY, MEDICATION SAFETY AND MORE.

* PHYSICAL ACTIVITIES

* ADULT CPR CLASS

* COMPLEMENTARY HEALTH MINI-TREATMENTS

* HEALTHY LUNCH FREE FOR ALL ATTENDEES

* AND MORE!

PARTICIPANTS WERE ENCOURAGED TO FILL OUT A HEALTHY PASSPORT BY VISITING AT LEAST 4 EDUCATIONAL BOOTHS AND ONE SCREENING. COMPLETED PASSPORTS WERE ENTERED IN A DRAWING FOR PRIZES.

OUTCOME/RESULTS:

* MORE THAN 300 PEOPLE ATTENDED. MORE THAN 350 ENCOUNTERS WITH SCREENINGS, COMPLEMENTARY HEALTH TREATMENTS AND CLASSES.

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*** SCREENINGS & PARTICIPANTS INCLUDED

*** BLOOD PROFILE (23)

*** BLOOD PRESSURE (70)

*** PROSTATE (11)

*** SKIN CANCER (19)

*** KNEE & HIP (10)

*** FOOT (24)

*** ORAL HEALTH (ADULT AND PEDIATRIC) (64)

*** OSTEOPOROSIS (51)

INITIATIVE B. SKIN CANCER SCREENINGS AND EDUCATION PROGRAMS

COSTS:

* SAFER IN THE SHADE: \$300

* FUN IN THE SUN: \$540 PLUS \$300 IN-KIND

* SKIN CANCER SCREENINGS: \$250 PLUS \$1200 IN-KIND

* NO-TANNING PLEGE & SKIN CANCER AWARENESS AT HIGH SCHOOLS: \$300 PLUS

\$125 IN-KIND

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DESCRIPTION: TO REDUCE THE MELANOMA INCIDENCE RATE WITH EDUCATION ON PREVENTION, AND EARLY DETECTION THROUGH SKIN CANCER SCREENINGS.

* SAFER IN THE SHADE IS A PROGRAM BY THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY FOR SCHOOL-AGED CHILDREN TO PROMOTE SUN SAFETY AND EDUCATION WITH TREE PLANTING.

* FUN IN THE SUN IS A PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY PROGRAM FOR FAMILIES AT THE WESTMINSTER CITY POOL ONCE A WEEK ALL SUMMER LONG. THEY SET UP SUN SAFETY EDUCATION AND HAND OUT SUNSCREEN FOR ABOUT 3-4 HOURS EACH WEEK.

* SKIN CANCER SCREENINGS ARE PROVIDED FREE TO THE COMMUNITY SEVERAL TIMES A YEAR TO PROMOTE EARLY DETECTION AND PREVENTION OF SKIN CANCER.

* NO-TANNING PLEDGE & SKIN CANCER AWARENESS AT HIGH SCHOOLS OFFERS STUDENTS A CHANCE TO SIGN A NO-TANNING PLEDGE BEFORE PROM SEASON. A SKIN ANALYZER SHOWS SUN DAMAGE AND EDUCATION IS PROVIDED TO PROMOTE SUN SAFETY AND SKIN CANCER AWARENESS.

OUTCOMES/RESULTS:

* SAFE IN THE SHADE - 50 STUDENTS FROM BOYS & GIRLS CLUB PARTICIPATED AT

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A LOCAL PARK

* FUN IN THE SUN - ONE-ON-ONE EDUCATION WITH ABOUT 240 PEOPLE OVER ABOUT 12 WEEKS.

* SKIN CANCER SCREENINGS - 114 PARTICIPANTS; 61 REFERRED; RECEIVED 14 QUESTIONNAIRES BACK FROM PARTICIPANTS, 1 INDICATED THAT THE PARTICIPANT HAD BEEN DIAGNOSED WITH SQUAMOUS CELL CANCER.

* NO-TANNING PLEDGE & SKIN CANCER AWARENESS - MORE THAN 360 STUDENTS SIGNED A PLEDGE TO NOT USE TANNING BEDS AND PARTICIPATED IN EDUCATION.

INITIATIVE C: LOSE TO WIN: WELLNESS CHALLENGE

COSTS: \$5,712

DESCRIPTION: TO PROMOTE HEALTHY WEIGHT LOSS AND WELLNESS OF ADULTS IN CARROLL COUNTY. THE 12-WEEK LOSE TO WIN WELLNESS CHALLENGE UNITES EXPERTS IN COMMUNITY EDUCATION AT CARROLL HOSPITAL CENTER, COMMUNITY PHYSICIANS, MARTIN'S FOOD MARKET, AREA ATHLETIC CLUBS AND LOCAL SALONS TO HELP COMMUNITY MEMBERS SHED POUNDS, INCORPORATE EXERCISE INTO THEIR DAILY ROUTINES AND LEARN HOW TO EAT HEALTHIER.

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OUTCOMES/RESULTS:

- * 9/10 PEOPLE FINISHED THE PROGRAM
- * 147 POUNDS LOST BY THE GROUP (6.8% OF TOTAL WEIGHT)
- * WINNER LOST 12.5% OF BODY WEIGHT, 6 PARTICIPANTS LOST 10 OR MORE POUNDS, AND ALSO REDUCED THEIR CHOLESTEROL LEVELS
- * ALL PARTICIPANTS WERE REQUIRED TO ATTEND WEEKLY EDUCATIONAL SESSIONS ON NUTRITION AND OTHER HEALTH TOPICS, AS WELL AS COMMIT TO WORKING OUT AT A LOCAL FITNESS FACILITY AT LEAST THREE TIMES PER WEEK.

INITIATIVE D: CARDIOVASCULAR EDUCATION & SCREENINGS

COSTS:

- * BLOOD PRESSURE SCREENINGS APPROX: \$3,000
- * CARDIAC ASSESSMENTS: \$1,315
- * MAGNETS: \$1,050
- * HEART MONTH AWARENESS & PROGRAM ADVERTISING: \$8,192
- * HEART OF THE MATTER EDUCATION SERIES APPROX: \$600

DESCRIPTION: TO PROMOTE AWARENESS AND PREVENTION OF HEART DISEASE AND

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STROKE THROUGH EDUCATION OF HEART ATTACK AND STROKE WARNING SIGNS AND SCREENINGS.

- * BLOOD PRESSURE SCREENINGS
- * CARDIAC ASSESSMENTS
- * HEART ATTACK & STROKE WARNING SIGNS EDUCATION
- * HEART MONTH AWARENESS CAMPAIGN
- * HEART OF THE MATTER EDUCATION SERIES

OUTCOMES/RESULTS:

- * BLOOD PRESSURE SCREENINGS - 1,540 ENCOUNTERS FOR MONTHLY SCREENINGS IN VARIOUS LOCATIONS AROUND CARROLL COUNTY
- * CARDIAC ASSESSMENTS - 47 PARTICIPANTS
- * HEART ATTACK & STROKE SYMPTOM AWARENESS MAGNETS - 2,000 DISTRIBUTED TO COMMUNITY
- * HEART OF THE MATTER EDUCATION SERIES - 66 PARTICIPANTS

INITIATIVE E: NUTRITION EDUCATION & SCREENINGS

COSTS:

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- 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 hospitals 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.

* CELEBRATE NUTRITION MONTH APPROX: \$400

* COOKING WIHT THE DOC APPROX: \$500

* NUTRITION SCREENINGS: \$435

DESCRIPTION: TO REDUCE PERCENTAGE OF OVERWEIGHT AND OBESITY AND INCREASE
CONSUMPTION OF FRUITS AND VEGETABLES THROUGH NUTRITION AWARENESS,
EDUCATION AND SCREENINGS AND NUTRITION'S EFFECT ON OVERALL HEALTH.

* CELEBRATE NUTRITION MONTH PRESENTATIONS

* COOKING WIHT THE DOC EDUCATION SERIES

* NUTRITION SCREENINGS

OUTCOMES/RESULTS:

* CELEBRATE NUTRITION MONTH - APPROX 70 PEOPLE ATTENDED THREE

PRESENTATIONS IN MARCH ON TOPICS RANGING FROM VITAMIN D TO MEATLESS
COOKING

* COOKING WITH THE DOC - 45 PEOPLE ATTENDED THE THREE PRESENTATIONS,
INCLUDING COOKING DEMONSTRATIONS & EDUCATION ON TOPICS SUCH AS HEALTHY
BONES AND REDUCING YOUR RISK FOR CANCER

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under 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 hospitals 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.

* NUTRITION SCREENINGS - 13 PEOPLE PARTICIPATED IN NUTRITION SCREENINGS

ONE-ON-ONE WITH A DIATITION.

AFFILIATED HEALTH CARE SYSTEM

PART VI, LINE 6

CARROLL HOSPITAL CENTER IS PART OF AN AFFILIATED HEALTH CARE SYSTEM THAT PROVIDES AN ARRAY OF HEALTH CARE SERVICES TO ITS COMMUNITY. THE HOSPITAL, AS A SOLE COMMUNITY PROVIDER, PROVIDES BOTH INPATIENT AND OUTPATIENT CARE, INCLUDING ESSENTIAL HEALTH CARE SERVICES SUCH AS OBSTETRICS, EMERGENCY SERVICES, PEDIATRIC, AND CRITICAL CARE, WHICH WOULD LIKELY OTHERWISE NOT BE PROVIDED WITHIN CARROLL COUNTY DUE TO THEIR UNPROFITABLE NATURE (HIGH COST SERVICES WITH RELATIVELY LOW REIMBURSEMENT). ADDITIONALLY, THE HOSPITAL IS THE SOLE MEMBER AND EMPLOYER OF A GROUP PHYSICIAN PRACTICE (CARROLL HEALTH GROUP), WHICH PROVIDES PRIMARY AND SPECIALTY CARE SERVICES TO THE COMMUNITY. THE PROVISION OF THE PHYSICIAN SERVICE HELPS MEET AN IDENTIFIED COMMUNITY HEALTH NEED FOR ADDITIONAL PRIMARY AND SPECIALTY CARE PHYSICIANS IN THE COMMUNITY. THE PHYSICIAN PRACTICE RUNS AT A SUBSTANTIAL OPERATING LOSS

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under 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 hospitals 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.

(\$ _____ MILLION IN 2012), WHICH IS FUNDED BY CONTRIBUTIONS FROM CARROLL HOSPITAL CENTER. CARROLL HOSPICE, AN AFFILIATE OF CARROLL HOSPITAL CENTER, PROVIDES INPATIENT HOSPICE CARE, AS WELL AS RESIDENTIAL HOSPICE AND PALLIATIVE CARE, TO PATIENTS NEARING THE END-OF-LIFE. CARROLL HOSPICE PROVIDES PAIN MANAGEMENT AND SYMPTOM CONTROL AND HELPS COORDINATE HOME AND INPATIENT SERVICES. IN ORDER TO PROVIDE COMPREHENSIVE AND COMPASSIONATE CARE, CARROLL HOSPICE UTILIZES AN INTERDISCIPLINARY TEAM, INCLUDING PHYSICIANS, NURSES, SOCIAL WORKERS, CLERGY, PHARMACISTS, AND HOME HEALTH AIDES. FURTHER, CARROLL HOSPICE PROVIDES BEREAVEMENT CARE FOR FAMILY MEMBERS FOR UP TO THIRTEEN MONTHS.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under 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 hospitals 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.

STATE FILING OF COMMUNITY BENEFIT REPORT

MD,

**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	PARTNERSHIP FOR HEALTHIER CARROLL COUNTY 95 CARROLL ST WESTMINSTER, MD 21157			155,000.				HOSPITAL CONTRIBUTIO
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2011)

Part III Grants and Other Assistance to Individuals in the United States. 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
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

PART I, LINE 2

THE GRANT PROVIDED IS TO A RELATED ORGANIZATION THAT IS CONTROLLED BY THE ORGANIYATION AND IS A JOINT VENTURE WITH THE CARROLL COUNTY HEALTH DEPARTMENT. THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY IS A 501(C)(3) TAX-EXEMPT ORGANIZATION THAT IS DEDICATED TO IMPROVING THE HEALTH AND QUALITY OF LIFE OF INDIVIDUALS LIVING IN CARROLL COUNTY, MARYLAND.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input checked="" type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input checked="" type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	X
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	X
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III.		
<input checked="" type="checkbox"/> Compensation committee		
<input checked="" type="checkbox"/> Independent compensation consultant		
<input type="checkbox"/> Form 990 of other organizations		
<input checked="" type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.		
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?	5a	X
b Any related organization?	5b	X
If "Yes" to line 5a or 5b, describe in Part III.		
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?	6a	X
b Any related organization?	6b	X
If "Yes" to line 6a or 6b, describe in Part III.		
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2011

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

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

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 JOHN SERNULKA	(i)	243,112.	136,955.	29,194.	272,296.	18,248.	699,805.
	(ii)	0	0	0	0	0	0
2 LESLIE SIMMONS	(i)	254,441.	47,184.	28,054.	7,489.	18,537.	355,705.
	(ii)	0	0	0	0	0	0
3 KEVIN KELBLY	(i)	267,672.	52,971.	30,108.	11,632.	17,180.	379,563.
	(ii)	0	0	0	0	0	0
4 DAVID HORN	(i)	169,233.	34,999.	10,854.	5,453.	18,499.	239,038.
	(ii)	0	0	0	0	0	0
5 M ELLEN FINNERTY MYERS	(i)	185,011.	25,946.	11,495.	5,549.	886.	228,887.
	(ii)	0	0	0	0	0	0
6 KEVIN SMOTHERS	(i)	325,807.	65,784.	29,562.	4,103.	18,537.	443,793.
	(ii)	0	0	0	0	0	0
7 JOYCE ROMANS	(i)	181,379.	18,234.	11,912.	2,842.	12,236.	226,603.
	(ii)	0	0	0	0	0	0
8 TRACEY ELLISON	(i)	163,062.	24,303.	10,214.	0	0	197,579.
	(ii)	0	0	0	0	0	0
9 FLAVIO KRUTER	(i)	300,503.	105,671.	68,842.	0	9,947.	484,963.
	(ii)	0	0	0	0	0	0
10 JEROME MARAVE	(i)	220,839.	0	2,286.	4,114.	11,037.	238,276.
	(ii)	0	0	0	0	0	0
11 DAVID SALINGER	(i)	240,152.	49,842.	11,067.	403.	9,203.	310,667.
	(ii)	0	0	0	0	0	0
12 DEE HUBBARD	(i)	239,069.	24,823.	774.	464.	17,166.	282,296.
	(ii)	0	0	0	0	0	0
13 STEPHANIE REID	(i)	146,640.	17,970.	6,300.	5,962.	820.	177,692.
	(ii)	0	0	0	0	0	0
14 AMANDEEP SINGH	(i)	228,276.	16,562.	162.	1,193.	18,537.	264,730.
	(ii)	0	0	0	0	0	0
15 DAVID LOUDER	(i)	274,954.	34,888.	15,039.	1,225.	910.	327,016.
	(ii)	0	0	0	0	0	0
16	(i)						
	(ii)						

Part III Supplemental Information

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

PART I LINE 1A

THE HOSPITAL HAS TAKEN THE POSITION THAT IT WILL INCLUDE IN TAXABLE W-2 WAGES FOR THE PRESIDENT AND CFO CERTAIN BUSINESS EXPENSES THAT THE IRS MAY QUESTION AS NOT BEING TAX DEDUCTIBLE, SO LONG AS SUCH EXPENSES HAVE A DIRECT CONNECTION TO THE PROMOTION OF THE HOSPITAL'S HEALTH CARE SERVICES. FOR 2011, THESE EXPENSES WERE LESS THAN 3,000 IN AGGREGATE, FOR THE PRESIDENT AND CFO. HEALTH OR SOCIAL CLUB DUES OR INITIATION FEES FOR THE PRESIDENT WERE REIMBURSED BY THE HOSPITAL AND INCLUDED ON THE PRESIDENT'S W-2. THE AMOUNT OF THE REIMBURSED FEES WAS CONSIDERED IN THE PROCESS FOR DETERMINING THE PRESIDENT'S COMPENSATION.

NONQUALIFIED RETIREMENT PLAN

THE FOLLOWING EMPLOYEES PARTICIPATED IN THE ORGANIZATION'S 457(F) DEFERRED COMPENSATION PLANS AND WERE PAID AND/OR CREDITED WITH THE FOLLOWING AMOUNTS:

JOHN SERNULKA - 260,900

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2011

**Open to Public
Inspection**

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

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

Department of the Treasury
Internal Revenue Service

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A MARYLAND HEALTH AND HIGHER EDUCATION FAC AUTHORITY	52-0936091	574217B53	12/07/2006	36,179,115.	HOSPITAL RENOVATIONS AND EQUIPMENT		X		X		X
B MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	NONE	06/30/2010	15,000,000.	HOSPITAL RENOVATIONS AND EQUIPMENT		X		X		X
C MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	574218HJ5	05/31/2012	93,596,537.	REFUND 2002 BONDS, FAC ACQ, RENOVA		X		X		X
D											

Part II Proceeds

	A		B		C		D	
1 Amount of bonds retired			660,640.					
2 Amount of bonds legally defeased								
3 Total proceeds of issue	38,924,938.		15,000,000.		93,596,537.			
4 Gross proceeds in reserve funds	3,229,120.							
5 Capitalized interest from proceeds								
6 Proceeds in refunding escrows								
7 Issuance costs from proceeds	683,750.		255,500.		100,764.			
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds	35,012,068.		14,744,500.		9,022,546.			
11 Other spent proceeds					78,596,537.			
12 Other unspent proceeds					5,876,690.			
13 Year of substantial completion	2009		2010		2012			
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X		X	X			
15 Were the bonds issued as part of an advance refunding issue?		X		X		X		
16 Has the final allocation of proceeds been made?	X		X			X		
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X			

Part III Private Business Use

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule K (Form 990) 2011

Part III Private Business Use (Continued)

2006, 2010 AND 2012 BONDS

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X		X		X			
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X		X			
c Are there any research agreements that may result in private business use of bond-financed property?		X		X	X			
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?					X			
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		%		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		1.0000 %		1.0000 %		1.0000 %		%
6 Total of lines 4 and 5		1.0000 %		1.0000 %		1.0000 %		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X			

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		
2 Is the bond issue a variable rate issue?		X	X		X			
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?		X		X		X		
6 Did the bond issue qualify for an exception to rebate?	X		X		X			

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations Yes No

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

SUPPLEMENTAL INFORMATION

DIFFERENCES BETWEEN ISSUE PRICE REPORTED IN PART I, COLUMN E AND TOTAL

Part III Private Business Use (Continued)

2006, 2010 AND 2012 BONDS

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?								
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?								
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶		%		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶		%		%		%		%
6 Total of lines 4 and 5		%		%		%		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?								

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?								
2 Is the bond issue a variable rate issue?								
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?								
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?								
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5 Were any gross proceeds invested beyond an available temporary period?								
6 Did the bond issue qualify for an exception to rebate?								

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations Yes No

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

PROCEEDS REPORTED IN PART II, LINE 3 ARE ATTRIBUTABLE TO INVESTMENT

EARNINGS AND CHANGES IN AMOUNTS REQUIRED TO BE HELD IN RESERVE FUNDS.

SCHEDULE L
(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2011

Open To Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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

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

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

- 2 Enter the amount of tax imposed on 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, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1)										
(2)										
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
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 and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2011

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) KATHLEEN PALAIA	SISTER/DAUGHTER DIRECTOR	85,056.	EMPLOYEE OF THE HOSPITAL		X
(2) HEATHER SIMMONS	DAUGHTER OF AN OFFICER	72,217.	EMPLOYEE OF THE HOSPITAL		X
(3) CHELSEY SIMMONS	DAUGHTER OF AN OFFICER	29,884.	EMPLOYEE OF THE HOSPITAL		X
(4) ROBERT J BEAUVAIS	SON-IN-LAW OF AN OFFICER	52,916.	EMPLOYEE OF THE HOSPITAL		X
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

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

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

FAMILY OR BUSINESS RELATIONSHIP

PART VI LINE 2

CHARLES FISHER SR AND CHARLES FISHER JR HAVE A FATHER/SON RELATIONSHIP.

CHARLES FISHER SR AND CHARLES FISHER JR HAVE A BUSINESS RELATIONSHIP.

MIRIAM BECK AND JEFF WOTHERS HAVE A MOTHER-N-LAW/SON-N-LAW RELATIONSHIP.

DESCRIPTION OF REVIEW PROCESS

PART VI LINE 11

THE HOSPITAL'S FORM 990 IS REVIEWED IN DETAIL BETWEEN THE PREPARER, AN OUTSIDE ACCOUNTING FIRM, AND THE FINANCE DEPARTMENT OF THE HOSPITAL. A COPY OF THE DRAFT FORM 990 IS PRESENTED TO THE HOSPITAL'S RISK, AUDIT AND COMPLIANCE ("RAC") COMMITTEE, AT WHICH TIME RAC COMMITTEE MEMBERS MAY ASK ANY QUESTIONS OR PROVIDE COMMENTS REGARDING THE DRAFT FORM 990. PRIOR TO FILING THE FORM 990, THE HOSPITAL PROVIDES A COPY OF THE FORM 990 TO EACH MEMBER OF THE BOARD OF DIRECTORS FOR THEIR REVIEW, QUESTIONS, AND COMMENTS, WHICH FEEDBACK IS THEN INCORPORATED INTO THE FILED FORM 990.

CONFLICTS MONITORING AND ENFORCEMENT

PART VI LINE 12C

THE CONFLICT OF INTEREST POLICY APPLIES TO CARROLL HOSPITAL CENTER AND ITS DIRECT AND INDIRECT SUBSIDIARIES AND PARENT ORGANIZATION.

REVIEW OF DISCLOSURE STATEMENTS/REPORT TO THE BOARD. THE CHIEF EXECUTIVE OFFICER OF THE HOSPITAL ORGANIZATION, THE GOVERNANCE COMMITTEE AND THE CORPORATE COMPLIANCE OFFICER SHALL REVIEW THE MATTERS DISCLOSED IN THE

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

DISCLOSURE STATEMENTS AND SHALL SUBMIT TO THE HOSPITAL ORGANIZATION'S BOARD OF DIRECTORS AN ANNUAL SUMMARY OR SPREADSHEET OF THE DISCLOSURES AND HIS OR HER RECOMMENDATION FOR THE RESOLUTION OF ANY CONFLICTS DISCLOSED. IN FORMULATING RECOMMENDATIONS, THE CHIEF EXECUTIVE OFFICER SHALL CONSULT WITH APPROPRIATE OFFICERS OF THE HOSPITAL ORGANIZATION AND COUNSEL AS NECESSARY. THE BOARD OF DIRECTORS OF THE HOSPITAL ORGANIZATION, ACTING IN THE BEST INTERESTS OF THE HOSPITAL ORGANIZATION, SHALL HAVE SOLE DISCRETION TO MAKE ALL FINAL DECISIONS REGARDING CONFLICTS OF INTEREST, OTHER THAN THOSE REGARDING GIFTS TO HOSPITAL ORGANIZATION EMPLOYEES WHICH SHALL BE RESOLVED BY THE APPROPRIATE SUPERVISORY EXECUTIVE. HOWEVER, NO PERSON SHALL BE INVOLVED IN CONSIDERING THE EXISTENCE OF AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST, IN THE MANAGEMENT AND OVERSIGHT OF A CONFLICT RELATIONSHIP, OR IN THE DETERMINATION OF DISCIPLINE FOR VIOLATIONS OF THIS POLICY, IF THAT PERSON IS A PARTY OR POTENTIAL PARTY TO THAT CONFLICT. ALL FINAL DECISIONS REGARDING CONFLICTS OF INTEREST SHALL BE REFLECTED IN A REVISED ANNUAL SUMMARY OR SPREADSHEET OF CONFLICT DISCLOSURES WHICH WILL BE SHARED WITH EACH DIRECTOR. THE CHAIR AND VICE-CHAIR OF THE BOARD, AND ALL BOARD COMMITTEE CHAIRS, SHALL HAVE THIS REVISED SUMMARY OR SPREADSHEET AVAILABLE AT THE TIME OF ALL BOARD AND BOARD COMMITTEE MEETINGS IN CASE A MATTER INVOLVING A POTENTIAL CONFLICT ARISES. CONFLICT OF INTEREST RECUSAL PROCEDURE FOR BOARD MEETINGS WHENEVER A HOSPITAL ORGANIZATIONS' BOARD OR BOARD COMMITTEE IS TO CONSIDER A TRANSACTION OR AN ARRANGEMENT WITH ANOTHER ORGANIZATION, ENTITY OR INDIVIDUAL IN WHICH OR WITH WHOM A PERSON COVERED BY THIS POLICY HAS A

Name of the organization

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RELATIONSHIP CREATING AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST, THE FOLLOWING PROCEDURES SHALL BE EMPLOYED: A. THE INTERESTED PERSON MUST FULLY DISCLOSE THE ACTUAL OR POTENTIAL CONFLICT OF INTEREST TO THE BOARD; B. THE INTERESTED PERSON SHOULD BE ASKED TO LEAVE THE MEETING DURING DISCUSSION OF THE POTENTIAL CONFLICT AND ANY RELATED VOTES, BUT THE INTERESTED PERSON MAY MAKE A STATEMENT OR ANSWER ANY QUESTIONS ON THE MATTER BEFORE DEPARTING THE MEETING; C.

IF APPROPRIATE, THE BOARD OR BOARD COMMITTEE MAY APPOINT A NON-INTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT; D. TO CONSIDER THE PROPOSED TRANSACTION OR ARRANGEMENT, THE BOARD MUST: 1. FIND, BY A MAJORITY VOTE OF DIRECTORS THEN IN OFFICE, NOT COUNTING THE INTERESTED PERSON, THAT THE PROPOSED TRANSACTION OR ARRANGEMENT IS IN THE HOSPITAL ORGANIZATION'S BEST INTEREST AND FOR THE HOSPITAL ORGANIZATION'S OWN BENEFIT, IT IS FAIR AND REASONABLE, AND THAT, AFTER REASONABLE INVESTIGATION, THE HOSPITAL ORGANIZATION CANNOT OBTAIN A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT USING REASONABLE EFFORTS; AND

2. VOTE ON THE TRANSACTION OR ARRANGEMENT, APPROVAL REQUIRING A MAJORITY VOTE OF DIRECTORS THEN IN OFFICE, NOT COUNTING THE INTERESTED PERSON. E. THE MINUTES SHOULD INCLUDE: (1) THE NAME OF THE PERSON DISCLOSING THE CONFLICT OF INTEREST AND A DESCRIPTION OF THE CONFLICT; (2) THE BOARD'S DETERMINATION OF WHETHER THERE IS A CONFLICT; (3) THE NAMES AND VOTES OF PERSONS PRESENT FOR THE DISCUSSIONS AND VOTES RELATING TO THE TRANSACTION OR ARRANGEMENT; AND (4) THE CONTENT OF THOSE DISCUSSIONS INCLUDING THE BOARD'S DETERMINATION OF WHETHER OR

Name of the organization

CARROLL HOSPITAL CENTER, INC.

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NOT THE TRANSACTION OR ARRANGEMENT IS IN THE HOSPITAL ORGANIZATION'S BEST INTEREST, FAIR AND REASONABLE, AND THE BEST REASONABLY AVAILABLE ALTERNATIVE ONGOING DUTY TO DISCLOSE ONE'S OWN OR OTHERS' CONFLICTS OF INTEREST. AS AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST CAN ARISE AT ANY TIME, ANY ACTUAL OR POTENTIAL CONFLICT MUST BE DISCLOSED PROMPTLY IN WRITING BY USE OF A SUPPLEMENTAL DISCLOSURE STATEMENT, AS SOON AS ITS EXISTENCE IS OR SHOULD BE KNOWN. IF A PERSON IS IN DOUBT ABOUT A SITUATION, THE PERSON SHOULD CONSULT WITH THE CHIEF EXECUTIVE OFFICER, BOARD CHAIRMAN OR THE HOSPITAL ORGANIZATION'S COMPLIANCE OFFICER. PERSONS SHOULD ERR ON THE SIDE OF DISCLOSURE SO THAT A CONFLICT OF INTEREST ASSESSMENT CAN BE MADE. THE POTENTIAL CONFLICT WILL BE REFERRED TO THE GOVERNANCE COMMITTEE FOR REVIEW AND A RESPONSE WILL BE PROVIDED WITHIN 14 DAYS. NONCOMPLIANCE WITH THE POLICY: THE ORGANIZATION'S BOARD OF DIRECTORS RETAINS BROAD POWER AND SOLE DISCRETION UNDER THIS POLICY TO: (1) DETERMINE THE EXISTENCE OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST; (2) SUBJECT CONFLICT OF INTEREST RELATIONSHIPS TO APPROPRIATE OVERSIGHT, MANAGEMENT, CONDITIONS, RESTRICTIONS AND PROHIBITIONS; AND (3) IMPOSE APPROPRIATE SANCTIONS. A BREACH OF THIS POLICY CAN BECOME GROUNDS FOR DISCIPLINE, UP TO AND INCLUDING REMOVAL FROM OFFICE OR, FOR MANAGEMENT PERSONNEL, TERMINATION OF EMPLOYMENT. IT MAY ALSO RESULT IN CESSATION OF BUSINESS WITH A VENDOR AND IN LIABILITY FOR DAMAGES. GROUNDS FOR DISCIPLINE INCLUDE, BUT ARE NOT LIMITED TO:

A. WILLFUL FAILURE TO SIGN AND RETURN THE CONFLICT OF INTEREST DISCLOSURE STATEMENT IN ACCORD WITH THIS POLICY; B. A MATERIAL MISSTATEMENT OR OMISSION IN THE DISCLOSURE STATEMENT;

Name of the organization

CARROLL HOSPITAL CENTER, INC.

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C. WILLFUL FAILURE TO DISCLOSE AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST AT ANY TIME IN ACCORD WITH THE REQUIREMENTS OF THIS POLICY;

D. WILLFUL PARTICIPATION IN A VOTE OR DECISION INVOLVING A TRANSACTION WHICH RAISES AN UNDISCLOSED CONFLICT OF INTEREST; OR

E. WILLFUL DISCLOSURE OR USE OF CONFIDENTIAL INFORMATION REGARDING THE AFFAIRS, BUSINESS OR PLANS OF A HOSPITAL ORGANIZATION FOR ANY PURPOSE OTHER THAN IN FURTHERANCE OF THE AFFAIRS AND BEST INTERESTS OF THE HOSPITAL ORGANIZATION.

PROCESS FOR DETERMINING COMPENSATION

PART VI LINE 15

THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS OF CARROLL HOSPITAL CENTER, WHICH IS COMPRISED OF INDEPENDENT BOARD MEMBERS DETERMINED TO BE FREE OF ANY CONFLICT OF INTEREST, IS CHARGED WITH DETERMINING EXECUTIVE COMPENSATION AND ESTABLISHING PERFORMANCE CRITERIA ACCORDING TO AN APPROVED COMPENSATION PHILOSOPHY. THE COMMITTEE WORKS WITH AN INDEPENDENT EXECUTIVE COMPENSATION CONSULTING AND ADVISORY FIRM, YAFFE & COMPANY, THAT PROVIDES MARKET SURVEY DATA CONCERNING COMPENSATION AND BENEFIT LEVELS FOR FUNCTIONALLY COMPARABLE HEALTHCARE EXECUTIVES IN SIMILAR HOSPITALS ACROSS THE REGION AND THE NATION BASED ON SEVERAL FACTORS INCLUDING SIZE, GEOGRAPHY, HOSPITAL TYPE AND COMPLEXITY. THE COMMITTEE REVIEWS AND APPROVES THE COMPENSATION OF THE SENIOR EXECUTIVES AND ENSURES THAT ALL FORMS OF EXECUTIVE COMPENSATION ARE REASONABLE, APPROPRIATE AND CONSISTENT WITH ITS COMPENSATION PHILOSOPHY. THE COMMITTEE CONTEMPORANEOUSLY DOCUMENTS ITS DECISIONS IN MEETING MINUTES.

Name of the organization

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DOCUMENT AVAILABILITY

PART VI, LINE 19

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST
POLICY AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

RECONCILIATION OF NET ASSETS

PART XI, LINE 5

UNREALIZED LOSS	\$(1,776,104)
BOOK/TAX DIFFERENCE K-1	(2,133,773)
INTEREST RATE ADJUST ON INVEST	(11,115,765)
CHANGES TO INVESTMENT	130,967
INVESTMENT IN CC MED-SERVICES	(14,809,540)

TOTAL	\$(29,704,215)

ATTACHMENT 1FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT,
COMPASSIONATE CARE, AND EXPERT GUIDANCE IN MAINTAINING THEIR HEALTH
AND WELL-BEING. AT CARROLL HOSPITAL CENTER, WE OFFER AN
UNCOMPROMISING COMMITMENT TO THE HIGHEST QUALITY HEALTH CARE
EXPERIENCE FOR PEOPLE IN ALL STAGES OF LIFE. WE ARE THE HEART OF
HEALTH CARE IN OUR COMMUNITIES.

ATTACHMENT 2FORM 990, PART III - PROGRAM SERVICE, LINE 4A

CARROLL HOSPITAL CENTER, A 189 LICENSED BED ACUTE CARE FACILITY

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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ATTACHMENT 2 (CONT'D)

LOCATED IN WESTMINSTER, MARYLAND OFFERS THE LATEST IN MEDICAL TECHNOLOGY AND SERVICES, COMBINED WITH A STATE-OF-THE-ART FACILITY AND TOP-NOTCH, SKILLED MEDICAL PROFESSIONALS, CARING FOR PATIENTS WITH COMPASSION. CURRENTLY, THERE ARE MORE THAN 400 PHYSICIANS REPRESENTING 38 SPECIALTIES ON OUR MEDICAL STAFF IN ADDITION TO OVER 1,700 INDIVIDUALS EMPLOYED BY THE HOSPITAL - MAKING CHC THE SECOND LARGEST EMPLOYER IN CARROLL COUNTY. THE ORGANIZATION OPERATES AN ACUTE CARE HOSPITAL SERVING THE COMMUNITIES LOCATED IN CARROLL AND SURROUNDING COUNTIES AS WELL AS PARTS OF PENNSYLVANIA.

IN ACCORDANCE WITH OUR TAX-EXEMPT FUNCTION THE ORGANIZATION OPERATES AN EMERGENCY ROOM OPEN TO ALL PERSONS REGARDLESS OF THEIR ABILITY TO PAY AND HAD OVER 56,600 PATIENT VISITS LAST YEAR. THE HOSPITAL PARTICIPATES IN MEDICARE AND MEDICAID PROGRAMS, HAS A GOVERNING BODY COMPRISED OF INDEPENDENT PERSONS REPRESENTATIVE OF THE COMMUNITY, ALL FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION AND ITS MEDICAL STAFF IS OPEN TO ALL QUALIFIED PHYSICIANS IN THE AREA. AS THE ONLY HOSPITAL IN CARROLL COUNTY, WE OFFER OUR COMMUNITY A FULL ARRAY OF SERVICES INCLUDING, EMERGENCY SERVICES, COMPREHENSIVE CANCER CARE, PEDIATRICS, MATERNITY, GERIATRICS, THE LATEST MINIMALLY INVASIVE SURGICAL PROCEDURES AND ADVANCED TOTAL AND PARTIAL JOINT REPLACEMENT PROCEDURES. IN THE YEAR ENDING JUNE 2012, CARROLL HOSPITAL CENTER RECORDED 15,083 INPATIENT ADMISSIONS AND OBSERVATION STAY CASES, 1,128 BIRTHS AND APPROXIMATELY 8,500 SURGICAL PROCEDURES, ALL CONTRIBUTING TO A

Name of the organization

CARROLL HOSPITAL CENTER, INC.

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ATTACHMENT 2 (CONT'D)

TOTAL OF 330,000 PATIENT ENCOUNTERS FOR THE PERIOD. IN LINE WITH OUR MISSION-"OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT, COMPASSIONATE CARE, AND EXPERT GUIDANCE IN MAINTAINING THEIR HEALTH AND WELL-BEING. AT CARROLL HOSPITAL CENTER, WE OFFER AN UNCOMPROMISING COMMITMENT TO THE HIGHEST QUALITY HEALTH CARE EXPERIENCE FOR PEOPLE IN ALL STAGES OF LIFE. WE ARE THE HEART OF HEALTH CARE IN OUR COMMUNITIES." - THE HOSPITAL ALSO PROVIDES PLANNED COMMUNITY BENEFIT ACTIVITIES TO IMPROVE ACCESS TO HEALTH CARE AND IMPROVE THE OVERALL HEALTH OF OUR COMMUNITY. OUR MISSION IS PURSUED IN COLLABORATION WITH OUR RELATED ORGANIZATIONS: CARROLL COUNTY HEALTH SERVICES, CARROLL HOSPICE, THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY (OUR COMMUNITY ADVOCACY ARM), AND THE CARROLL HOSPITAL CENTER FOUNDATION (ALSO LISTED IN PART VI) FOR MORE INFORMATION ON THESE SUBSIDIARIES, PLEASE SEE THEIR INDIVIDUAL FORMS 990.

ATTACHMENT 3FORM 990, PART VII, COLUMN B - ESTIMATED AVERAGE PER WEEK

NAME AND TITLE	HOURS DEVOTED FOR RELATED ORGANIZATION
CHARLES O FISHER JR DIRECTOR	1.00
MIRIAM BECK DIRECTOR	1.00
ETHAN SEIDEL DIRECTOR	1.00
JOHN SERNULKA PRESIDENT	5.00
KIMBERLY JOHNSTON MD BOARD MEMBER	1.00
HAROLD WALSH BOARD MEMBER	1.00

Name of the organization

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ATTACHMENT 3 (CONT'D)

HELEN W WHITEHEAD	
BOARD MEMBER	1.00
SYED HOSAIN MD	
BOARD MEMBER	0
THOMAS WELLLIVER	
BOARD MEMBER	1.00
JEFFREY A WOTHERS	
BOARD MEMBER	1.00
W DENNIS THOMAS	
BOARD MEMBER	1.00
GERALD LEE STURGILL	
BOARD MEMBER	2.00
LARRY VAN SANT SR	
BOARD MEMBER	1.00
JOHN STEERS MD	
BOARD MEMBER	1.00
MARTIN HILL	
BOARD MEMBER	1.00
CHARLES O FISHER, SR	
DIRECTOR	1.00
CHRISTOS BALLAS	
DIRECTOR	1.00
STEPHAN HOCHULI, MD	
DIRECTOR	1.00
PAULA LANGMEAD	
DIRECTOR	1.00
JACK TEVIS	
DIRECTOR	1.00
LESLIE SIMMONS	
CHIEF OPERATING OFFICER	2.00
KEVIN KELBLY	
SR VP FINANCE CFO	6.00
KEVIN SMOTHERS	
CHIEF MEDICAL OFFICER	0
STEPHANIE REID	
ASSISTANT VICE PRESIDENT	0
DAVID HORN	
VICE PRESIDENT	0
M ELLEN FINNERTY MYERS	
VICE PRESIDENT	20.00
JOYCE ROMANS	
VICE PRESIDENT	0
TRACEY ELLISON	
VICE PRESIDENT	0
DAVID LOUDER	
VICE PRESIDENT	0
FLAVIO KRUTER	
PHYSICIAN	2.00
JEROME MARAVE	
PHYSICIAN	0
DAVID SALINGER	
PHYSICIAN	1.00

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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ATTACHMENT 3 (CONT'D)

DEE HUBBARD PHYSICIAN	0
AMANDEEP SINGH PHYSICIAN	0

ATTACHMENT 4

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
CENTRAL MD REHABILITATION 4259 HARNEY RD TANEYTOWN, MD 21787	PHYSICAL THERAPY	3,005,060.
CARROLL COUNTY ANES ASSOCIATION PO BOX 75193 BALTIMORE, MD 21275	ANESTHESIA SERVICES	1,800,339.
CARROLL COUNTY RADIOLOGY 7253 AMBASSADOR RD BALTIMORE, MD 21244	RADIOLOGY SERVICES	712,075.
DIGITRACE CARE SERVICES 200 CORPORATE PLACE PEABODY, MA 01960	NEUROLOGY SERVICES	653,150.
HEALTHCARES INFORMATION EDGE LLC P.O. BOX 462 CHURCHVILLE, MD 21028	CONSULTING	652,426.
	TOTAL COMPENSATION	<u>6,823,050.</u>

ATTACHMENT 5

FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
K-1 CARROLL COUNTY RADIOLOGY	1,774,521.			1,774,521.
K-1 PREMIER PURCHASING	384,597.		5,111.	379,486.
K-1 VALSTONE OPPORTUNITY FUND III AIV	1,153.			1,153.

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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ATTACHMENT 5 (CONT'D)FORM 990, PART VIII - INVESTMENT INCOME

DESCRIPTION	(A) TOTAL REVENUE	(B) RELATED OR EXEMPT REVENUE	(C) UNRELATED BUSINESS REV.	(D) EXCLUDED REVENUE
INVESTMENT INCOME	2,014,590.			2,014,590.
K-1 FRIESS SMALL CAP TRUST	169,150.			169,150.
K-1 OAKTREE JAPAN OPPORTUNITIES	8,954.			8,954.
K-1 CARROLL MEDICAL OFFICE ASSOCIATES	252,844.			252,844.
K-1 WMS INCOME OPPORTUNITY FUND	25,452.			25,452.
K-1 CHESAPEAKE INVESTMENTS III	-44,401.		-66,467.	22,066.
K-1 MT AIRY HEALTH SERVICES	3,636.			3,636.
K-1 COMP CLAIM MANAGEMENT	3,470.			3,470.
TOTALS	<u>4,593,966.</u>		<u>-61,356.</u>	<u>4,655,322.</u>

ATTACHMENT 6FORM 990, PART IX - OTHER EXPENSES

DESCRIPTION	(A) TOTAL EXPENSES	(B) PROGRAM SERVICE EXP.	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING EXPENSES
SUPPLIES	710,595.	678,383.	32,212.	
REPAIRS AND MAINT	1,325,580.	1,279,640.	45,940.	
DUES BOOKS AND SUBS	1,795,641.	343,363.	1,452,278.	
LICENSES AND TAXES	73,834.	25,932.	47,902.	
TELEPHONE AND CABLE	338,375.	63,196.	275,179.	
EQUIPMENT RENTALS	1,212,791.	791,613.	421,178.	
PROFESSIONAL FEES	11,078,083.	9,187,491.	1,890,592.	
BAD DEBTS	8,854,060.	8,854,060.		
K-1 GREENSPRING GLOBAL	9,333.		9,333.	
K-1 COLONIAL REGIONAL ALLIANCE	20,202.		20,202.	

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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ATTACHMENT 6 (CONT'D)

FORM 990, PART IX - OTHER EXPENSES

<u>DESCRIPTION</u>	(A) <u>TOTAL EXPENSES</u>	(B) <u>PROGRAM SERVICE EXP.</u>	(C) <u>MANAGEMENT AND GENERAL EXPENSES</u>	(D) <u>FUNDRAISING EXPENSES</u>
K-1 SEAMARK FUND	53,944.		53,944.	
BANK CHARGES	128,259.		128,259.	
LOSS ON EARLY EXTINGUISH DEBT	908,272.		908,272.	
TOTALS	<u>26,508,969.</u>	<u>21,223,678.</u>	<u>5,285,291.</u>	

ATTACHMENT 7

FORM 990, PART X - NOTES AND LOANS RECEIVABLE

BORROWER: DR ANYADIKE
 ORIGINAL AMOUNT: 50,000.
 DATE OF NOTE: 06/30/2010
 REPAYMENT TERMS: LOAN TO BE FORGIVEN ON PRORATED BASIS OVER 2 YEARS
 SECURITY PROVIDED: PATIENT ACCOUNTS REC FURNITURE SUPPLIES EQUIPMENT
 PURPOSE OF LOAN: RECRUITMENT LOAN

BEGINNING BALANCE DUE	50,000.
ENDING BALANCE DUE	
TOTAL BEGINNING NOTES AND LOANS RECEIVABLE	<u>50,000.</u>
TOTAL ENDING NOTES AND LOANS RECEIVABLES	<u></u>

ATTACHMENT 8

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
PREPAID INSURANCE	138,001.
PREPAID DUES	325,648.
PREPAID SECURITY DEPOSIT	76,000.

Name of the organization

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ATTACHMENT 8 (CONT'D)FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
PREPAID SERVICE CONTRACT	2,441,540.
PREPAID OTHER	53,480.
TOTALS	<u>3,034,669.</u>

ATTACHMENT 9FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
GOVT AND CORPORATE BONDS	24,343,000.	FMV
MUTUAL FUNDS IN EQUITY SEC	19,599,335.	FMV
TOTALS	<u>43,942,335.</u>	

ATTACHMENT 10FORM 990, PART X - DEFERRED REVENUE

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
DEF REV HOME CARE MEDICARE	167,882.
DEF REVENUE MOB	750,000.
TOTALS	<u>917,882.</u>

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

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

▶ **Attach to Form 990.**

▶ **See separate instructions.**

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) CARROLL HOSPITAL CENTER MOB INVEST LLC 27-1528355 200 MEMORIAL AVENUE WESTMINSTER, MD 21157	INVESTMENTS	MD	0	1,414,177.	CHC
(2) CARROLL REGIONAL CANCER CTR PHYSICIANS 45-2463175 200 MEMORIAL AVE WESTMINSTER, MD 21157	HEALTH CARE	MD	1,184,772.	637,112.	CHC
(3) -----					
(4) -----					
(5) -----					
(6) -----					

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) CARROLL COUNTY HEALTH SERVICES INC 52-0691413 200 MEMORIAL AVE WESTMINSTER, MD 21157	SUPPORT ORG	MD	501 (C) (3)	509 (A) (3)	N/A		X
(2) CARROLL HOSPITAL CENTER FOUNDATION INC 52-1115038 200 MEMORIAL AVE WESTMINSTER, MD 21157	FOUNDATION	MD	501 (C) (3)	503 (A) (3)	CHC	X	
(3) CARROLL HOSPICE INC 52-1565870 292 STONER AVE WESTMINSTER, MD 21157	HOSPICE	MD	501 (C) (3)	170 (B) (1A)	CCHS	X	
(4) PARTNERSHIP FOR A HEALTHIER CARROLL CTY 52-2156892 535 OLD WESTMINSTER PIKE WESTMINSTER, MD 21157	HEALTH SERVIC	MD	501 (C) (3)	170B1 (A) VI	N/A		X
(5) -----							
(6) -----							
(7) -----							

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2011

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) CC RADIOLOGY LLC 52-2190849 7253 AMBASSADOR RD	RADIOLOGY	MD	CARROLL HOSP CT		21,607,496.	14,398,826.		X				60.0000
(2) CARROLL CARE PHARMACIES LLC 20 95 CARROLL STREET SUITE 104	PHARMACY	MD	CC MED-SERVICES									
(3) CARROLL OCCUPATIONAL HEALTH LL 7001 CORPORATE CENTER CT	OCCUPATIONAL HLTH	MD	CC MED-SERVICES									
(4) -----												
(5) -----												
(6) -----												
(7) -----												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) CARROLL COUNTY MED SERVICES INC 52-1891102 200 MEMORIAL AVE WESTMINSTER, MD 21157	MEDICAL SERVI	MD	CCHS	C CORP			
(2) CEN-MAR ASSURANCE CO 98-6011607 PO BOX 1085 KY1-1102 GRAND CAYMAN, CJ	INSURANCE	CJ	CHC	C CORP	2,548,146.	11,805,824.	100.0000
(3) CARROLL HEALTH GROUP 27-1956453 200 MEMORIAL AVE WESTMINSTER, MD 21157	HEALTH CARE	MD	CC MED-SERVICES	C CORP			
(4) -----							
(5) -----							
(6) -----							
(7) -----							

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, 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	X	
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Sale of assets to related organization(s)		X
g Purchase of assets from related organization(s)		X
h Exchange of assets with related organization(s)		X
i Lease of facilities, equipment, or other assets to related organization(s)	X	
j Lease of facilities, equipment, or other assets from related organization(s)		X
k Performance of services or membership or fundraising solicitations for related organization(s)		X
l Performance of services or membership or fundraising solicitations by related organization(s)		X
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
n Sharing of paid employees with related organization(s)	X	
o Reimbursement paid to related organization(s) for expenses		X
p Reimbursement paid by related organization(s) for expenses	X	
q Other transfer of cash or property to related organization(s)	X	
r Other transfer of cash or property from related organization(s)	X	

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) CARROLL HOSPITAL CENTER FOUNDATION	C	925,000.	FMV
(2) CEN-MAR	P	399,440.	FMV
(3) CARROLL COUNTY MED SERVICES	A, N, P	1,074,759.	FMV
(4)			
(5)			
(6)			

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 section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													
(2) -----													
(3) -----													
(4) -----													
(5) -----													
(6) -----													
(7) -----													
(8) -----													
(9) -----													
(10) -----													
(11) -----													
(12) -----													
(13) -----													
(14) -----													
(15) -----													
(16) -----													

Part VII **Supplemental Information**

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

RENT AND ROYALTY INCOME

Taxpayer's Name CARROLL HOSPITAL CENTER, INC.	Identifying Number 52-1452024
---	---

DESCRIPTION OF PROPERTY
PHYSICIAN OFFICE RENT-DIXON

Yes	No	Did you actively participate in the operation of the activity during the tax year?
-----	----	--

TYPE OF PROPERTY:

REAL RENTAL INCOME	14,850.	
OTHER INCOME:		
TOTAL GROSS INCOME		14,850.
OTHER EXPENSES:		
DEPRECIATION (SHOWN BELOW)		
LESS: Beneficiary's Portion		
AMORTIZATION		
LESS: Beneficiary's Portion		
DEPLETION		
LESS: Beneficiary's Portion		
TOTAL EXPENSES		
TOTAL RENT OR ROYALTY INCOME (LOSS)		14,850.

Less Amount to

Rent or Royalty	
Depreciation	
Depletion	
Investment Interest Expense	
Other Expenses	
Net Income (Loss) to Others	

Net Rent or Royalty Income (Loss) 14,850.

Deductible Rental Loss (if Applicable) _____

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des.	(e) Bus. %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

RENT AND ROYALTY INCOME

Taxpayer's Name CARROLL HOSPITAL CENTER, INC.	Identifying Number 52-1452024
---	---

DESCRIPTION OF PROPERTY
WOMAN'S CENTER RENT

Yes	No	Did you actively participate in the operation of the activity during the tax year?
-----	----	--

TYPE OF PROPERTY:		
REAL RENTAL INCOME	3,060.	
OTHER INCOME:		
TOTAL GROSS INCOME		3,060.
OTHER EXPENSES:		
DEPRECIATION (SHOWN BELOW)		
LESS: Beneficiary's Portion		
AMORTIZATION		
LESS: Beneficiary's Portion		
DEPLETION		
LESS: Beneficiary's Portion		
TOTAL EXPENSES		
TOTAL RENT OR ROYALTY INCOME (LOSS)		3,060.

Less Amount to		
Rent or Royalty		
Depreciation		
Depletion		
Investment Interest Expense		
Other Expenses		
Net Income (Loss) to Others		
Net Rent or Royalty Income (Loss)		3,060.
Deductible Rental Loss (if Applicable)		

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des.	(e) Bus. %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

RENT AND ROYALTY INCOME

Taxpayer's Name CARROLL HOSPITAL CENTER, INC.	Identifying Number 52-1452024
---	---

DESCRIPTION OF PROPERTY
DIXON IMAGING CENTER

Yes	No	Did you actively participate in the operation of the activity during the tax year?
-----	----	--

TYPE OF PROPERTY:

REAL RENTAL INCOME	11,975.
OTHER INCOME:	
TOTAL GROSS INCOME	
	11,975.

OTHER EXPENSES:	

DEPRECIATION (SHOWN BELOW)					
LESS: Beneficiary's Portion					
AMORTIZATION					
LESS: Beneficiary's Portion					
DEPLETION					
LESS: Beneficiary's Portion					
TOTAL EXPENSES					
TOTAL RENT OR ROYALTY INCOME (LOSS)					11,975.

Less Amount to

Rent or Royalty	_____
Depreciation	_____
Depletion	_____
Investment Interest Expense	_____
Other Expenses	_____
Net Income (Loss) to Others	_____
Net Rent or Royalty Income (Loss)	11,975.

Deductible Rental Loss (if Applicable)

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des.	(e) Bus. %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

RENT AND ROYALTY INCOME

Taxpayer's Name CARROLL HOSPITAL CENTER, INC.	Identifying Number 52-1452024
---	---

DESCRIPTION OF PROPERTY
FISHER BUILDING

Yes	No	Did you actively participate in the operation of the activity during the tax year?
-----	----	--

TYPE OF PROPERTY:	
REAL RENTAL INCOME	10,976.
OTHER INCOME:	
TOTAL GROSS INCOME	10,976.
OTHER EXPENSES:	
DEPRECIATION (SHOWN BELOW)	
LESS: Beneficiary's Portion	
AMORTIZATION	
LESS: Beneficiary's Portion	
DEPLETION	
LESS: Beneficiary's Portion	
TOTAL EXPENSES	
TOTAL RENT OR ROYALTY INCOME (LOSS)	10,976.

Less Amount to	
Rent or Royalty	
Depreciation	
Depletion	
Investment Interest Expense	
Other Expenses	
Net Income (Loss) to Others	
Net Rent or Royalty Income (Loss)	10,976.
Deductible Rental Loss (if Applicable)	

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des.	(e) Bus. %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

RENT AND ROYALTY INCOME

Taxpayer's Name CARROLL HOSPITAL CENTER, INC.	Identifying Number 52-1452024
---	---

DESCRIPTION OF PROPERTY
SUBWAY

Yes	No	Did you actively participate in the operation of the activity during the tax year?
-----	----	--

TYPE OF PROPERTY:	
REAL RENTAL INCOME	22,308.
OTHER INCOME:	
TOTAL GROSS INCOME	22,308.
OTHER EXPENSES:	
DEPRECIATION (SHOWN BELOW)	
LESS: Beneficiary's Portion	
AMORTIZATION	
LESS: Beneficiary's Portion	
DEPLETION	
LESS: Beneficiary's Portion	
TOTAL EXPENSES	
TOTAL RENT OR ROYALTY INCOME (LOSS)	22,308.

Less Amount to	
Rent or Royalty	
Depreciation	
Depletion	
Investment Interest Expense	
Other Expenses	
Net Income (Loss) to Others	
Net Rent or Royalty Income (Loss)	22,308.
Deductible Rental Loss (if Applicable)	

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des.	(e) Bus. %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

RENT AND ROYALTY INCOME

Taxpayer's Name CARROLL HOSPITAL CENTER, INC.	Identifying Number 52-1452024
---	---

DESCRIPTION OF PROPERTY
FISHER RENT HOCHBERG KRAKER

Yes	No	Did you actively participate in the operation of the activity during the tax year?
-----	----	--

TYPE OF PROPERTY:		
REAL RENTAL INCOME	167,700.	
OTHER INCOME:		
TOTAL GROSS INCOME		167,700.
OTHER EXPENSES:		
DEPRECIATION (SHOWN BELOW)		
LESS: Beneficiary's Portion		
AMORTIZATION		
LESS: Beneficiary's Portion		
DEPLETION		
LESS: Beneficiary's Portion		
TOTAL EXPENSES		
TOTAL RENT OR ROYALTY INCOME (LOSS)		167,700.

Less Amount to		
Rent or Royalty		
Depreciation		
Depletion		
Investment Interest Expense		
Other Expenses		
Net Income (Loss) to Others		
Net Rent or Royalty Income (Loss)		167,700.
Deductible Rental Loss (if Applicable)		

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des.	(e) Bus. %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

RENT AND ROYALTY INCOME

Taxpayer's Name CARROLL HOSPITAL CENTER, INC.	Identifying Number 52-1452024
---	---

DESCRIPTION OF PROPERTY
FISHER RENT HOTELING

Yes	No	Did you actively participate in the operation of the activity during the tax year?
-----	----	--

TYPE OF PROPERTY:		
REAL RENTAL INCOME	51,924.	
OTHER INCOME:		
TOTAL GROSS INCOME		51,924.
OTHER EXPENSES:		
DEPRECIATION (SHOWN BELOW)		
LESS: Beneficiary's Portion		
AMORTIZATION		
LESS: Beneficiary's Portion		
DEPLETION		
LESS: Beneficiary's Portion		
TOTAL EXPENSES		
TOTAL RENT OR ROYALTY INCOME (LOSS)		51,924.

Less Amount to		
Rent or Royalty		
Depreciation		
Depletion		
Investment Interest Expense		
Other Expenses		
Net Income (Loss) to Others		
Net Rent or Royalty Income (Loss)		51,924.
Deductible Rental Loss (if Applicable)		

SCHEDULE FOR DEPRECIATION CLAIMED

(a) Description of property	(b) Cost or unadjusted basis	(c) Date acquired	(d) ACRS des.	(e) Bus. %	(f) Basis for depreciation	(g) Depreciation in prior years	(h) Method	(i) Life or rate	(j) Depreciation for this year
Totals									

RENT AND ROYALTY SUMMARY

<u>PROPERTY</u>	<u>TOTAL INCOME</u>	<u>DEPLETION/ DEPRECIATION</u>	<u>OTHER EXPENSES</u>	<u>ALLOWABLE NET INCOME</u>
PHYSICIAN OFFICE REN	14,850.			14,850.
WOMAN'S CENTER RENT	3,060.			3,060.
DIXON IMAGING CENTER	11,975.			11,975.
FISHER BUILDING	10,976.			10,976.
SUBWAY	22,308.			22,308.
FISHER RENT HOCHBERG	167,700.			167,700.
FISHER RENT HOTELING	51,924.			51,924.
TOTALS	<u>282,793.</u>			<u>282,793.</u>

Sales of Business Property (Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

Department of the Treasury Internal Revenue Service (99)

Attach to your tax return. See separate instructions.

Name(s) shown on return

Identifying number

CARROLL HOSPITAL CENTER, INC.

52-1452024

1 Enter the gross proceeds from sales or exchanges reported to you for 2011 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions).

1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Most Property Held More Than 1 Year (see instructions)

Table with 7 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Gross sales price, (e) Depreciation allowed, (f) Cost or other basis, (g) Gain or (loss). Row 1: ATTACHMENT 1, 3,848.

3 Gain, if any, from Form 4684, line 39
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824
6 Gain, if any, from line 32, from other than casualty or theft
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:

3
4
5
6
7 3,848.

Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.
Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.

8 Nonrecaptured net section 1231 losses from prior years (see instructions)
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)

8
9

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

Table with 7 columns for reporting ordinary gains and losses not included on lines 11 through 16.

11 Loss, if any, from line 7
12 Gain, if any, from line 7 or amount from line 8, if applicable
13 Gain, if any, from line 31
14 Net gain or (loss) from Form 4684, lines 31 and 38a
15 Ordinary gain from installment sales from Form 6252, line 25 or 36
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824
17 Combine lines 10 through 16

11 ()
12
13
14
15
16
17

18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:
a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14

18a
18b

For Paperwork Reduction Act Notice, see separate instructions.

Form 4797 (2011)

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)		
A				
B				
C				
D				
These columns relate to the properties on lines 19A through 19D. ▶	Property A	Property B	Property C	Property D
20 Gross sales price (Note: See line 1 before completing.)	20			
21 Cost or other basis plus expense of sale	21			
22 Depreciation (or depletion) allowed or allowable	22			
23 Adjusted basis. Subtract line 22 from line 21	23			
24 Total gain. Subtract line 23 from line 20	24			
25 If section 1245 property:				
a Depreciation allowed or allowable from line 22	25a			
b Enter the smaller of line 24 or 25a	25b			
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.				
a Additional depreciation after 1975 (see instructions)	26a			
b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d Additional depreciation after 1969 and before 1976	26d			
e Enter the smaller of line 26c or 26d	26e			
f Section 291 amount (corporations only)	26f			
g Add lines 26b, 26e, and 26f	26g			
27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).				
a Soil, water, and land clearing expenses	27a			
b Line 27a multiplied by applicable percentage (see instructions)	27b			
c Enter the smaller of line 24 or 27b	27c			
28 If section 1254 property:				
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions)	28a			
b Enter the smaller of line 24 or 28a	28b			
29 If section 1255 property:				
a Applicable percentage of payments excluded from income under section 126 (see instructions)	29a			
b Enter the smaller of line 24 or 29a (see instructions)	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties. Add property columns A through D, line 24	30	
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	
32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years	33	
34 Recomputed depreciation (see instructions)	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	

Department of the Treasury
Internal Revenue Service

For calendar year 2011 or other tax year beginning 07/01, 2011, and ending 06/30, 2012. **See separate instructions.**

Open to Public Inspection for 501(c)(3) Organizations Only

A Check box if address changed

B Exempt under section 501(C)(3) 408(e) 220(e) 408A 530(a) 529(a)

C Book value of all assets at end of year: **338,128,205.**

D Employer identification number (Employees' trust, see instructions.): **52-1452024**

E Unrelated business activity codes (See instructions.): **525990 621500**

Name of organization (Check box if name changed and see instructions.): **CARROLL HOSPITAL CENTER, INC.**

Number, street, and room or suite no. If a P.O. box, see instructions.: **200 MEMORIAL AVENUE**

City or town, state, and ZIP code: **WESTMINSTER, MD 21157**

F Group exemption number (See instructions.): **338,128,205.**

G Check organization type: 501(c) corporation 501(c) trust 401(a) trust Other trust

H Describe the organization's primary unrelated business activity: **DAVID MCCORMICK**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? Yes No
If "Yes," enter the name and identifying number of the parent corporation: **410-871-6859**

J The books are in care of **DAVID MCCORMICK** Telephone number **410-871-6859**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales 3,073,563.			
b	Less returns and allowances			
c Balance		1c		
2	Cost of goods sold (Schedule A, line 7)	2		
3	Gross profit. Subtract line 2 from line 1c	3		3,073,563.
4a	Capital gain net income (attach Schedule D)	4a		
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c	Capital loss deduction for trusts	4c		
5	Income (loss) from partnerships and S corporations (attach statement)	5	-61,356.	-61,356.
6	Rent income (Schedule C)	6	22,308.	22,308.
7	Unrelated debt-financed income (Schedule E)	7		
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)	8		
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10	Exploited exempt activity income (Schedule I)	10		
11	Advertising income (Schedule J)	11		
12	Other income (See instructions; attach schedule.)	12	90,000.	90,000.
13	Total. Combine lines 3 through 12	13	3,124,515.	3,124,515.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)	14		
15	Salaries and wages	15		1,372,319.
16	Repairs and maintenance	16		
17	Bad debts	17		
18	Interest (attach schedule)	18		
19	Taxes and licenses	19		
20	Charitable contributions (See instructions for limitation rules.)	20		
21	Depreciation (attach Form 4562)	21	319,769.	
22	Less depreciation claimed on Schedule A and elsewhere on return	22a		22b 319,769.
23	Depletion	23		
24	Contributions to deferred compensation plans	24		
25	Employee benefit programs	25		296,643.
26	Excess exempt expenses (Schedule I)	26		
27	Excess readership costs (Schedule J)	27		
28	Other deductions (attach schedule) ATTACHMENT 3	28		986,984.
29	Total deductions. Add lines 14 through 28	29		2,975,715.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30		148,800.
31	Net operating loss deduction (limited to the amount on line 30)	31		147,800.
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32		1,000.
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.)	33		1,000.
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34		

Part III Tax Computation

Table with 3 columns: Description, Amount, and Reference. Rows include Organizations Taxable as Corporations (35), Trusts Taxable at Trust Rates (36), Proxy tax (37), Alternative minimum tax (38), and Total (39).

Part IV Tax and Payments

Table with 3 columns: Description, Amount, and Reference. Rows include Foreign tax credit (40a-40d), Total credits (40e), Other taxes (42), Total tax (43), Payments (44a-44g), Total payments (45), Estimated tax penalty (46), Tax due (47), Overpayment (48), and Refunded (49).

Part V Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Question, Yes, No. Rows include questions about foreign interest, foreign trusts, and tax-exempt interest.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation

Table with 3 columns: Description, Amount, and Reference. Rows include Inventory at beginning/end of year (1, 6), Purchases (2), Cost of labor (3), Additional section 263A costs (4a, 4b), and Total (5, 7, 8).

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 taxpayer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer, Date, Title. Includes a box for 'May the IRS discuss this return with the preparer shown below'.

Paid Preparer Use Only: Print/Type preparer's name (TINA C ECKLOFF), Preparer's signature, Date (05/10/2013), Firm's name (COHEN, RUTHERFORD + KNIGHT, PC), Firm's EIN (52-1202280), Firm's address (6903 ROCKLEDGE DRIVE, SUITE 500), Phone no. (301-828-1008).

BETHESDA, MD 20817-1800

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property

(1) SUBWAY

(2)

(3)

(4)

2. Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)

(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)

3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)

(1) 22,308.

(2)

(3)

(4)

Total Total 22,308.

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)

22,308. (b) Total deductions. Enter here and on page 1, Part I, line 6, column (B)

Schedule E - Unrelated Debt-Financed Income (see instructions)

1. Description of debt-financed property

2. Gross income from or allocable to debt-financed property

3. Deductions directly connected with or allocable to debt-financed property

(a) Straight line depreciation (attach schedule)

(b) Other deductions (attach schedule)

(1)

(2)

(3)

(4)

4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)

5. Average adjusted basis of or allocable to debt-financed property (attach schedule)

6. Column 4 divided by column 5

7. Gross income reportable (column 2 x column 6)

8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))

(1) %

(2) %

(3) %

(4) %

Enter here and on page 1, Part I, line 7, column (A). Enter here and on page 1, Part I, line 7, column (B).

Totals

Total dividends-received deductions included in column 8

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization

2. Employer identification number

Exempt Controlled Organizations

3. Net unrelated income (loss) (see instructions)

4. Total of specified payments made

5. Part of column 4 that is included in the controlling organization's gross income

6. Deductions directly connected with income in column 5

(1)

(2)

(3)

(4)

Nonexempt Controlled Organizations

7. Taxable Income

8. Net unrelated income (loss) (see instructions)

9. Total of specified payments made

10. Part of column 9 that is included in the controlling organization's gross income

11. Deductions directly connected with income in column 10

(1)

(2)

(3)

(4)

Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).

Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).

Totals

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

Table with 5 columns: 1. Description of income, 2. Amount of income, 3. Deductions directly connected (attach schedule), 4. Set-asides (attach schedule), 5. Total deductions and set-asides (col. 3 plus col. 4). Includes rows (1)-(4) and a Totals row.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

Table with 7 columns: 1. Description of exploited activity, 2. Gross unrelated business income from trade or business, 3. Expenses directly connected with production of unrelated business income, 4. Net income (loss) from unrelated trade or business, 5. Gross income from activity that is not unrelated business income, 6. Expenses attributable to column 5, 7. Excess exempt expenses. Includes rows (1)-(4) and a Totals row.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss), 5. Circulation income, 6. Readership costs, 7. Excess readership costs. Includes rows (1)-(4) and a Totals row.

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss), 5. Circulation income, 6. Readership costs, 7. Excess readership costs. Includes rows (1)-(4) and a Totals row.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

Table with 4 columns: 1. Name, 2. Title, 3. Percent of time devoted to business, 4. Compensation attributable to unrelated business. Includes rows (1)-(4) and a Total row.

ATTACHMENT 1

FORM 990T - LINE 5 -INCOME (LOSS) FROM PARTNERSHIPS

K-1 PREMIER PURCHASING	5,111.
K-1 CHESAPEAKE INVESTMENTS III	-66,467.
INCOME (LOSS) FROM PARTNERSHIPS	<u>-61,356.</u>

ATTACHMENT 2

PART I - LINE 12 - OTHER INCOME

CC MED SERVICES MANAGMENT INCOME

90,000.

PART I - LINE 12 - OTHER INCOME

90,000.

ATTACHMENT 3

FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

PROFESSIONAL FEES	67,377.
SUPPLIES	772,155.
PURCHASED SERVICES	147,452.
 PART II - LINE 28 - OTHER DEDUCTIONS	 <u>986,984.</u>