

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

2013

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Do not enter Social Security numbers on this form as it may be made public.

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

A For the 2013 calendar year, or tax year beginning JUL 1, 2013 and ending JUN 30, 2014

Header section containing organization name (CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY), EIN (52-0619000), address (100 HOSPITAL ROAD, PRINCE FREDERICK, MD 20678), and principal officer (DEAN TEAGUE).

Part I Summary

Table with 2 columns: Description and Amount. Rows include mission statement, governance metrics (3-6), and revenue (7a, 7b).

Table with 3 columns: Description, Prior Year, and Current Year. Rows include revenue (8-12) and expenses (13-19).

Table with 3 columns: Description, Beginning of Current Year, and End of Year. Rows include net assets or fund balances (20-22).

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.

Signature block containing officer signature (DEAN TEAGUE), preparer name (AARON COHEN), and preparer firm information (DIXON HUGHES GOODMAN LLP).

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: CALVERT MEMORIAL HOSPITAL PROVIDES QUALITY INPATIENT AND AMBULATORY HEALTH CARE TO THE PEOPLE OF SOUTHERN MARYLAND THAT IS ACCESSIBLE, COST-EFFECTIVE AND COMPASSIONATE. CMH WORKS IN PARTNERSHIP WITH THE COMMUNITY TO IMPROVE THE HEALTH STATUS OF ITS MEMBERS.

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 106,600,851. including grants of \$ 6,000. ) (Revenue \$ 126,258,830. ) CALVERT MEMORIAL HOSPITAL'S MISSION IS FOR THE CHARITABLE PURPOSE OF PROVIDING QUALITY INPATIENT AND AMBULATORY HEALTH CARE SERVICES TO THE CITIZENS OF SOUTHERN MARYLAND THAT IS ACCESSIBLE, COST EFFECTIVE AND COMPASSIONATE. THE HOSPITAL WORKS IN PARTNERSHIP WITH THE COMMUNITY TO IMPROVE THE HEALTH STATUS OF ITS MEMBERS. THE HOSPITAL PROVIDES MEDICAL SERVICES TO PATIENTS REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY. IN FY 2014, THE HOSPITAL SERVED 6,861 INPATIENTS, 125,037 OUTPATIENTS AND PROVIDED 39,989 EMERGENCY ROOM VISITS. IN ADDITION TO THE INPATIENTS SERVED, THE HOSPITAL ALSO TREATED 2,041 MEDICAL OBSERVATION PATIENTS. FOR FY 2014, THE HOSPITAL FILED WITH THE STATE OF MARYLAND A COMMUNITY BENEFIT REPORT THAT DOCUMENTED \$19,895,054 IN COMMUNITY BENEFIT PROVIDED BY CALVERT MEMORIAL

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 106,600,851.

**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)?<br><i>If "Yes," complete Schedule A</i>  | X   |    |
| 2   | Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?   | 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   | <b>Section 501(c)(3) organizations.</b> 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>   |     | X  |
| 6   | Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <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, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <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 and XII</i>  |     | X  |
| b   | Was the organization included in consolidated, independent audited financial statements for the tax year?<br><i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII 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 other assistance to or for any foreign organization? <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 other assistance to or for foreign individuals? <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</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 |
|--|-----|----|
| <b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....  |     | X  |
| <b>22</b> Did the organization report more than \$5,000 of grants or 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   |    |
| <b>23</b> 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   |    |
| <b>24a</b> 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 25a</i> .....                           | X   |    |
| <b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....   |     | X  |
| <b>c</b> 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  |
| <b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....   |     | X  |
| <b>25a Section 501(c)(3) and 501(c)(4) organizations.</b> 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>b</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  |
| <b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II .....   |     | X  |
| <b>27</b> 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  |
| <b>28</b> 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):  |     |    |
| <b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....  |     | X  |
| <b>b</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  |
| <b>c</b> 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   |    |
| <b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....  |     | X  |
| <b>30</b> 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  |
| <b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....  |     | X  |
| <b>32</b> 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  |
| <b>33</b> 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  |
| <b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....  | X   |    |
| <b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....   | X   |    |
| <b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....  | X   |    |
| <b>36 Section 501(c)(3) organizations.</b> 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   |    |
| <b>37</b> 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  |
| <b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? .....   | X   |    |

**Note.** All Form 990 filers are required to complete Schedule O .....

**Part V** Statements Regarding Other IRS Filings and Tax Compliance

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

|            |  | Yes | No |
|------------|--|-----|----|
| <b>1a</b>  | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable   |     |    |
| <b>1b</b>  | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable  |     |    |
| <b>1c</b>  | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?   | X   |    |
| <b>2a</b>  | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return  |     |    |
| <b>2b</b>  | If at least one is reported on line 2a, did the organization file all required federal employment tax returns?<br><b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)   | X   |    |
| <b>3a</b>  | Did the organization have unrelated business gross income of \$1,000 or more during the year?  | X   |    |
| <b>3b</b>  | If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O   | X   |    |
| <b>4a</b>  | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?                                   |     | X  |
| <b>4b</b>  | If "Yes," enter the name of the foreign country:<br>See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.   |     |    |
| <b>5a</b>  | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?  |     | X  |
| <b>5b</b>  | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?   |     | X  |
| <b>5c</b>  | If "Yes," to line 5a or 5b, did the organization file Form 8886-T?   |     |    |
| <b>6a</b>  | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?  |     | X  |
| <b>6b</b>  | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?  |     |    |
| <b>7</b>   | <b>Organizations that may receive deductible contributions under section 170(c).</b>   |     |    |
| <b>7a</b>  | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?  |     | X  |
| <b>7b</b>  | If "Yes," did the organization notify the donor of the value of the goods or services provided?  |     |    |
| <b>7c</b>  | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?   |     | X  |
| <b>7d</b>  | If "Yes," indicate the number of Forms 8282 filed during the year  |     |    |
| <b>7e</b>  | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  |     |    |
| <b>7f</b>  | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?   |     |    |
| <b>7g</b>  | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?   |     |    |
| <b>7h</b>  | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?   |     |    |
| <b>8</b>   | <b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? |     |    |
| <b>9</b>   | <b>Sponsoring organizations maintaining donor advised funds.</b>   |     |    |
| <b>9a</b>  | Did the organization make any taxable distributions under section 4966?  |     |    |
| <b>9b</b>  | Did the organization make a distribution to a donor, donor advisor, or related person?   |     |    |
| <b>10</b>  | <b>Section 501(c)(7) organizations.</b> Enter:   |     |    |
| <b>10a</b> | Initiation fees and capital contributions included on Part VIII, line 12   |     |    |
| <b>10b</b> | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities  |     |    |
| <b>11</b>  | <b>Section 501(c)(12) organizations.</b> Enter:  |     |    |
| <b>11a</b> | Gross income from members or shareholders  |     |    |
| <b>11b</b> | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)   |     |    |
| <b>12a</b> | <b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?  |     |    |
| <b>12b</b> | If "Yes," enter the amount of tax-exempt interest received or accrued during the year  |     |    |
| <b>13</b>  | <b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>  |     |    |
| <b>13a</b> | Is the organization licensed to issue qualified health plans in more than one state?<br><b>Note.</b> See the instructions for additional information the organization must report on Schedule O.   |     |    |
| <b>13b</b> | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans  |     |    |
| <b>13c</b> | Enter the amount of reserves on hand   |     |    |
| <b>14a</b> | Did the organization receive any payments for indoor tanning services during the tax year?   |     | X  |
| <b>14b</b> | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O  |     |    |

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

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

**Section A. Governing Body and Management**

|           |  | Yes | No |
|-----------|--|-----|----|
| <b>1a</b> | Enter the number of voting members of the governing body at the end of the tax year .....<br>If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O. |     |    |
|           | 1a 18  |     |    |
| <b>b</b>  | Enter the number of voting members included in line 1a, above, who are independent .....   |     |    |
|           | 1b 15  |     |    |
| <b>2</b>  | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? .....  |     | X  |
| <b>3</b>  | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? .....   |     | X  |
| <b>4</b>  | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? .....   |     | X  |
| <b>5</b>  | Did the organization become aware during the year of a significant diversion of the organization's assets? .....   |     | X  |
| <b>6</b>  | Did the organization have members or stockholders? .....   |     | X  |
| <b>7a</b> | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? .....   |     | X  |
| <b>b</b>  | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? .....  |     | X  |
| <b>8</b>  | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:  |     |    |
| <b>a</b>  | The governing body? .....  | X   |    |
| <b>b</b>  | Each committee with authority to act on behalf of the governing body? .....  | X   |    |
| <b>9</b>  | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O .....   |     | X  |

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

|            |  | Yes | No |
|------------|--|-----|----|
| <b>10a</b> | Did the organization have local chapters, branches, or affiliates? .....   |     | X  |
| <b>b</b>   | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? .....   |     |    |
| <b>11a</b> | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? .....  | X   |    |
| <b>b</b>   | Describe in Schedule O the process, if any, used by the organization to review this Form 990.  |     |    |
| <b>12a</b> | Did the organization have a written conflict of interest policy? If "No," go to line 13 .....  | X   |    |
| <b>b</b>   | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? .....  | X   |    |
| <b>c</b>   | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done .....   | X   |    |
| <b>13</b>  | Did the organization have a written whistleblower policy? .....  | X   |    |
| <b>14</b>  | Did the organization have a written document retention and destruction policy? .....   | X   |    |
| <b>15</b>  | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?   |     |    |
| <b>a</b>   | The organization's CEO, Executive Director, or top management official .....   | X   |    |
| <b>b</b>   | Other officers or key employees of the organization .....  | X   |    |
|            | If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).  |     |    |
| <b>16a</b> | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? .....  |     | X  |
| <b>b</b>   | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? ..... |     |    |

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed **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     Upon request     Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **ROBERT KERTIS - 410-535-8241**  
**100 HOSPITAL ROAD, PRINCE FREDERICK, MD 20678**

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

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

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

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

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

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

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

| (A)<br>Name and Title                   | (B)<br>Average hours per week (list any hours for related organizations below line) | (C)<br>Position<br>(do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |          | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|---|---|--|-----------------------|---------|--------------|------------------------------|----------|--|---|---|
|   |   | Individual trustee or director   | Institutional trustee | Officer | Key employee | Highest compensated employee | Former   |  |   |   |
| (1) CLIFF STEWART<br>DIRECTOR           | 1.00<br>1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (2) JOSEPH BOYD<br>DIRECTOR             | 1.00<br>1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (3) KEVIN BETZ<br>DIRECTOR              | 1.00<br>3.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (4) GAIL GIBSON<br>DIRECTOR             | 1.00<br>1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (5) ERIC FRANKLIN<br>DIRECTOR           | 2.00<br>2.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (6) UDAY PATEL<br>DIRECTOR              | 1.00<br>1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (7) KEVIN NIETMANN<br>CHAIRPERSON       | 4.00<br>2.00  | X  |                       | X       |              |                              | 0.       | 0.   | 0.  |   |
| (8) MARSHA PLATER<br>DIRECTOR           | 1.00<br>1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (9) SALLY SHOWALTER<br>DIRECTOR         | 4.00<br>4.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (10) LAURIE UHEREK<br>SECRETARY         | 1.00<br>1.00  | X  | X                     |         |              |                              | 0.       | 0.   | 0.  |   |
| (11) JAMES XINIS<br>PRESIDENT AND CEO   | 40.00<br>8.00   | X  | X                     |         |              |                              | 566,826. | 0.   | 247,226.  |   |
| (12) PETER DALY<br>SECRETARY            | 3.00<br>3.00  | X  | X                     |         |              |                              | 0.       | 0.   | 0.  |   |
| (13) SAM NAZZARO<br>DIRECTOR            | 2.50<br>2.50  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (14) CIARAN BROWNE<br>DIRECTOR          | 1.00<br>1.00  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (15) HENRY TRENTMAN<br>VICE CHAIRPERSON | 2.00<br>3.00  | X  | X                     |         |              |                              | 0.       | 0.   | 0.  |   |
| (16) TERRY WOLFLEY<br>DIRECTOR          | 2.00<br>4.50  | X  |                       |         |              |                              | 0.       | 0.   | 0.  |   |
| (17) BARBARA ESTES<br>DIRECTOR          | 1.00<br>1.00  | X  |                       |         |              |                              | 22,000.  | 0.   | 0.  |   |

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

| (A)<br>Name and title  | (B)<br>Average hours per week<br>(list any hours for related organizations below line) | (C)<br>Position<br>(do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|--|--|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
|  |  | Individual trustee or director   | Institutional trustee | Officer | Key employee | Highest compensated employee | Former |  |   |   |
| (18) RICHARD FLEMING<br>DIRECTOR                               | 1.00<br>1.00   | X  |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (19) ALONZO BARBER III<br>DIRECTOR                             | 1.00<br>1.00   | X  |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (20) GEORGE GELLRICH<br>DIRECTOR                               | 1.00<br>1.00   | X  |                       |         |              |                              |        | 0.   | 0.  | 0.  |
| (21) VARKEY MATHEW<br>DIRECTOR                                 | 1.00<br>1.00   | X  |                       |         |              |                              |        | 44,546.  | 0.  | 0.  |
| (22) DONALD PARSONS JR<br>TREASURER                            | 5.00<br>7.00   | X  |                       | X       |              |                              |        | 0.   | 0.  | 0.  |
| (23) ROBERT KERTIS<br>VP FINANCE AND CFO                       | 40.00<br>8.00  |  |                       | X       |              |                              |        | 228,334.   | 0.  | 27,987.   |
| (24) DEAN TEAGUE<br>COO  | 40.00<br>0.00  |  |                       | X       |              |                              |        | 237,976.   | 0.  | 19,362.   |
| (25) SUSAN DOHONY<br>VP CQO PERFORM IMPROVEMENT                | 40.00<br>0.00  |  |                       |         | X            |                              |        | 174,832.   | 0.  | 58,904.   |
| (26) EDWARD GROGAN<br>VP IT                                    | 40.00<br>0.00  |  |                       |         | X            |                              |        | 167,097.   | 0.  | 29,768.   |
| <b>1b Sub-total</b>  |  |  |                       |         |              |                              |        | 1,441,611.   | 0.  | 383,247.  |
| <b>c Total from continuation sheets to Part VII, Section A</b> |  |  |                       |         |              |                              |        | 1,006,521.   | 0.  | 119,984.  |
| <b>d Total (add lines 1b and 1c)</b>                           |  |  |                       |         |              |                              |        | 2,448,132.   | 0.  | 503,231.  |

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 **52**

|  | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual  |     | X  |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | X   |    |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person                       |     | 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)<br>Name and business address  | (B)<br>Description of services | (C)<br>Compensation |
|---|--------------------------------|---------------------|
| MARYLAND INPATIENT CARE SPECIALISTS LLC,<br>6934 AVIATION BLVD STE B, GLEN BURNIE, MD   | HOSPITALIST                    | 638,008.            |
| EMERGENCY MEDICINE ASSOCIATES PA PC, 20010<br>CENTURY BLD STE 200, GERMANTOWN, MD 20874 | URGENT CARE PHYS STF           | 604,064.            |
| DIPAK K SHAH MD<br>22740 AVENMAR DRIVE, LEONARDTOWN, MD 20650                           | BEHAVIORAL HEALTH              | 465,000.            |
| UP TO DATE LAUNDRY, INC.<br>1221 DESOTO ROAD, BALTIMORE, MD 21223                       | LAUNDRY SERVICES               | 362,034.            |
| OBER, KALER, GRIMES & SHRIVER<br>100 LIGHT STREET, BALTIMORE, MN 21202                  | LEGAL SERVICES                 | 358,591.            |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **31**

SEE PART VII, SECTION A CONTINUATION SHEETS



**CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY**

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**Part VIII Statement of Revenue**

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

|   |   |   | (A)<br>Total revenue | (B)<br>Related or<br>exempt function<br>revenue | (C)<br>Unrelated<br>business<br>revenue | (D)<br>Revenue excluded<br>from tax under<br>sections<br>512 - 514 |  |
|---|---|---|----------------------|---|---|--|--|
| <b>Contributions, Gifts, Grants and Other Similar Amounts</b>   | <b>1 a</b> Federated campaigns  | <b>1a</b> 30,000.                                     |                      |   |   |  |  |
|   | <b>b</b> Membership dues  | <b>1b</b>   |                      |   |   |  |  |
|   | <b>c</b> Fundraising events   | <b>1c</b>   |                      |   |   |  |  |
|   | <b>d</b> Related organizations  | <b>1d</b> 571,429.                                    |                      |   |   |  |  |
|   | <b>e</b> Government grants (contributions)  | <b>1e</b> 345,538.                                    |                      |   |   |  |  |
|   | <b>f</b> All other contributions, gifts, grants, and similar amounts not included above | <b>1f</b> 34,365.                                     |                      |   |   |  |  |
|   | <b>g</b> Noncash contributions included in lines 1a-1f: \$                              |   |                      |   |   |  |  |
|   | <b>h Total.</b> Add lines 1a-1f   |   | 981,332.             |   |   |  |  |
|   | <b>Program Service Revenue</b>  | <b>2 a</b> OUTPATIENT REVENUE                         | <b>Business Code</b> | 52,643,875.                                     | 52,643,875.                             |  |  |
| <b>b</b> INPATIENT REVENUE  |   |   | 46,321,776.          | 46,321,776.                                     |   |  |  |
| <b>c</b> EMERGENCY REVENUE  |   |   | 19,495,178.          | 19,495,178.                                     |   |  |  |
| <b>d</b> OTHER PATIENT REVENUE  |   |   | 3,693,252.           | 3,693,252.                                      |   |  |  |
| <b>e</b>  |   |   |                      |   |   |  |  |
| <b>f</b> All other program service revenue  |   |   |                      |   |   |  |  |
| <b>g Total.</b> Add lines 2a-2f   |   |   | 122,154,081.         |   |   |  |  |
| <b>Other Revenue</b>  | <b>3</b> Investment income (including dividends, interest, and other similar amounts)   |   | 194,337.             |   |   | 194,337.   |  |
|   | <b>4</b> Income from investment of tax-exempt bond proceeds                             |   |                      |   |   |  |  |
|   | <b>5</b> Royalties  |   |                      |   |   |  |  |
|   | <b>6 a</b> Gross rents  | (i) Real  | 23,202.              |   |   |  |  |
|   |   | (ii) Personal   |                      |   |   |  |  |
|   |   | <b>b</b> Less: rental expenses                        | 42,985.              |   |   |  |  |
|   |   | <b>c</b> Rental income or (loss)                      | -19,783.             |   |   |  |  |
|   | <b>d</b> Net rental income or (loss)  |   | -19,783.             |   | -19,783.                                |  |  |
|   | <b>7 a</b> Gross amount from sales of assets other than inventory                       | (i) Securities  |                      |   |   |  |  |
|   |   | (ii) Other  | 19,734.              |   |   |  |  |
|   |   | <b>b</b> Less: cost or other basis and sales expenses | 0.                   |   |   |  |  |
|   |   | <b>c</b> Gain or (loss)                               | 19,734.              |   |   |  |  |
|   | <b>d</b> Net gain or (loss)   |   | 19,734.              |   |   | 19,734.  |  |
| <b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | <b>a</b>  |   |                      |   |   |  |  |
| <b>b</b> Less: direct expenses  | <b>b</b>  |   |                      |   |   |  |  |
| <b>c</b> Net income or (loss) from fundraising events   |   |   |                      |   |   |  |  |
| <b>9 a</b> Gross income from gaming activities. See Part IV, line 19  | <b>a</b>  |   |                      |   |   |  |  |
| <b>b</b> Less: direct expenses  | <b>b</b>  |   |                      |   |   |  |  |
| <b>c</b> Net income or (loss) from gaming activities  |   |   |                      |   |   |  |  |
| <b>10 a</b> Gross sales of inventory, less returns and allowances   | <b>a</b>  |   |                      |   |   |  |  |
| <b>b</b> Less: cost of goods sold   | <b>b</b>  |   |                      |   |   |  |  |
| <b>c</b> Net income or (loss) from sales of inventory   |   |   |                      |   |   |  |  |
| <b>Miscellaneous Revenue</b>  |   | <b>Business Code</b>                                  |                      |   |   |  |  |
| <b>11 a</b> MEANINGFUL USE FUNDS  |   |   | 1,534,168.           | 1,534,168.                                      |   |  |  |
| <b>b</b> OTHER REVENUE  |   |   | 1,146,532.           | 1,146,532.                                      |   |  |  |
| <b>c</b> BUILDING SERVICES FEES   | 811000  |   | 868,330.             |   | 868,330.                                |  |  |
| <b>d</b> All other revenue  |   |   | 1,985,728.           | 1,664,049.                                      | 321,679.                                |  |  |
| <b>e Total.</b> Add lines 11a-11d   |   |   | 5,534,758.           |   |   |  |  |
| <b>12 Total revenue.</b> See instructions.  |   |   | 128,864,459.         | 126,498,830.                                    | 1,170,226.                              | 214,071.   |  |

332009 10-29-13

Form **990** (2013)

**CALVERT MEMORIAL HOSPITAL OF CALVERT  
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**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX  X

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.  | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21   |                       |                                 |  |                             |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22   | 6,000.                | 6,000.                          |  |                             |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16  |                       |                                 |  |                             |
| 4 Benefits paid to or for members   |                       |                                 |  |                             |
| 5 Compensation of current officers, directors, trustees, and key employees  | 2,337,733.            |                                 | 2,337,733.                             |                             |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)   |                       |                                 |  |                             |
| 7 Other salaries and wages  | 48,723,810.           | 44,173,033.                     | 4,550,777.                             |                             |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)  | 2,558,509.            | 2,225,687.                      | 332,822.                               |                             |
| 9 Other employee benefits   | 5,229,889.            | 4,524,345.                      | 705,544.                               |                             |
| 10 Payroll taxes  | 3,733,653.            | 3,229,961.                      | 503,692.                               |                             |
| 11 Fees for services (non-employees):   |                       |                                 |  |                             |
| a Management  | 500,314.              | 500,314.                        |  |                             |
| b Legal   | 166,784.              | 13,873.                         | 152,911.                               |                             |
| c Accounting  | 142,653.              |                                 | 142,653.                               |                             |
| d Lobbying  |                       |                                 |  |                             |
| e Professional fundraising services. See Part IV, line 17   |                       |                                 |  |                             |
| f Investment management fees  |                       |                                 |  |                             |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)   | 5,381,619.            | 5,381,619.                      |  |                             |
| 12 Advertising and promotion  | 131,812.              | 121,298.                        | 10,514.                                |                             |
| 13 Office expenses  | 5,383,251.            | 4,690,397.                      | 692,854.                               |                             |
| 14 Information technology   | 2,603,633.            | 2,446,374.                      | 157,259.                               |                             |
| 15 Royalties  |                       |                                 |  |                             |
| 16 Occupancy  | 3,201,967.            | 2,923,672.                      | 278,295.                               |                             |
| 17 Travel   | 121,809.              | 48,899.                         | 72,910.                                |                             |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials   |                       |                                 |  |                             |
| 19 Conferences, conventions, and meetings   | 209,374.              | 190,246.                        | 19,128.                                |                             |
| 20 Interest   | 2,051,128.            | 2,003,337.                      | 47,791.                                |                             |
| 21 Payments to affiliates   |                       |                                 |  |                             |
| 22 Depreciation, depletion, and amortization  | 8,514,398.            | 8,446,486.                      | 67,912.                                |                             |
| 23 Insurance  | 1,506,850.            | 1,032,036.                      | 474,814.                               |                             |
| 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 <b>MEDICAL SUPPLIES</b>   | 17,122,222.           | 17,122,222.                     |  |                             |
| b <b>PURCHASED SERVICES</b>   | 4,632,252.            | 4,179,220.                      | 453,032.                               |                             |
| c <b>REPAIRS AND MAINTENANCE</b>  | 2,815,882.            | 2,684,337.                      | 131,545.                               |                             |
| d <b>OTHER</b>  | 2,363,245.            | 657,495.                        | 1,705,750.                             |                             |
| e All other expenses <b>SEE SCH O</b>   | 2,169,713.            |                                 | 2,169,713.                             |                             |
| 25 <b>Total functional expenses.</b> Add lines 1 through 24e  | 121,608,500.          | 106,600,851.                    | 15,007,649.                            | 0.                          |
| 26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.                              |                       |                                 |  |                             |

Check here  if following SOP 98-2 (ASC 958-720)

**CALVERT MEMORIAL HOSPITAL OF CALVERT  
COUNTY**

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**Part X Balance Sheet**

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

|   |  | (A)               |              | (B)         |  |
|---|--|-------------------|--------------|-------------|--|
|   |  | Beginning of year |              | End of year |  |
| <b>Assets</b>   | <b>1</b> Cash - non-interest-bearing .....   | 15,229,579.       | 1            | 20,245,086. |  |
|   | <b>2</b> Savings and temporary cash investments .....  | 46,016.           | 2            |             |  |
|   | <b>3</b> Pledges and grants receivable, net .....  |                   | 3            |             |  |
|   | <b>4</b> Accounts receivable, net .....  | 12,234,989.       | 4            | 12,917,080. |  |
|   | <b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....   |                   |              | 5           |  |
|   | <b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L ..... |                   |              | 6           |  |
|   | <b>7</b> Notes and loans receivable, net .....   |                   |              | 7           |  |
|   | <b>8</b> Inventories for sale or use .....   | 2,236,702.        | 8            | 2,199,325.  |  |
|   | <b>9</b> Prepaid expenses and deferred charges .....   | 1,354,549.        | 9            | 1,522,100.  |  |
|   | <b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....   | 150,278,398.      |              |             |  |
|   | <b>b</b> Less: accumulated depreciation .....  | 92,878,244.       |              |             |  |
|   |  | 58,916,300.       | 10c          | 57,400,154. |  |
|   | <b>11</b> Investments - publicly traded securities .....   | 4,742,261.        | 11           | 1,717,563.  |  |
|   | <b>12</b> Investments - other securities. See Part IV, line 11 .....   | 1,784,162.        | 12           | 1,118,399.  |  |
|   | <b>13</b> Investments - program-related. See Part IV, line 11 .....  | 6,155,076.        | 13           | 6,570,717.  |  |
|   | <b>14</b> Intangible assets .....  |                   | 14           |             |  |
| <b>15</b> Other assets. See Part IV, line 11 .....                        | 9,162,406.   | 15                | 7,708,452.   |             |  |
| <b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) ..... | 111,862,040.   | 16                | 111,398,876. |             |  |
| <b>Liabilities</b>  | <b>17</b> Accounts payable and accrued expenses .....  | 14,233,776.       | 17           | 14,618,621. |  |
|   | <b>18</b> Grants payable .....   |                   | 18           |             |  |
|   | <b>19</b> Deferred revenue .....   |                   | 19           |             |  |
|   | <b>20</b> Tax-exempt bond liabilities .....  | 50,370,745.       | 20           | 48,203,062. |  |
|   | <b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....  |                   | 21           |             |  |
|   | <b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....   |                   | 22           |             |  |
|   | <b>23</b> Secured mortgages and notes payable to unrelated third parties .....   |                   | 23           |             |  |
|   | <b>24</b> Unsecured notes and loans payable to unrelated third parties .....   |                   | 24           |             |  |
|   | <b>25</b> 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 .....  | 19,760,727.       | 25           | 22,056,955. |  |
|   | <b>26 Total liabilities.</b> Add lines 17 through 25 .....   | 84,365,248.       | 26           | 84,878,638. |  |
| <b>Net Assets or Fund Balances</b>  | <b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>  |                   |              |             |  |
|   | <b>27</b> Unrestricted net assets .....  | 26,058,970.       | 27           | 25,081,835. |  |
|   | <b>28</b> Temporarily restricted net assets .....  | 628,893.          | 28           | 398,481.    |  |
|   | <b>29</b> Permanently restricted net assets .....  | 808,929.          | 29           | 1,039,922.  |  |
|   | <b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>   |                   |              |             |  |
|   | <b>30</b> Capital stock or trust principal, or current funds .....   |                   | 30           |             |  |
|   | <b>31</b> Paid-in or capital surplus, or land, building, or equipment fund .....   |                   | 31           |             |  |
|   | <b>32</b> Retained earnings, endowment, accumulated income, or other funds .....   |                   | 32           |             |  |
|   | <b>33</b> Total net assets or fund balances .....  | 27,496,792.       | 33           | 26,520,238. |  |
| <b>34</b> Total liabilities and net assets/fund balances .....            | 111,862,040.   | 34                | 111,398,876. |             |  |

Form 990 (2013)

**Part XI Reconciliation of Net Assets**

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

|    |  |    |              |
|----|--|----|--------------|
| 1  | Total revenue (must equal Part VIII, column (A), line 12)  | 1  | 128,864,459. |
| 2  | Total expenses (must equal Part IX, column (A), line 25)   | 2  | 121,608,500. |
| 3  | Revenue less expenses. Subtract line 2 from line 1   | 3  | 7,255,959.   |
| 4  | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))                      | 4  | 27,496,792.  |
| 5  | Net unrealized gains (losses) on investments   | 5  | -60,893.     |
| 6  | Donated services and use of facilities   | 6  |              |
| 7  | Investment expenses  | 7  |              |
| 8  | Prior period adjustments   | 8  |              |
| 9  | Other changes in net assets or fund balances (explain in Schedule O)   | 9  | -8,171,620.  |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 26,520,238.  |

**Part XII Financial Statements and Reporting**

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

|    |   | Yes | No |
|----|---|-----|----|
| 1  | Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____<br>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?<br>If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:<br><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis |     | X  |
| 2b | Were the organization's financial statements audited by an independent accountant?<br>If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:<br><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis                | X   |    |
| 2c | 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?<br>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.   | X   |    |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?  |     | X  |
| 3b | 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  |     |    |

Form 990 (2013)

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

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

▶ Attach to Form 990 or Form 990-EZ.

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

OMB No. 1545-0047

**2013**

Open to Public Inspection

Name of the organization **CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY** Employer identification number **52-0619000**

**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 - Non-functionally integrated
- 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? ..... |     |    |
| (ii) A family member of a person described in (i) above? .....   |     |    |
| (iii) A 35% controlled entity of a person described in (i) or (ii) above? .....  |     |    |
- 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 monetary support |
|------------------------------------|----------|---|---|----|--|----|---|----|----------------------------------|
|                                    |          |   | Yes   | No | Yes  | No | Yes   | No |                                  |
|                                    |          |   |   |    |  |    |   |    |                                  |
|                                    |          |   |   |    |  |    |   |    |                                  |
|                                    |          |   |   |    |  |    |   |    |                                  |
|                                    |          |   |   |    |  |    |   |    |                                  |
|                                    |          |   |   |    |  |    |   |    |                                  |
|                                    |          |   |   |    |  |    |   |    |                                  |
|                                    |          |   |   |    |  |    |   |    |                                  |
| <b>Total</b>                       |          |   |   |    |  |    |   |    |                                  |

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

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

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ▶  | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....  |          |          |          |          |          |           |
| <b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....   |          |          |          |          |          |           |
| <b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....   |          |          |          |          |          |           |
| <b>4 Total.</b> Add lines 1 through 3 .....  |          |          |          |          |          |           |
| <b>5</b> 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) ..... |          |          |          |          |          |           |
| <b>6 Public support.</b> Subtract line 5 from line 4.  |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ▶  | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total                |
|--|----------|----------|----------|----------|----------|--------------------------|
| <b>7</b> Amounts from line 4 .....   |          |          |          |          |          |                          |
| <b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....  |          |          |          |          |          |                          |
| <b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....  |          |          |          |          |          |                          |
| <b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....  |          |          |          |          |          |                          |
| <b>11 Total support.</b> Add lines 7 through 10  |          |          |          |          |          |                          |
| <b>12</b> Gross receipts from related activities, etc. (see instructions) .....  |          |          |          |          | 12       |                          |
| <b>13 First five years.</b> 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 <b>stop here</b> ..... |          |          |          |          |          | <input type="checkbox"/> |

**Section C. Computation of Public Support Percentage**

|   |                          |   |
|---|--------------------------|---|
| <b>14</b> Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) .....  | 14                       | % |
| <b>15</b> Public support percentage from 2012 Schedule A, Part II, line 14 .....  | 15                       | % |
| <b>16a 33 1/3% support test - 2013.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....  | <input type="checkbox"/> |   |
| <b>b 33 1/3% support test - 2012.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....   | <input type="checkbox"/> |   |
| <b>17a 10% -facts-and-circumstances test - 2013.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....    | <input type="checkbox"/> |   |
| <b>b 10% -facts-and-circumstances test - 2012.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... | <input type="checkbox"/> |   |
| <b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....  | <input type="checkbox"/> |   |

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ▶   | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....   |          |          |          |          |          |           |
| <b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose ..... |          |          |          |          |          |           |
| <b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....   |          |          |          |          |          |           |
| <b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....  |          |          |          |          |          |           |
| <b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....  |          |          |          |          |          |           |
| <b>6 Total.</b> Add lines 1 through 5 .....   |          |          |          |          |          |           |
| <b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....  |          |          |          |          |          |           |
| <b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....           |          |          |          |          |          |           |
| <b>c</b> Add lines 7a and 7b .....  |          |          |          |          |          |           |
| <b>8 Public support.</b> (Subtract line 7c from line 6.)  |          |          |          |          |          |           |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ▶   | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| <b>9</b> Amounts from line 6 .....  |          |          |          |          |          |           |
| <b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ..... |          |          |          |          |          |           |
| <b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....                          |          |          |          |          |          |           |
| <b>c</b> Add lines 10a and 10b .....  |          |          |          |          |          |           |
| <b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....     |          |          |          |          |          |           |
| <b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) .....                                 |          |          |          |          |          |           |
| <b>13 Total support.</b> (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**

|  |           |   |
|--|-----------|---|
| <b>15</b> Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)) ..... | <b>15</b> | % |
| <b>16</b> Public support percentage from 2012 Schedule A, Part III, line 15 .....                      | <b>16</b> | % |

**Section D. Computation of Investment Income Percentage**

|   |           |   |
|---|-----------|---|
| <b>17</b> Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) ..... | <b>17</b> | % |
| <b>18</b> Investment income percentage from 2012 Schedule A, Part III, line 17 .....                        | <b>18</b> | % |

**19a 33 1/3% support tests - 2013.** 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 - 2012.** 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.** 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).

Lined area for supplemental information with a large diagonal 'COPY' watermark.

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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.

OMB No. 1545-0047

2013

Open to Public Inspection

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

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number 52-0619000

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 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor advisement.

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

Form for Part II Conservation Easements. Includes checkboxes for purposes of easements, a table for held at the end of the tax year (2a-2d), and questions about monitoring and reporting.

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.

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting works of art and assets.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a  Public exhibition
  - b  Scholarly research
  - c  Preservation for future generations
  - d  Loan or exchange programs
  - e  Other \_\_\_\_\_
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" 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 XIII and complete the following table:
- |                                 | Amount |
|---------------------------------|--------|
| c Beginning balance             | 1c     |
| d Additions during the year     | 1d     |
| e Distributions during the year | 1e     |
| f Ending balance                | 1f     |
- 2a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

**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                     |                  |                |                    |                      |                     |
| b Contributions                                  |                  |                |                    |                      |                     |
| c Net investment earnings, gains, and losses     |                  |                |                    |                      |                     |
| d Grants or scholarships                         |                  |                |                    |                      |                     |
| e Other expenditures for facilities and programs |                  |                |                    |                      |                     |
| f Administrative expenses                        |                  |                |                    |                      |                     |
| g End of year balance                            |                  |                |                    |                      |                     |

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment  %
  - b Permanent endowment  %
  - c Temporarily restricted endowment  %
- 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)  |    |
| (ii) related organizations  | 3a(ii) |    |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b     |    |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property  | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land  |                                      | 4,881,046.                      |                              | 4,881,046.     |
| b Buildings  |                                      | 66,879,622.                     | 34,385,898.                  | 32,493,724.    |
| c Leasehold improvements   |                                      | 2,989,368.                      | 2,190,663.                   | 798,705.       |
| d Equipment  |                                      | 72,376,262.                     | 54,898,965.                  | 17,477,297.    |
| e Other  |                                      | 3,152,100.                      | 1,402,718.                   | 1,749,382.     |
| <b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) |                                      |                                 |                              | 57,400,154.    |

**Part VII Investments - Other Securities.**

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

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

**Part VIII Investments - Program Related.**

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

| (a) Description of investment   | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) INVESTMENT IN FOUNDATION  | 3,753,481.     | END-OF-YEAR MARKET VALUE                                  |
| (2) INVEST IN AFFILIATED  |                |   |
| (3) ENTERPRISES   | 2,817,236.     | END-OF-YEAR MARKET VALUE                                  |
| (4)   |                |   |
| (5)   |                |   |
| (6)   |                |   |
| (7)   |                |   |
| (8)   |                |   |
| (9)   |                |   |
| <b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶ | 6,570,717.     |   |

**Part IX Other Assets.**

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

| (a) Description   | (b) Book value |
|---|----------------|
| (1) LT BOND FINANCING COSTS   | 666,855.       |
| (2) OTHER RECEIVABLES   | 1,182,116.     |
| (3) GOODWILL  | 15,000.        |
| (4) MALPRACTICE INS RECOVERY  | 4,187,037.     |
| (5) DUE FROM RELATED PARTIES  | 1,657,444.     |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶ | 7,708,452.     |

**Part X Other Liabilities.**

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

| 1. (a) Description of liability   | (b) Book value |
|---|----------------|
| (1) Federal income taxes  |                |
| (2) EXECUTIVE 457B 457F PLANS   | 2,643,241.     |
| (3) ADVANCES FROM THIRD PARTIES   | 4,194,312.     |
| (4) ACCRUED PENSION COSTS   | 9,389,746.     |
| (5) PROFESSIONAL LIABILITY  | 5,829,656.     |
| (6)   |                |
| (7)   |                |
| (8)   |                |
| (9)   |                |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶ | 22,056,955.    |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

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

|          |  |           |           |  |
|----------|--|-----------|-----------|--|
| <b>1</b> | Total revenue, gains, and other support per audited financial statements                       |           | <b>1</b>  |  |
| <b>2</b> | Amounts included on line 1 but not on Form 990, Part VIII, line 12:                            |           |           |  |
| <b>a</b> | Net unrealized gains on investments  | <b>2a</b> |           |  |
| <b>b</b> | Donated services and use of facilities   | <b>2b</b> |           |  |
| <b>c</b> | Recoveries of prior year grants  | <b>2c</b> |           |  |
| <b>d</b> | Other (Describe in Part XIII.)   | <b>2d</b> |           |  |
| <b>e</b> | Add lines <b>2a</b> through <b>2d</b>  |           | <b>2e</b> |  |
| <b>3</b> | Subtract line <b>2e</b> from line <b>1</b>   |           | <b>3</b>  |  |
| <b>4</b> | Amounts included on Form 990, Part VIII, line 12, but not on line 1:                           |           |           |  |
| <b>a</b> | Investment expenses not included on Form 990, Part VIII, line 7b                               | <b>4a</b> |           |  |
| <b>b</b> | Other (Describe in Part XIII.)   | <b>4b</b> |           |  |
| <b>c</b> | Add lines <b>4a</b> and <b>4b</b>  |           | <b>4c</b> |  |
| <b>5</b> | Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) |           | <b>5</b>  |  |

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

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

|          |   |           |           |  |
|----------|---|-----------|-----------|--|
| <b>1</b> | Total expenses and losses per audited financial statements                                      |           | <b>1</b>  |  |
| <b>2</b> | Amounts included on line 1 but not on Form 990, Part IX, line 25:                               |           |           |  |
| <b>a</b> | Donated services and use of facilities  | <b>2a</b> |           |  |
| <b>b</b> | Prior year adjustments  | <b>2b</b> |           |  |
| <b>c</b> | Other losses  | <b>2c</b> |           |  |
| <b>d</b> | Other (Describe in Part XIII.)  | <b>2d</b> |           |  |
| <b>e</b> | Add lines <b>2a</b> through <b>2d</b>   |           | <b>2e</b> |  |
| <b>3</b> | Subtract line <b>2e</b> from line <b>1</b>  |           | <b>3</b>  |  |
| <b>4</b> | Amounts included on Form 990, Part IX, line 25, but not on line 1:                              |           |           |  |
| <b>a</b> | Investment expenses not included on Form 990, Part VIII, line 7b                                | <b>4a</b> |           |  |
| <b>b</b> | Other (Describe in Part XIII.)  | <b>4b</b> |           |  |
| <b>c</b> | Add lines <b>4a</b> and <b>4b</b>   |           | <b>4c</b> |  |
| <b>5</b> | Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) |           | <b>5</b>  |  |

**Part XIII Supplemental Information.**

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

**PART X, LINE 2:**

**EXPLANATION: THE SYSTEM IS EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501(C)(3) OF THE IRC AS A PUBLIC CHARITY. THE SYSTEM IS ENTITLED TO RELY ON THIS DETERMINATION AS LONG AS THERE ARE NO SUBSTANTIAL CHANGES IN ITS CHARACTER, PURPOSES, OR METHODS OF OPERATION. MANAGEMENT HAS CONCLUDED THAT THERE HAVE BEEN NO SUCH CHANGES AND, THEREFORE, THE SYSTEM'S STATUS AS A PUBLIC CHARITY EXEMPT FROM FEDERAL INCOME TAXATION REMAINS IN EFFECT.**

**THE STATE IN WHICH THE SYSTEM OPERATES ALSO PROVIDES GENERAL EXEMPTION FROM STATE INCOME TAXATION FOR ORGANIZATIONS THAT ARE EXEMPT FROM FEDERAL INCOME TAXATION. HOWEVER, THE SYSTEM IS SUBJECT TO BOTH FEDERAL AND STATE INCOME TAXATION AT CORPORATE TAX RATES ON ITS UNRELATED BUSINESS INCOME.**

**Part XIII** Supplemental Information (continued)

EXEMPTION FROM OTHER STATE TAXES, SUCH AS REAL AND PERSONAL PROPERTY TAXES, IS SEPARATELY DETERMINED.

THE SYSTEM HAD NO UNRECOGNIZED TAX BENEFITS OR SUCH AMOUNTS WERE IMMATERIAL DURING THE PERIODS PRESENTED. FOR TAX PERIODS WITH RESPECT TO WHICH NO UNRELATED BUSINESS INCOME WAS RECOGNIZED, NO TAX RETURN WAS REQUIRED. TAX PERIODS FOR WHICH NO RETURN IS FILED REMAIN OPEN FOR EXAMINATION INDEFINITELY. ALTHOUGH INFORMATION RETURNS WERE FILED, NO TAX RETURNS WERE FILED DURING 2014 AND 2013.

MANAGEMENT HAS ALSO CONSIDERED THE IMPACT OF UNRELATED BUSINESS ACTIVITIES AND HAS CONCLUDED THAT THE HOSPITAL IS NOT SUBJECT TO UNRELATED BUSINESS TAX OR ANY OTHER TAXES THAT COULD BE IMPOSED BY THE IRC OR STATE TAXING AUTHORITIES. AS SUCH, NO PROVISION IS MADE FOR INCOME TAXES AND NO ASSET OR LIABILITY HAS BEEN RECOGNIZED FOR DEFERRED TAXES.

**SCHEDULE H  
(Form 990)**

**Hospitals**

OMB No. 1545-0047

**2013**

Department of the Treasury  
Internal Revenue Service

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

**Open to Public  
Inspection**

Name of the organization **CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY** Employer identification number **52-0619000**

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

|   | Yes                                 | No                                  |
|---|-------------------------------------|-------------------------------------|
| <b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a   | <input checked="" type="checkbox"/> |                                     |
| <b>b</b> If "Yes," was it a written policy?   | <input checked="" type="checkbox"/> |                                     |
| <b>2</b> 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.<br><input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities<br><input type="checkbox"/> Generally tailored to individual hospital facilities |                                     |                                     |
| <b>3</b> 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.   |                                     |                                     |
| <b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care?<br>If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:<br><input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %  | <input checked="" type="checkbox"/> |                                     |
| <b>b</b> Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:<br><input type="checkbox"/> 200% <input type="checkbox"/> 250% <input checked="" type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %              | <input checked="" type="checkbox"/> |                                     |
| <b>c</b> If the organization used factors other than FPG in determining 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, as a factor in determining eligibility for free or discounted care.  |                                     |                                     |
| <b>4</b> 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"?   | <input checked="" type="checkbox"/> |                                     |
| <b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?   | <input checked="" type="checkbox"/> |                                     |
| <b>b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?   |                                     | <input checked="" type="checkbox"/> |
| <b>c</b> 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?   |                                     |                                     |
| <b>6a</b> Did the organization prepare a community benefit report during the tax year?  | <input checked="" type="checkbox"/> |                                     |
| <b>b</b> If "Yes," did the organization make it available to the public?  | <input checked="" type="checkbox"/> |                                     |

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

| <b>7 Financial Assistance and Certain Other Community Benefits at Cost</b>                         |  |                                      |  |                                      |  |                                     |
|--|--|--------------------------------------|--|--------------------------------------|--|-------------------------------------|
| <b>Financial Assistance and Means-Tested Government Programs</b>                                   | <b>(a)</b> Number of activities or programs (optional) | <b>(b)</b> Persons served (optional) | <b>(c)</b> Total community benefit expense | <b>(d)</b> Direct offsetting revenue | <b>(e)</b> Net community benefit expense | <b>(f)</b> Percent of total expense |
| <b>a</b> Financial Assistance at cost (from Worksheet 1)   |  |                                      | 4,701,454.                                 |                                      | 4,701,454.                               | 3.87%                               |
| <b>b</b> Medicaid (from Worksheet 3, column a)   |  |                                      |  |                                      |  |                                     |
| <b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b)              |  |                                      |  |                                      |  |                                     |
| <b>d Total</b> Financial Assistance and Means-Tested Government Programs                           |  |                                      | 4,701,454.                                 |                                      | 4,701,454.                               | 3.87%                               |
| <b>Other Benefits</b>  |  |                                      |  |                                      |  |                                     |
| <b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) |  |                                      | 1,482,599.                                 | 27,644.                              | 1,454,955.                               | 1.20%                               |
| <b>f</b> Health professions education (from Worksheet 5)   |  |                                      | 788,026.                                   |                                      | 788,026.                                 | .65%                                |
| <b>g</b> Subsidized health services (from Worksheet 6)   |  |                                      | 15,465,703.                                | 4,977,993.                           | 10,487,710.                              | 8.62%                               |
| <b>h</b> Research (from Worksheet 7)   |  |                                      |  |                                      |  |                                     |
| <b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8)                   |  |                                      | 28,818.                                    |                                      | 28,818.                                  | .02%                                |
| <b>j Total.</b> Other Benefits   |  |                                      | 17,765,146.                                | 5,005,637.                           | 12,759,509.                              | 10.49%                              |
| <b>k Total.</b> Add lines 7d and 7j  |  |                                      | 22,466,600.                                | 5,005,637.                           | 17,460,963.                              | 14.36%                              |





**Part V Facility Information** (continued)

**Section B. Facility Policies and Practices**

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

Name of hospital facility or facility reporting group CALVERT MEMORIAL HOSPITAL

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

|   | Yes      | No       |
|---|----------|----------|
| <b>Community Health Needs Assessment</b> (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)  |          |          |
| <b>1</b> During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9  | <b>X</b> |          |
| If "Yes," indicate what the CHNA report describes (check all that apply):   |          |          |
| <b>a</b> <input checked="" type="checkbox"/> A definition of the community served by the hospital facility  |          |          |
| <b>b</b> <input checked="" type="checkbox"/> Demographics of the community  |          |          |
| <b>c</b> <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community  |          |          |
| <b>d</b> <input checked="" type="checkbox"/> How data was obtained  |          |          |
| <b>e</b> <input checked="" type="checkbox"/> The health needs of the community  |          |          |
| <b>f</b> <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups  |          |          |
| <b>g</b> <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs  |          |          |
| <b>h</b> <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests   |          |          |
| <b>i</b> <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs  |          |          |
| <b>j</b> <input type="checkbox"/> Other (describe in Section C)   |          |          |
| <b>2</b> Indicate the tax year the hospital facility last conducted a CHNA: <u>20 11</u>  |          |          |
| <b>3</b> In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted | <b>X</b> |          |
| <b>4</b> Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C   |          | <b>X</b> |
| <b>5</b> Did the hospital facility make its CHNA report widely available to the public?   | <b>X</b> |          |
| If "Yes," indicate how the CHNA report was made widely available (check all that apply):  |          |          |
| <b>a</b> <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW.CALVERTHOSPITAL.ORG</u>   |          |          |
| <b>b</b> <input type="checkbox"/> Other website (list url):   |          |          |
| <b>c</b> <input checked="" type="checkbox"/> Available upon request from the hospital facility  |          |          |
| <b>d</b> <input type="checkbox"/> Other (describe in Section C)   |          |          |
| <b>6</b> If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):  |          |          |
| <b>a</b> <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA   |          |          |
| <b>b</b> <input checked="" type="checkbox"/> Execution of the implementation strategy   |          |          |
| <b>c</b> <input checked="" type="checkbox"/> Participation in the development of a community-wide plan  |          |          |
| <b>d</b> <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan  |          |          |
| <b>e</b> <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans  |          |          |
| <b>f</b> <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA   |          |          |
| <b>g</b> <input checked="" type="checkbox"/> Prioritization of health needs in its community  |          |          |
| <b>h</b> <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community   |          |          |
| <b>i</b> <input type="checkbox"/> Other (describe in Section C)   |          |          |
| <b>7</b> Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs  |          | <b>X</b> |
| <b>8a</b> Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?   |          | <b>X</b> |
| <b>8b</b> If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?   |          |          |
| <b>c</b> If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$   |          |          |

**Part V Facility Information** (continued) CALVERT MEMORIAL HOSPITAL

| Financial Assistance Policy   |  | Yes | No |
|---|--|-----|----|
| Did the hospital facility have in place during the tax year a written financial assistance policy that: |  |     |    |
| 9   | Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? .....   | X   |    |
| 10  | Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? .....   | X   |    |
| If "Yes," indicate the FPG family income limit for eligibility for free care: <u>200</u> %              |  |     |    |
| If "No," explain in Section C the criteria the hospital facility used.                                  |  |     |    |
| 11  | Used FPG to determine eligibility for providing <i>discounted</i> care? .....  | X   |    |
| If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>300</u> %        |  |     |    |
| If "No," explain in Section C the criteria the hospital facility used.                                  |  |     |    |
| 12  | 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 checked="" type="checkbox"/> Uninsured discount   |     |    |
| f   | <input checked="" type="checkbox"/> Medicaid/Medicare  |     |    |
| g   | <input checked="" type="checkbox"/> State regulation   |     |    |
| h   | <input type="checkbox"/> Residency   |     |    |
| i   | <input checked="" type="checkbox"/> Other (describe in Section C)  |     |    |
| 13  | Explained the method for applying for financial assistance? .....  | X   |    |
| 14  | 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 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 Section C)   |     |    |
| <b>Billing and Collections</b>  |  |     |    |
| 15  | 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   |    |
| 16  | Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP: |     |    |
| a   | <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 Section C)   |     |    |
| 17  | 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 individual'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 Section C)   |     |    |

**Part V Facility Information** (continued) **CALVERT MEMORIAL HOSPITAL**

- 18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):
- a  Notified individuals of the financial assistance policy on admission
  - b  Notified individuals of the financial assistance policy prior to discharge
  - c  Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
  - d  Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
  - e  Other (describe in Section C)

**Policy Relating to Emergency Medical Care**

**19** 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?

|           | Yes                                 | No |
|-----------|-------------------------------------|----|
| <b>19</b> | <input checked="" type="checkbox"/> |    |
|           |                                     |    |

If "No," indicate why:

- a  The hospital facility did not provide care for any emergency medical conditions
- b  The hospital facility's policy was not in writing
- c  The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
- d  Other (describe in Section C)

**Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)**

**20** Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a  The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b  The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c  The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d  Other (describe in Section C)

**21** During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?

|           |  |                                     |
|-----------|--|-------------------------------------|
|           |  |                                     |
| <b>21</b> |  | <input checked="" type="checkbox"/> |
|           |  |                                     |
| <b>22</b> |  | <input checked="" type="checkbox"/> |

If "Yes," explain in Section C.

**22** During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Section C.

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

CALVERT MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 3: CALVERT MEMORIAL HOSPITAL TOOK INTO ACCOUNT INPUT FROM REPRESENTATIVES OF THE COMMUNITY SERVED BY THE HOSPITAL FACILITY, INCLUDING THOSE WITH SPECIALIZED KNOWLEDGE OF OR EXPERTISE IN PUBLIC HEALTH, COMMUNITY LEADERS, AND LEADERS OR REPRESENTATIVES OF LOW INCOME AND UNDERSERVED GROUPS SERVED IN THE COMMUNITY. IN PARTICULAR, CALVERT MEMORIAL HOSPITAL PARTNERED WITH NUMEROUS COMMUNITY LEADERS THROUGH THE CALVERT COUNTY COMMUNITY HEALTH IMPROVEMENT ROUNDTABLE (THE "ROUNDTABLE") TO JOINTLY DEVELOP THE CHNA. THE SPECIFIC MEMBERS OF THE ROUNDTABLE WERE AS FOLLOWS:

BABS BUCHEISTER, RN, DIRECTOR OF NURSING  
CALVERT COUNTY HEALTH DEPARTMENT

SEAN CROSBY  
DEPARTMENT OF SOCIAL SERVICES

CANDICE D'AGOSTINO  
CALVERT ALLIANCE AGAINST SUBSTANCE ABUSE

FATHER PETER DALEY  
SAINT JOHN VIANNEY CATHOLIC CHURCH

RAYMON NOBLE, MD  
CALVERT HOSPICE

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

BRENDA LAUGHUNN

CALVERT HOSPICE

MARGARET FOWLER, COMMUNITY WELLNESS DIRECTOR

CALVERT MEMORIAL HOSPITAL

HARRIET S YAFFE, EXECUTIVE DIRECTOR

THE ARC OF SOUTHERN MARYLAND

MAUREEN T HOFFMAN, COMMUNITY RESOURCES DIRECTOR

CALVERT COUNTY GOVERNMENT

KERI LIPPERINI

OFFICE ON AGING, DIVISION CHIEF

VACANCY PENDING

DEPARTMENT OF JUVENILE SERVICES

LISA LASCHALT, R.S., M.P.H., PROGRAM SUPERVISOR

CALVERT COUNTY HEALTH DEPARTMENT

DONNA NICHOLS, SUPERVISOR OF HEALTH

CALVERT COUNTY PUBLIC SCHOOLS

LAURENCE POLSKY, MD, M.P.H., HEALTH OFFICER

CALVERT COUNTY HEALTH DEPARTMENT

**Part V** Facility Information (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

KASIA SWEENEY, PUBLIC RELATIONS DIRECTOR

CALVERT MEMORIAL HOSPITAL

TAMMY HALTERMAN, HEALTH PROMOTIONS

CALVERT COUNTY HEALTH DEPARTMENT

MARY BAHEN, RN, BSN - HEALTH MINISTRY

CALVERT MEMORIAL HOSPITAL

JENNIFER MORELAND, DIRECTOR OF COMMUNITY IMPACT

UNITED WAY OF CALVERT COUNTY

JAMES XINIS, PRESIDENT & CEO

CALVERT MEMORIAL HOSPITAL

CALVERT MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 5D: THE DIRECT WEBSITE ADDRESS FOR THE HOSPITAL'S CHNA IS -

HTTP://WWW.CALVERTHOSPITAL.ORG/WORKFILES/KEEPWELL/  
2011\_COMMUNITY\_HEALTH\_ASSESSMENT\_UPDATED.PDF

CALVERT MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 6I: THE HOSPITAL CONTINUES TO SPONSOR AND LEAD A NUMBER OF DIFFERENT PROGRAMS TO ADDRESS THE NEEDS IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA). DURING FY 2014, THE FOLLOWING

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

**OUTCOMES WERE ACHIEVED:**

(1) IDENTIFIED NEED - RECRUITMENT AND RETENTION OF PRIMARY CARE AND SPECIALIST PROVIDERS. THE PRIMARY OBJECTIVE IS TO INCREASE THE NUMBER OF PRIMARY AND SPECIALTY CARE PROVIDERS AVAILABLE TO TREAT THE UNDERINSURED/UNINSURED POPULATION AS WELL AS THOSE COVERED BY INSURANCE. THE HOSPITAL SUCCESSFULLY RECRUITED THREE PRIMARY CARE PHYSICIANS, ONE BREAST SURGEON, THREE PAIN MANAGEMENT PROVIDERS AND TWO PEDIATRIC HOSPITALISTS.

(2) IDENTIFIED NEED - PEDIATRIC DENTAL CARE. THE PRIMARY OBJECTIVE IS TO PROVIDE PEDIATRIC DENTAL SERVICES TARGETING MEDICAL ASSISTANCE AND THE UNINSURED POPULATION. THIS INITIATIVE ALSO PROVIDES A "DENTAL HOME" FOR THE ADULT MEDICAL ASSISTANCE POPULATION. THE HOSPITAL OPERATES THE CALVERT COMMUNITY DENTAL CLINIC WHICH PROVIDED BASIC DENTAL CARE TO 274 NEW PEDIATRIC PATIENTS, A 100% INCREASE FROM THE PRIOR YEAR. BASIC DENTAL CARE WAS ALSO PROVIDED TO 1,108 ADULT PATIENTS. THROUGH A PARTNERSHIP WITH HEAD START AND THE JUDY CENTER, 153 CHILDREN RECEIVED DENTAL SCREENINGS.

(3) IDENTIFIED NEED - OBESITY. THE PRIMARY OBJECTIVE IS TO DECREASE THE INCIDENCE OF OBESITY ACROSS THE POPULATION. THROUGH A COLLABORATIVE EFFORT WITH COMMUNITY PARTNERS, THE HOSPITAL ESTABLISHED THE PROGRAM CALVERT CAN: EAT RIGHT, MOVE MORE. OF THE 504 REPEAT HEALTH RISK ASSESSEMENTS CONDUCTED IN THE COMMUNITY, 40% OF THE PARTICIPANTS LOST WEIGHT, 49% OF THE PARTICIPANTS REDUCED BODY FAT AND 41% OF THE PARTICIPANTS DECREASED THEIR BLOOD PRESSURE.

**CALVERT MEMORIAL HOSPITAL:**

**Part V** Facility Information (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

PART V, SECTION B, LINE 7: THERE WERE TWO COMMUNITY HEALTH NEEDS IDENTIFIED IN THE CHNA THAT ARE NOT BEING ADDRESSED BY CALVERT MEMORIAL HOSPITAL. THESE TWO COMMUNITY HEALTH NEEDS ARE: (1) TRAFFIC SAFETY AND (2) AUTISM. AS DISCUSSED IN FURTHER DETAIL BELOW, CALVERT MEMORIAL HOSPITAL DETERMINED THAT IMPROVING TRAFFIC SAFETY WOULD BE ADDRESSED MORE EFFECTIVELY BY OTHER STAKEHOLDERS IN THE COMMUNITY BECAUSE TRAFFIC SAFETY IS NOT IN THE HOSPITAL'S CORE MISSION AND THE HOSPITAL DOES NOT CURRENTLY HAVE THE SKILL SET REQUIRED TO EFFECTIVELY MEET THIS COMMUNITY NEED. IN ADDITION, IT WAS DETERMINED THAT, DUE TO LIMITED RESOURCES AND A LACK OF THE REQUIRED SKILL SET, CALVERT MEMORIAL HOSPITAL IS NOT THE BEST PLACED ORGANIZATION WITHIN THE COMMUNITY TO ADDRESS THE COMMUNITY HEALTH NEEDS ASSOCIATED WITH AUTISM.

THE TRAFFIC SAFETY ISSUES ARE BEING ADDRESSED BY DEBBIE JENNINGS OF THE CALVERT COUNTY TRAFFIC SAFETY COUNCIL. A SEPARATE TRAFFIC SAFETY ACTION PLAN HAS BEEN DRAFTED WHICH INCORPORATES INITIATIVES THAT ARE BEING HANDLED BY THE MARYLAND STATE HIGHWAY ADMINISTRATION.

THE AUTISM NEEDS ARE BEING ADDRESSED BY HARRIET YAFFE, EXECUTIVE DIRECTOR OF THE ARC OF SOUTHERN MARYLAND. SHE IS WORKING IN COLLABORATION WITH OTHER AGENCIES WITHIN SOUTHERN MARYLAND WHO SERVE THE SPECIAL NEEDS POPULATION TO IDENTIFY GAPS IN SERVICES FOR THE AUTISM POPULATION. CURRENTLY, THE KENNEDY KRIEGER INSTITUTE AND CHILDREN'S NATIONAL MEDICAL CENTER ARE CONDUCTING A REGIONAL NEEDS SURVEY TO DETERMINE WHAT PROGRAMS EXIST IN SOUTHERN MARYLAND AND WILL SHARE THE SURVEY RESULTS WITH THE ROUNDTABLE.

**Part V** Facility Information (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

CALVERT MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 18E: THE HOSPITAL FACILITY OR AN AUTHORIZED THIRD PARTY DID NOT UNDERTAKE ANY OF THE COLLECTION ACTIONS NOTED IN PART V, SECTION B, LINE 17 BEFORE MAKING REASONABLE EFFORTS TO DETERMINE ANY PATIENT'S 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.

CALVERT MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 20D: CALVERT MEMORIAL HOSPITAL PROVIDES A DISCOUNT OF AT LEAST 20% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO ANY INDIVIDUAL THAT IS ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER 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

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

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.

CALVERT MEMORIAL HOSPITAL:

PART V, SECTION B, LINE 22: CALVERT MEMORIAL HOSPITAL DOES NOT CHARGE ANY INDIVIDUALS THAT 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 A STARTING POINT AGAINST WHICH REDUCTIONS ARE APPLIED TO DETERMINE THE AMOUNT ACTUALLY BILLED TO PATIENTS ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY. IN ADDITION, IF THE HOSPITAL CHARGED AN INDIVIDUAL THAT HAD NOT YET BEEN DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE AT THE TIME OF THE CHARGE AN AMOUNT EQUAL TO GROSS CHARGES, THEN UPON DETERMINING THE INDIVIDUAL WAS ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE HOSPITAL PROMPTLY CORRECTED THE BILL.

**Part V Facility Information** (continued)

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

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

How many non-hospital health care facilities did the organization operate during the tax year? 7

| Name and address  | Type of Facility (describe) |
|---|-----------------------------|
| 1 SOLOMONS URGENT CARE<br>14090 H.G. TRUEMAN ROAD SUITE 1300<br>SOLOMONS, MD 20688                    | URGENT CARE CENTER          |
| 2 DUNKIRK URGENT CARE<br>10845 TOWN CENTER BLVD SUITE 108<br>DUNKIRK, MD 20754                        | URGENT CARE CENTER          |
| 3 CMH LABORATORY SERVICES<br>130 HOSPITAL ROAD SUITE 204<br>PRINCE FREDERICK, MD 20678                | LABORATORY DRAW STATION     |
| 4 CMH LABORATORY SERVICES<br>14090 H.G. TRUEMAN ROAD SUITE 1400<br>SOLOMONS, MD 20688                 | LABORATORY DRAW STATION     |
| 5 PRINCE FREDERICK URGENT CARE<br>130 HOSPITAL ROAD SUITE 102<br>PRINCE FREDERICK, MD 20678           | URGENT CARE CENTER          |
| 6 SHELDON E GOLDBERG CENTER FOR BREAST C<br>130 HOSPITAL ROAD SUITE 201<br>PRINCE FREDERICK, MD 20678 | OUTPATIENT CLINIC           |
| 7 WOMAN'S WELLNESS CENTER<br>130 HOSPITAL ROAD SUITE 201<br>PRINCE FREDERICK, MD 20678                | OUTPATIENT CLINIC           |
|   |                             |
|   |                             |
|   |                             |

Part VI Supplemental Information

Provide the following information.

- 1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 3C:

EXPLANATION: FINANCIAL NEED WILL BE DETERMINED IN ACCORDANCE WITH THE FOLLOWING PROCEDURES:

A) AN APPLICATION PROCESS, IN WHICH THE PATIENT OR THE PATIENT'S GUARANTOR ARE REQUIRED TO COOPERATE AND SUPPLY PERSONAL, FINANCIAL AND OTHER INFORMATION AND DOCUMENTATION RELEVANT TO MAKING A DETERMINATION OF FINANCIAL NEED. THE APPLICATION FORM IS THE MARYLAND STATE UNIFORM FINANCIAL ASSISTANCE APPLICATION.

B) THE USE OF EXTERNAL PUBLICALLY AVAILIABLE DATA SOURCES THAT PROVIDE INFORMATION ON A PATIENT'S OR A PATIENT'S GUARANTOR'S ABILITY TO PAY (SUCH AS CREDIT SCORING);

C) REASONABLE EFFORTS BY CALVERT MEMORIAL HOSPITAL TO EXPLORE APPROPRIATE ALTERNATIVE SOURCES OF PAYMENT AND COVERAGE FROM PUBLIC AND PRIVATE PAYMENT PROGRAMS;

**Part VI** Supplemental Information (Continuation)

D) TAKING INTO ACCOUNT THE PATIENT'S AVAILABLE ASSETS, AND ALL OTHER  
FINANCIAL RESOURCES AVAILABLE TO THE PATIENT; AND

E) A REVIEW OF THE PATIENT'S OUTSTANDING ACCOUNTS RECEIVABLE FOR PRIOR  
SERVICES RENDERED AND THE PATIENT'S PAYMENT HISTORY.

IT IS PREFERRED BUT NOT REQUIRED THAT A REQUEST FOR FINANCIAL ASSISTANCE  
AND A DETERMINATION OF FINANCIAL NEED OCCUR PRIOR TO THE RENDERING OF  
SERVICES. HOWEVER, THE DETERMINATION MAY BE DONE AT ANY POINT IN THE  
COLLECTION CYCLE. THE NEED FOR PAYMENT ASSISTANCE SHALL BE RE-EVALUATED AT  
EACH SUBSEQUENT TIME OF SERVICES IF THE LAST FINANCIAL EVALUATION WAS  
COMPLETED MORE THAN SIX MONTHS PRIOR, OR AT ANY TIME ADDITIONAL  
INFORMATION RELEVANT TO THE ELIGIBILITY OF THE PATIENT FOR FINANCIAL  
ASSISTANCE BECOMES KNOWN.

CALVERT MEMORIAL HOSPITAL PERFORMS REASONABLE COLLECTION EFFORTS AS  
DEFINED IN THEIR PRIVATE PAY COLLECTIONS POLICY BY SENDING PATIENTS THAT  
HAVE NOT YET QUALIFIED UNDER THE HOSPITAL'S FINANCIAL POLICY AT LEAST  
THREE STATEMENTS. PATIENTS MAY ALSO RECEIVE PHONE CALLS REMINDING THEM A  
BALANCE IS DUE. UNPAID PATIENT ACCOUNTS ARE IDENTIFIED AS PRE-BAD DEBT  
AFTER 75 TO 90 DAYS. PRIOR TO TRANSFERRING ACCOUNTS TO AN EXTERNAL  
COLLECTION AGENCY OR UNDERTAKING ANY OTHER COLLECTION ACTIONS, THE  
ACCOUNTS ARE BATCHED AND SCREENED FOR THE PATIENT'S ABILITY TO PAY AGAINST  
THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY STANDARDS WITHIN SEARCH  
AMERICA. ANY PATIENTS WHO'S FINANCIAL CONDITIONS QUALIFY FOR FINANCIAL  
ASSISTANCE PER THE SOFTWARE'S SEARCH ARE IMMEDIATELY APPROVED BY THE  
HOSPITAL FOR CHARITY CARE AND ALL COLLECTION EFFORTS ARE  
IMMEDIATELY CEASED.

**Part VI** Supplemental Information (Continuation)

PART I, LINE 5A AND 5B

EXPLANATION: CALVERT MEMORIAL HOSPITAL OFFERS FREE OR DISCOUNTED CARE TO PATIENTS WHO ARE UNABLE TO PAY FOR THEIR SERVICES AND MEET THE ELIGIBILITY CRITERIA REGARDLESS OF THE AMOUNT BUDGETED FOR FINANCIAL ASSISTANCE IN THE HOSPITAL'S ANNUAL OPERATING PLAN.

PART I, LINE 6A, 6B

EXPLANATION: MARYLAND'S HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) REQUIRES ALL MARYLAND HOSPITALS TO COMPLETE AND SUBMIT A COMMUNITY BENEFIT REPORT ANNUALLY. THE HSCRC IS RESPONSIBLE FOR COLLECTING THE DATA FROM THE INDIVIDUAL HOSPITALS AND COMPILING A STATEWIDE DOCUMENT THAT CONTAINS SUMMARY INFORMATION AS WELL AS INDIVIDUAL HOSPITAL REPORTS. THE STATEWIDE DOCUMENT IS MADE AVAILABLE TO THE PUBLIC ON THE HSCRC'S WEBSITE.

PART I, LINE 7A, COLUMN D

EXPLANATION: 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 SAME HOSPITAL. MARYLAND'S UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART I, LINE 7B, COLUMNS C, D, E AND F

**Part VI** Supplemental Information (Continuation)

EXPLANATION: 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 SAME HOSPITAL. MARYLAND'S UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED 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 OF ITS SHARE OF THE 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. THE HOSPITAL PORTION OF THE MARYLAND MEDICAID ASSESSMENT FOR CMH FOR THE 2013 TAX YEAR WAS \$514,054.

PART I, LINE 7F, COLUMN C AND D

EXPLANATION: 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 SAME HOSPITAL. MARYLAND'S UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART I, LINE 7G

Part VI Supplemental Information (Continuation)

EXPLANATION: SUBSIDIZED HEALTH SERVICES INCLUDE THE FOLLOWING NON-PHYSICIAN CLINICS: WOMAN'S WELLNESS CENTER, DUNKIRK URGENT CARE, GYN-ONCOLOGY CLINIC, PEDIATRIC ORTHOPEDIC CLINIC, PRINCE FREDERICK URGENT CARE, SOLOMONS URGENT CARE AND SPINE CLINIC. COSTS ATTRIBUTABLE TO THE CLINICS TOTALED \$2,009,716. THESE SERVICES WOULD LIKELY NOT BE UNDERTAKEN IN THE COMMUNITY IF NOT PROVIDED BY CALVERT MEMORIAL HOSPITAL. AS A RESULT CALVERT MEMORIAL HOSPITAL HAS IDENTIFIED A COMMUNITY NEED FOR THE PROVISION OF THESE SERVICES.

PART I, LINE 7

EXPLANATION: THE COSTING METHODOLOGY USED TO CALCULATE AMOUNTS REPORTED IN LINE 7 WAS A COST-TO-CHARGE RATIO DERIVED FROM WORKSHEET 2, RATIO OF PATIENT CARE COST-TO-CHARGES.

PART II

EXPLANATION: CALVERT MEMORIAL HOSPITAL (CMH) IS RECOGNIZED AS A LEADER IN THE PROVISION OF HEALTH CARE IN THE LOCAL AREA. IT PARTNERS WITH MANY ORGANIZATIONS AND AGENCIES TO EXPAND THE REACH FOR IMPROVING THE HEALTH OF ITS COMMUNITY. ACTIVITIES INCLUDE:

DEVELOPING AND LEADING A HEALTH MINISTRY TEAM PROGRAM WITH 25 LOCAL AREA CHURCHES, SCHOOL WELLNESS COUNCIL AND AREA BUSINESSES TO IMPROVE HEALTH OF THEIR EMPLOYEES. SUPPORTING STAFF PARTICIPATION ON LOCAL AREA BOARDS, COALITIONS AND COLLABORATIVES, SUCH AS THE UNITED WAY OF CALVERT COUNTY, HOSPICE OF CALVERT COUNTY, MARYLAND RURAL HEALTH ASSOCIATION, THE OFFICE ON AGING, SOUTHERN MARYLAND COMMUNITY NETWORK, CALVERT COUNTY ORAL HEALTH COALITION, TRI-COUNTY COUNCIL, EMS COUNCIL,

**Part VI** Supplemental Information (Continuation)

MARYLAND PERINATAL PATIENT SAFETY COLLABORATIVE, COMPTROLLER'S ADVISORY BOARD AND THE CALVERT CANCER COALITION.

THESE ARE JUST A FEW OF CMH'S COMMUNITY BUILDING ACTIVITIES. IMPROVING THE HEALTH OF THE COMMUNITY IS A PRIORITY AREA FOR THE HOSPITAL AND THEREFORE DRIVES MANY OF OUR STRATEGIC PLANS.

PART III, LINE 4:

EXPLANATION: THE FOLLOWING IS THE TEXT OF THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES THE ORGANIZATION'S BAD DEBT EXPENSE:

ACCOUNTS RECEIVABLE ARE REPORTED AT THEIR NET REALIZABLE VALUE FROM THIRD-PARTY PAYERS, PATIENTS, RESIDENTS AND OTHERS FOR SERVICES RENDERED. ALLOWANCES ARE PROVIDED FOR THIRD-PARTY PAYERS BASED ON ESTIMATED REIMBURSEMENT RATES. ALLOWANCES ARE ALSO PROVIDED FOR BAD DEBTS ON AN ESTIMATE OF UNCOLLECTIBLE ACCOUNTS. WRITE-OFF OF UNCOLLECTIBLE ACCOUNTS IS DETERMINED ON A CASE-BY-CASE BASIS AFTER A REVIEW OF THE CIRCUMSTANCES SURROUNDING INDIVIDUAL PATIENT ACCOUNTS.

THE AMOUNT REPORTED ON PART III, LINE 2 WAS DETERMINED BY TAKING THE AMOUNT REPORTED AS PROVISION FOR UNCOLLECTIBLE ACCOUNTS IN THE HOSPITAL'S STATEMENT OF OPERATIONS AND APPLYING THE COST TO CHARGE RATIO, AS CALCULATED IN WORKSHEET 2, TO CALCULATE THE COST OF THE ORGANIZATION'S BAD DEBT EXPENSE.

THE HOSPITAL ESTIMATES THAT NONE OF THE ACTUAL BAD DEBT EXPENSE IN THE

Part VI Supplemental Information (Continuation)

2013 TAX YEAR WAS ATTRIBUTABLE TO PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE. THIS IS BASED UPON THE PROCESS THAT HAS BEEN PUT IN PLACE (DESCRIBED IN THE DISCLOSURE TO PART I, LINE 3) TO DETERMINE IF PATIENTS QUALIFY FOR FINANCIAL ASSISTANCE PRIOR TO CLASSIFYING THE PATIENT(S) ACCOUNT AS BAD DEBT.

PART III, LINE 8:

EXPLANATION: THE COSTING SOURCE IS THE MEDICARE COST REPORT AND THE METHODOLOGY IS MEDICARE ALLOWABLE COST TO MEDICARE REVENUES RECEIVED.

PART III, LINE 9B:

EXPLANATION: AS STATED IN CALVERT MEMORIAL HOSPITAL'S FINANCIAL ASSISTANCE POLICY, PART V, SECTION G:

CALVERT MEMORIAL HOSPITAL HAS DEVELOPED POLICIES AND PROCEDURES FOR INTERNAL AND EXTERNAL COLLECTION PRACTICES THAT TAKE INTO ACCOUNT THE EXTENT TO WHICH THE PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE, A PATIENT'S GOOD FAITH EFFORT TO APPLY FOR A GOVERNMENTAL PROGRAM OR FOR FINANCIAL ASSISTANCE FROM CALVERT MEMORIAL HOSPITAL, AND A PATIENT'S GOOD FAITH EFFORT TO COMPLY WITH HIS OR HER PAYMENT AGREEMENTS WITH CALVERT MEMORIAL HOSPITAL. FOR PATIENTS WHO ARE COOPERATING WITH APPLYING AND QUALIFYING FOR EITHER MEDICAL ASSISTANCE OR FINANCIAL ASSISTANCE, CALVERT MEMORIAL HOSPITAL WILL NOT SEND UNPAID BILLS TO OUTSIDE COLLECTION AGENCIES AND WILL CEASE ALL COLLECTION ACTIVITIES. ONCE THE COLLECTION PROCESS HAS BEGUN, THE HOSPITAL CONTINUES TO MONITOR WHETHER THE PATIENT QUALIFIES FOR CHARITY CARE UNDER THE FINANCIAL ASSISTANCE POLICY. IF THE HOSPITAL DETERMINES THAT A PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE, INCLUDING ONCE THE COLLECTION PROCESS HAS BEGUN, THE ORGANIZATION WILL

**Part VI** Supplemental Information (Continuation)

APPROVE THE PATIENT FOR CHARITY CARE. ONCE CHARITY CARE HAS BEEN APPROVED,  
THERE IS NO FURTHER ATTEMPT MADE BY THE ORGANIZATION TO COLLECT.  
COLLECTION EFFORTS WILL BE STOPPED AT ANY TIME DURING THE COLLECTION  
PROCESS IF THE PATIENT QUALIFIES FOR CHARITY CARE UNDER THE FINANCIAL  
ASSISTANCE POLICY. FURTHERMORE, IF A PATIENT'S FINANCIAL  
SITUATION CHANGES AT ANY POINT DURING THE COLLECTION PROCESS, THE PATIENT  
MAY QUALIFY FOR FINANCIAL ASSISTANCE AT SUCH POINT. 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.

PART VI, LINE 2

EXPLANATION: IN FY 2014 THE HOSPITAL BEGAN WORK WITH HEALTHY  
COMMUNITIES INSTITUTE TO IMPLEMENT AN EMBEDDED WEB-BASED COMMUNITY  
HEALTH NEEDS DASHBOARD ON THEIR WEBSITE TO MAKE COUNTY DATA AVAILABLE  
TO THE COMMUNITY. HEALTHY COMMUNITIES INSTITUTE HAS ALSO BEEN RETAINED  
TO ASSIST WITH COMPLETING A NEW COMMUNITY HEALTH NEEDS ASSESSMENT. THE  
HOSPITAL CONTINUED THE WORK IT STARTED IN FY 2013 WHEN IT ADOPTED THE  
MARYLAND STATE HEALTH IMPROVEMENT PLAN (SHIP) WHICH FOCUSES ON 39  
OBJECTIVES FOR EACH COUNTY WITHIN THE STATE OF MARYLAND. THE DEPARTMENT  
OF HEALTH AND MENTAL HYGIENE REQUESTED THAT THESE SHIP OBJECTIVES BE  
ADDRESSED BY THE CHNA AND INTEGRATED INTO THE HOSPITAL'S IMPLEMENTATION  
STRATEGY TO MEET THE COMMUNITY HEALTH NEEDS IDENTIFIED IN THE CHNA. THE  
SHIP OBJECTIVES WERE RATED RED, YELLOW OR GREEN IN EACH COUNTY, BASED  
UPON THE EXTENT TO WHICH THE COUNTY MET THE STATE STANDARDS FOR SUCH  
OBJECTIVES. THOSE OBJECTIVES THAT THE COUNTY HAD STRUGGLED TO MEET WERE  
GIVEN RED INDICATORS AND WERE DESIGNATED AS OBJECTIVES FOR THE COUNTY  
TO ADDRESS MOVING FORWARD. IN ORDER TO ADDRESS THOSE OBJECTIVES

**Part VI** Supplemental Information (Continuation)

RECEIVING A RED INDICATOR, THE COMMUNITY HEALTH IMPROVEMENT ROUNDTABLE, A GROUP THAT THE CALVERT MEMORIAL HOSPITAL PARTICIPATES IN WITH OTHER COMMUNITY LEADERS TO ADDRESS COMMUNITY HEALTH ISSUES, DEVELOPED A SHIP ACTION PLAN DOCUMENT TO ADDRESS THE FOLLOWING TARGETED OBJECTIVES: SMOKING, OBESITY, DEATH RATES FROM HEART DISEASE, DEATH RATES FROM CANCER AND DISPARITIES IN EMERGENCY ROOM UTILIZATION BY AFRICAN AMERICANS FOR DIABETES AND HYPERTENSION.

PART VI, LINE 3

EXPLANATION: NOTIFICATION ABOUT THE AVAILABILITY OF FINANCIAL ASSISTANCE FROM CALVERT MEMORIAL HOSPITAL INCLUDES A CONTACT NUMBER AND IS DISSEMINATED BY CALVERT MEMORIAL HOSPITAL BY VARIOUS MEANS, WHICH INCLUDES, BUT IS NOT LIMITED TO, THE PUBLICATION OF NOTICES IN PATIENT BILLS AND BY POSTING NOTICES IN THE EMERGENCY DEPARTMENT, URGENT CARE CENTERS, WAITING ROOMS, ADMITTING AND REGISTRATION DEPARTMENTS, AND PATIENT FINANCIAL SERVICES OFFICES. INFORMATION IS ALSO INCLUDED ON THE HOSPITAL'S WEBSITE AND AT LEAST ANNUALLY, THE HOSPITAL PUBLISHES IN THE LOCAL NEWSPAPERS A NOTICE OF FINANCIAL ASSISTANCE AND ALSO HIGHLIGHTS OTHER PROGRAMS THE HOSPITAL OFFERS FOR PATIENTS WITHOUT INSURANCE OR FOR PATIENTS IN FINANCIAL NEED. NOTIFICATION OF THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY PROGRAM IS PROVIDED TO EACH PATIENT AT THE TIME OF REGISTRATION AND A SECOND TIME WHEN PATIENTS RECEIVE THEIR BILL/STATEMENT. SUCH INFORMATION IS PROVIDED IN THE PRIMARY LANGUAGES SPOKEN BY THE POPULATION SERVICED BY CALVERT MEMORIAL HOSPITAL. REFERRAL OF PATIENTS FOR FINANCIAL ASSISTANCE MAY BE MADE BY ANY MEMBER OF THE CALVERT MEMORIAL HOSPITAL STAFF OR MEDICAL STAFF, INCLUDING PHYSICIANS, NURSES, FINANCIAL COUNSELORS, SOCIAL WORKERS, CASE MANAGERS, AND CHAPLAINS. A REQUEST FOR FINANCIAL ASSISTANCE MAY BE MADE

**Part VI** Supplemental Information (Continuation)

BY THE PATIENT OR A FAMILY MEMBER, CLOSE FRIEND, OR ASSOCIATE OF THE  
PATIENT, SUBJECT TO APPLICABLE PRIVACY LAWS.

PART VI, LINE 4

EXPLANATION: CALVERT MEMORIAL HOSPITAL (CMH) IS THE SOLE HOSPITAL  
PROVIDER IN CALVERT COUNTY, MARYLAND. CALVERT COUNTY IS LOCATED IN  
SOUTHERN MARYLAND AND IS ESSENTIALLY A PENINSULA BORDERED ON THE EAST  
BY THE CHESAPEAKE BAY AND ON THE WEST BY THE PATUXENT RIVER. WITH A  
LONG AND SKINNY TOPOGRAPHY, THE COUNTY'S "SPINE" IS MARYLAND ROUTES 2/4  
RUNNING FROM DUNKIRK IN THE NORTH TO SOLOMONS ISLAND IN THE SOUTH FOR  
APPROXIMATELY 45 MILES. THIS TOPOGRAPHY PRESENTS CHALLENGES TO BOTH  
TRANSPORTATION AND SERVICE DELIVERY THAT ARE UNIQUE TO CALVERT COUNTY.  
IN RESPONSE TO THIS UNIQUE TOPOGRAPHY, CMH'S STRATEGIC GOAL IS TO  
ENSURE ACCESS TO PRIMARY CARE SERVICES WITHIN A 15 MINUTE DRIVE FROM  
ANY COUNTY LOCATION AND SPECIALTY CARE WITHIN 30 MINUTES. IN ADDITION,  
CMH'S SECONDARY MARKET AREA INCLUDES THE SURROUNDING AREAS OF SOUTHERN  
PRINCE GEORGES AND ANNE ARUNDEL COUNTIES, ST MARY'S COUNTY ON ITS  
SOUTHERN BORDER AND CHARLES COUNTY ON ITS WESTERN BORDER.

ALTHOUGH CALVERT COUNTY IS ONE OF THE MORE AFFLUENT COUNTIES IN  
MARYLAND, IT HAS POCKETS OF IMPOVERISHED AREAS. THE MEDIAN HOUSEHOLD  
INCOME VARIES FROM \$75,227 IN THE SOUTHERN PORTION OF THE COUNTY TO  
\$120,119 IN THE NORTH AS COMPARED TO A \$92,395 COUNTY AVERAGE. OVERALL,  
CALVERT COUNTY HAS A POVERTY RATE OF 4.9% AS COMPARED TO A STATE LEVEL  
OF 9.4%. POVERTY RATES ARE HIGHEST AROUND THE CITY OF PRINCE FREDERICK,  
FOLLOWED BY BROOMES ISLAND AND SOLOMONS IN THE SOUTH. FINANCIAL  
ASSISTANCE OF FY 2014 FOR CMH REVEALS THAT 4.2% OF GROSS REVENUE WAS  
FROM SELF-PAY OR UNINSURED PATIENTS, 13.9% OF GROSS REVENUE WAS FROM

**Part VI** Supplemental Information (Continuation)

MEDICAID RECIPIENTS AND 37.4% WAS FROM MEDICARE RECIPIENTS.

CAUCASIAN RESIDENTS COMPRISE 82% OF THE POPULATION WHILE AFRICAN AMERICANS COMPRISE 13.2%. MAJOR SOURCES OF EMPLOYMENT WITH THE AREA INCLUDE EDUCATION AND HEALTHCARE, PUBLIC ADMINISTRATION, PROFESSIONAL/RESEARCH, CONSTRUCTION AND RETAIL TRADE. THE LIFE EXPECTANCY IN CALVERT COUNTY IS 79.4 YEARS. HEART DISEASE AND CANCER DEATH RATES ARE SIGNIFICANTLY HIGHER THAN THE STATE AND NATIONAL RATES AT 227.6 AND 189.3 DEATHS PER 100,000 RESPECTIVELY.

PART VI, LINE 5

EXPLANATION: THE HOSPITAL IS GOVERNED BY A COMMUNITY BOARD COMPRISED OF CIVIC LEADERS THROUGHOUT CALVERT COUNTY WHO ARE COMMITTED TO AND REPRESENT THE HEALTHCARE NEEDS OF THE COMMUNITY. THE HOSPITAL EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS FOR ALL OF ITS DEPARTMENTS. ALL FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION.

PART VI, LINE 6

EXPLANATION: CALVERT MEMORIAL HOSPITAL IS PART OF AN AFFILIATED HEALTH CARE SYSTEM, CALVERT HEALTH SYSTEM, INC.(CHS) THAT COOPERATES IN PROVIDING HEALTH CARE SERVICES TO ITS COMMUNITY. THE HOSPITAL, AS A SOLE COMMUNITY PROVIDER, PROVIDES ESSENTIAL HEALTH CARE SERVICES SUCH AS OBSTETRICS, PSYCHIATRY (INPATIENT AND OUTPATIENT), EMERGENCY SERVICES, URGENT CARE AND LONG-TERM CARE THAT OTHERWISE WOULD NOT BE PROVIDED WITHIN CALVERT COUNTY DUE TO THEIR UNPROFITABLE NATURE (HIGH COST SERVICES WITH LOW REIMBURSEMENT), OR WOULD NEED TO BE PROVIDED BY ANOTHER TAX-EXEMPT ORGANIZATION OR THE GOVERNMENT. FOR THE 2013 TAX

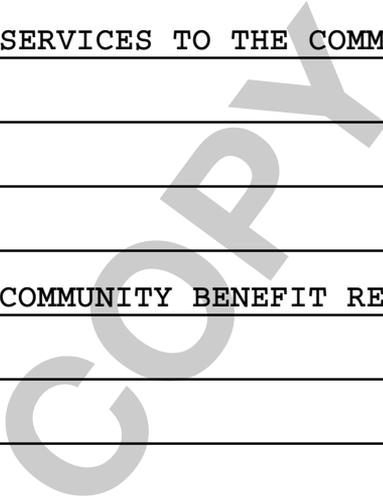
Part VI Supplemental Information (Continuation)

YEAR, THE HOSPITAL PROVIDED \$4,701,454 IN CHARITY CARE, AT COST, TO PATIENTS THAT QUALIFIED FOR FINANCIAL ASSISTANCE. FURTHERMORE, THE HOSPITAL PROVIDED \$163,297 OF FREE HEALTH SERVICES FOR CALVERT HEALTHCARE SOLUTIONS PATIENTS. CALVERT HEALTHCARE SOLUTIONS IS A PARTNERSHIP BETWEEN THE LOCAL HEALTH DEPARTMENT, LOCAL PHYSICIANS AND THE HOSPITAL THAT PROVIDES PRIMARY CARE SERVICES TO PATIENTS WHO ARE UNINSURED. IN ADDITION TO THE HOSPITAL, CHS IS ALSO THE SOLE MEMBER AND EMPLOYER OF A PHYSICIAN GROUP, CALVERT PHYSICIAN ASSOCIATES, LLC, WHICH PROVIDES PRIMARY AND SPECIALTY CARE SERVICES TO THE COMMUNITY. THE PROVISION OF THESE PHYSICIAN SERVICES TO THE COMMUNITY MEETS AN IDENTIFIED NEED.

PART VI, LINE 7

EXPLANATION: STATE FILING OF COMMUNITY BENEFIT REPORT

MD



**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**  
Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

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

OMB No. 1545-0047

**2013**

**Open to Public  
Inspection**

Name of the organization **CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY** Employer identification number **52-0619000**

**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. Part II can be duplicated if additional space is needed.

| <b>1 (a)</b> Name and address of organization or government | <b>(b)</b> EIN | <b>(c)</b> IRC section if applicable | <b>(d)</b> Amount of cash grant | <b>(e)</b> Amount of non-cash assistance | <b>(f)</b> Method of valuation (book, FMV, appraisal, other) | <b>(g)</b> Description of non-cash assistance | <b>(h)</b> Purpose of grant or assistance |
|---|----------------|--------------------------------------|---------------------------------|--|--|---|---|
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |
|   |                |                                      |                                 |  |  |   |   |

- 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 ▶ \_\_\_\_\_

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

Schedule I (Form 990) (2013)



**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

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

**2013**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
▶ Attach to Form 990. ▶ See separate instructions.

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

Name of the organization  
**CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY**

Employer identification number  
**52-0619000**

**Part I Questions Regarding Compensation**

|  | Yes       | No       |
|--|-----------|----------|
| <b>1a</b> 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 checked="" type="checkbox"/> Travel for companions  |           |          |
| <input 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>b</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  | <b>1b</b> | <b>X</b> |
| <b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?  | <b>2</b>  | <b>X</b> |
| <b>3</b> Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. |           |          |
| <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  |           |          |
| <b>4</b> 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:  |           |          |
| <b>a</b> Receive a severance payment or change-of-control payment?   | <b>4a</b> | <b>X</b> |
| <b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?   | <b>4b</b> | <b>X</b> |
| <b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement?  | <b>4c</b> | <b>X</b> |
| If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.  |           |          |
| <b>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.</b>   |           |          |
| <b>5</b> 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:  |           |          |
| <b>a</b> The organization?   | <b>5a</b> | <b>X</b> |
| <b>b</b> Any related organization?   | <b>5b</b> | <b>X</b> |
| If "Yes" to line 5a or 5b, describe in Part III.   |           |          |
| <b>6</b> 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:  |           |          |
| <b>a</b> The organization?   | <b>6a</b> | <b>X</b> |
| <b>b</b> Any related organization?   | <b>6b</b> | <b>X</b> |
| If "Yes" to line 6a or 6b, describe in Part III.   |           |          |
| <b>7</b> 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  | <b>7</b>  | <b>X</b> |
| <b>8</b> 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   | <b>8</b>  | <b>X</b> |
| <b>9</b> If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?  | <b>9</b>  |          |

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

Schedule J (Form 990) 2013

**CALVERT MEMORIAL HOSPITAL OF CALVERT  
COUNTY**

52-0619000

Schedule J (Form 990) 2013

**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 and Title                                |      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported as deferred in prior Form 990 |
|---|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
|   |      | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |  |                         |                                 |   |
| (1) JAMES XINIS<br>PRESIDENT AND CEO              | (i)  | 416,030.   | 120,700.                            | 30,096.                             | 246,119.                                       | 1,107.                  | 814,052.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (2) ROBERT KERTIS<br>VP FINANCE AND CFO           | (i)  | 199,895.   | 28,439.                             | 0.                                  | 18,220.  | 9,767.                  | 256,321.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (3) DEAN TEAGUE<br>COO                            | (i)  | 219,430.   | 18,546.                             | 0.                                  | 19,029.  | 333.                    | 257,338.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (4) SUSAN DOHONY<br>VP CQO PERFORM IMPROVEMENT    | (i)  | 158,645.   | 16,187.                             | 0.                                  | 49,244.  | 9,660.                  | 233,736.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (5) EDWARD GROGAN<br>VP IT                        | (i)  | 150,081.   | 17,016.                             | 0.                                  | 22,308.  | 7,460.                  | 196,865.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (6) DIANE COUCHMAN<br>VP CNO CLINICAL SERVICES    | (i)  | 146,744.   | 12,722.                             | 0.                                  | 17,013.  | 7,460.                  | 183,939.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (7) ANTHONY BLADEN<br>VP HUMAN RESOURCES          | (i)  | 160,680.   | 17,040.                             | 4,847.                              | 14,209.  | 781.                    | 197,557.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (8) SCOTT INTNER<br>AVP BUS DEVEL CORP COMPLIANCE | (i)  | 137,437.   | 14,316.                             | 0.                                  | 7,404.   | 7,460.                  | 166,617.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (9) KARA HARRER<br>DIRECTOR OF PHARMACY           | (i)  | 136,750.   | 8,495.                              | 185.                                | 13,068.  | 872.                    | 159,370.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
| (10) PILAR CROOK<br>REGISTERED NURSE              | (i)  | 84,120.  | 0.                                  | 39,977.                             | 21,840.  | 9,625.                  | 155,562.                        | 0.  |
|   | (ii) | 0.   | 0.                                  | 0.                                  | 0.   | 0.                      | 0.                              | 0.  |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |
|   | (i)  |  |                                     |                                     |  |                         |                                 |   |
|   | (ii) |  |                                     |                                     |  |                         |                                 |   |

Part III Supplemental Information

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

PART I, LINE 1A:

EXPLANATION: THE PRESIDENT/CEO RECEIVED BENEFITS THAT ARE INCLUDED IN

PART I, LINE 1.

PART I, LINE 4B:

EXPLANATION: THE FOLLOWING EMPLOYEES CONTRIBUTED TO (EMPLOYEE AND EMPLOYER PORTION) THE ORGANIZATION'S 457(F) DEFERRED COMPENSATION PLAN:

JAMES XINIS \$182,854

ROBERT KERTIS \$ 8,349

ANTHONY BLADEN \$ 6,427

DIANE COUCHMAN \$ 6,189

DEAN TEAGUE \$ 8,820

**Supplemental Information on Tax-Exempt Bonds**

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

▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule K (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

Name of the organization **CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY**

Employer identification number  
**52-0619000**

| <b>Part I Bond Issues</b>                                |  |                |             |                 |                 |                                    |              |    |                         |    |                      |    |
|--|--|----------------|-------------|-----------------|-----------------|------------------------------------|--------------|----|-------------------------|----|----------------------|----|
| <b>SEE PART VI FOR COLUMNS (A) AND (F) CONTINUATIONS</b> |  |                |             |                 |                 |                                    |              |    |                         |    |                      |    |
|  | (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 |
| <b>A</b>   | MD HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY | 52-0936091     | NONE        | 07/01/12        | 19,199,000.     | REFUND THE SERIES 1998 REVENUE BON |              | X  |                         | X  |                      | X  |
| <b>B</b>   | MD HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY | 52-0936091     | 574218SP1   | 08/07/13        | 31,185,000.     | REFUND THE SERIES 2004 REVENUE BON |              | X  |                         | X  |                      | X  |
| <b>C</b>   |  |                |             |                 |                 |                                    |              |    |                         |    |                      |    |
| <b>D</b>   |  |                |             |                 |                 |                                    |              |    |                         |    |                      |    |

| <b>Part II Proceeds</b>  |             |    |             |    |          |    |          |    |  |
|--|-------------|----|-------------|----|----------|----|----------|----|--|
|  | <b>A</b>    |    | <b>B</b>    |    | <b>C</b> |    | <b>D</b> |    |  |
| <b>1</b> Amount of bonds retired   | 1,977,726.  |    | 90,000.     |    |          |    |          |    |  |
| <b>2</b> Amount of bonds legally defeased  |             |    |             |    |          |    |          |    |  |
| <b>3</b> Total proceeds of issue   | 19,199,000. |    | 31,185,000. |    |          |    |          |    |  |
| <b>4</b> Gross proceeds in reserve funds   |             |    |             |    |          |    |          |    |  |
| <b>5</b> Capitalized interest from proceeds  |             |    |             |    |          |    |          |    |  |
| <b>6</b> Proceeds in refunding escrows   |             |    |             |    |          |    |          |    |  |
| <b>7</b> Issuance costs from proceeds  | 27,962.     |    | 577,497.    |    |          |    |          |    |  |
| <b>8</b> Credit enhancement from proceeds  |             |    |             |    |          |    |          |    |  |
| <b>9</b> Working capital expenditures from proceeds  |             |    |             |    |          |    |          |    |  |
| <b>10</b> Capital expenditures from proceeds   |             |    |             |    |          |    |          |    |  |
| <b>11</b> Other spent proceeds   | 19,170,038. |    | 30,809,464. |    |          |    |          |    |  |
| <b>12</b> Other unspent proceeds   |             |    |             |    |          |    |          |    |  |
| <b>13</b> Year of substantial completion   |             |    | 2008        |    |          |    |          |    |  |
|  | Yes         | No | Yes         | No | Yes      | No | Yes      | No |  |
| <b>14</b> Were the bonds issued as part of a current refunding issue?  | X           |    |             | X  |          |    |          |    |  |
| <b>15</b> Were the bonds issued as part of an advance refunding issue?   |             | X  | X           |    |          |    |          |    |  |
| <b>16</b> Has the final allocation of proceeds been made?  | X           |    | X           |    |          |    |          |    |  |
| <b>17</b> Does the organization maintain adequate books and records to support the final allocation of proceeds? | X           |    | X           |    |          |    |          |    |  |

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

**CALVERT MEMORIAL HOSPITAL OF CALVERT  
COUNTY**

Schedule K (Form 990) 2013

52-0619000

Page 2

**Part III Private Business Use (Continued)**

|   | A   |    | B   |    | C   |    | D   |    |
|---|-----|----|-----|----|-----|----|-----|----|
|   | Yes | No | Yes | No | Yes | No | Yes | No |
| <b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? .....  |     |    | X   |    |     |    |     |    |
| <b>b</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   |    |     |    |     |    |
| <b>c</b> Are there any research agreements that may result in private business use of bond-financed property? .....   |     |    |     | X  |     |    |     |    |
| <b>d</b> 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? .....   |     |    |     |    |     |    |     |    |
| <b>4</b> 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 .....  |     | %  |     | %  |     | %  |     | %  |
| <b>5</b> 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 ..... |     | %  |     | %  |     | %  |     | %  |
| <b>6</b> Total of lines 4 and 5 .....   |     | %  |     | %  |     | %  |     | %  |
| <b>7</b> Does the bond issue meet the private security or payment test? .....   |     |    |     | X  |     |    |     |    |
| <b>8a</b> Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued? .....   |     |    |     | X  |     |    |     |    |
| <b>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of .....  |     | %  |     | %  |     | %  |     | %  |
| <b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? .....  |     |    |     |    |     |    |     |    |
| <b>9</b> Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? .....                           |     |    | X   |    |     |    |     |    |

**Part IV Arbitrage**

|  | A   |    | B   |    | C   |    | D   |    |
|--|-----|----|-----|----|-----|----|-----|----|
|  | Yes | No | Yes | No | Yes | No | Yes | No |
| <b>1</b> Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate? .....    |     | X  |     | X  |     |    |     |    |
| <b>2</b> If "No" to line 1, did the following apply? .....   |     |    |     |    |     |    |     |    |
| <b>a</b> Rebate not due yet? .....   | X   |    | X   |    |     |    |     |    |
| <b>b</b> Exception to rebate? .....  |     | X  |     | X  |     |    |     |    |
| <b>c</b> No rebate due? .....  |     | X  |     | X  |     |    |     |    |
| If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed .....              |     |    |     |    |     |    |     |    |
| <b>3</b> Is the bond issue a variable rate issue? .....  |     | X  |     | X  |     |    |     |    |
| <b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? ..... |     | X  |     | X  |     |    |     |    |
| <b>b</b> Name of provider .....  |     |    |     |    |     |    |     |    |
| <b>c</b> Term of hedge .....   |     |    |     |    |     |    |     |    |
| <b>d</b> Was the hedge superintegrated? .....  |     |    |     |    |     |    |     |    |
| <b>e</b> Was the hedge terminated? .....   |     |    |     |    |     |    |     |    |

**Part IV Arbitrage** (Continued)

|  | A   |    | B   |    | C   |    | D   |    |
|--|-----|----|-----|----|-----|----|-----|----|
|  | Yes | No | Yes | No | Yes | No | Yes | No |
| <b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)? .....                        |     | X  |     | X  |     |    |     |    |
| <b>b</b> Name of provider .....  |     |    |     |    |     |    |     |    |
| <b>c</b> Term of GIC .....   |     |    |     |    |     |    |     |    |
| <b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?           |     |    |     |    |     |    |     |    |
| <b>6</b> Were any gross proceeds invested beyond an available temporary period? .....                          |     | X  |     | X  |     |    |     |    |
| <b>7</b> Has the organization established written procedures to monitor the requirements of section 148? ..... | X   |    | X   |    |     |    |     |    |

**Part V Procedures To Undertake Corrective Action**

|  | A   |    | B   |    | C   |    | D   |    |
|--|-----|----|-----|----|-----|----|-----|----|
|  | Yes | No | Yes | No | Yes | No | Yes | No |
| Has 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? ..... |     | X  |     | X  |     |    |     |    |

**Part VI Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions).

**SCHEDULE K, PART I, BOND ISSUES:**

(A) ISSUER NAME: MD HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY

(F) DESCRIPTION OF PURPOSE: REFUND THE SERIES 1998 REVENUE BONDS

(A) ISSUER NAME: MD HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY

(F) DESCRIPTION OF PURPOSE: REFUND THE SERIES 2004 REVENUE BONDS

**PART II, LINE 7, COLUMN A**

MONIES IN THE AMOUNT OF 151,023 (REPRESENTING AMOUNTS IN THE DEBT SERVICE FUND FOR THE REFUNDED 1998 BONDS) WERE USED TO PAY THE COSTS OF ISSUANCE OF THE 2012 BONDS.

SCHEDULE L

(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2013

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

Open To Public Inspection

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number 52-0619000

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.

Table with 4 main columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 \$
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

Table with 9 main columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization? (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Total \$

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance

**Part IV Business Transactions Involving Interested Persons.**

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

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount of transaction | (d) Description of transaction | (e) Sharing of organization's revenues? |    |
|-------------------------------|---|---------------------------|--------------------------------|---|----|
|                               |   |                           |                                | Yes                                     | No |
| JAMES XINIS                   | DIRECTOR AND OFFICER  | 24,806,248.               | CAREFIRST T                    |   | X  |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |
|                               |   |                           |                                |   |    |

**Part V Supplemental Information**

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

**SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:**

(A) NAME OF PERSON: JAMES XINIS

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

DIRECTOR AND OFFICER

(D) DESCRIPTION OF TRANSACTION: CAREFIRST TRANSACTIONS

**PART IV**

CMH RECEIVED NET REVENUE OF \$24,806,248 FROM CAREFIRST FOR HEALTH CARE SERVICES PROVIDED TO PATIENTS INSURED BY CAREFIRST.

**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

**2013**

Open to Public  
Inspection

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

Name of the organization  
**CALVERT MEMORIAL HOSPITAL OF CALVERT  
COUNTY**

Employer identification number  
**52-0619000**

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

OF SOUTHERN MARYLAND THAT IS ACCESSIBLE, COST-EFFECTIVE AND

COMPASSIONATE. CMH WORKS IN PARTNERSHIP WITH THE COMMUNITY TO IMPROVE

THE HEALTH STATUS OF ITS MEMBERS.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

HOSPITAL. THE COMMUNITY BENEFIT REPORT IS AVAILABLE UPON REQUEST. ALL

FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO

FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION. THE HOSPITAL IS

GOVERNED BY A COMMUNITY BOARD COMPRISED OF CIVIC LEADERS THROUGHOUT

CALVERT COUNTY WHO ARE COMMITTED TO AND REPRESENT THE HEALTHCARE NEEDS

OF THE COMMUNITY. THE HOSPITAL IN FY 2014 PROVIDED \$7,010,000 IN

CHARITY CARE WITH A COST TO THE HOSPITAL OF \$4,701,454, TO RESIDENTS

WHO WERE UNABLE TO PAY FOR THOSE SERVICES AND MET ELIGIBILITY CRITERIA.

THE HOSPITAL, AS A SOLE COMMUNITY PROVIDER, PROVIDES ESSENTIAL

HEALTHCARE SERVICES SUCH AS OBSTETRICS, PSYCHIATRY (BOTH INPATIENT AND

OUTPATIENT), EMERGENCY SERVICES, URGENT CARE AND LONG-TERM CARE THAT

OTHERWISE WOULD NOT BE PROVIDED WITHIN CALVERT COUNTY OR WOULD HAVE TO

BE PROVIDED BY THE GOVERNMENT OR OTHER TAX-EXEMPT ENTITIES. MANY OF

THESE SERVICES BY THEIR NATURE ARE UNPROFITABLE SERVICES DUE TO THEIR

HIGH COSTS AND LOW REIMBURSEMENT. THESE SERVICES WOULD NOT BE PROVIDED

IF THE HOSPITAL DID NOT STEP IN TO PROVIDE THEM. IN ADDITION, IN FY

2014, THE HOSPITAL PROVIDED \$163,297 OF FREE HEALTH SERVICES FOR

CALVERT HEALTHCARE SOLUTIONS PATIENTS. CALVERT HEALTHCARE SOLUTIONS IS

A PARTNERSHIP BETWEEN THE LOCAL HEALTH DEPARTMENT, LOCAL PHYSICIANS AND

THE HOSPITAL THAT PROVIDES PRIMARY CARE SERVICES TO PATIENTS WHO ARE

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

Schedule O (Form 990 or 990-EZ) (2013)

332211  
09-04-13

|  |  |
|--|--|
| Name of the organization<br>CALVERT MEMORIAL HOSPITAL OF CALVERT<br>COUNTY | Employer identification number<br>52-0619000 |
|--|--|

UNINSURED.

FORM 990, PART VI, SECTION B, LINE 11:

EXPLANATION: THE FORM 990 IS REVIEWED BY THE AUDIT COMMITTEE OF THE CALVERT HEALTH SYSTEM, INC. BOARD OF DIRECTORS AFTER COMPLETION AND PRIOR TO SUBMISSION TO THE IRS. THE DOCUMENT IS DELIVERED TO THE COMMITTEE MEMBERS PRIOR TO THE COMMITTEE MEETING SO THAT THEY CAN REVIEW THE INFORMATION AND RESPOND TO OR QUESTION ANY OR ALL OF THE DATA. THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ARE PRESENT AT THE AUDIT COMMITTEE MEETING. PRIOR TO SUBMISSION TO THE IRS, A COPY OF THE FINAL FORM 990 IS POSTED ON THE BOARD OF DIRECTORS PORTAL WHICH IS PASSWORD-PROTECTED. ALL BOARD MEMBERS ARE NOTIFIED BY EMAIL THAT THE FORM 990 HAS BEEN POSTED ON THE PORTAL AND IS AVAILABLE FOR REVIEW. ANY ADDITIONAL COMMENTS OR QUESTIONS FROM BOARD MEMBERS ARE RESPONDED TO PRIOR TO FILING THE FORM 990.

FORM 990, PART VI, SECTION B, LINE 12C:

EXPLANATION: CALVERT HEALTH SYSTEM, INC. AND SUBSIDIARIES (THE HEALTH SYSTEM) HAVE A CONFLICT OF INTEREST PROCESS. AT ITS CORE ARE THREE DISTINCT POLICIES; ONE EACH FOR THE BOARD OF DIRECTORS, MEDICAL STAFF, AND ALL EMPLOYEES AND ASSOCIATES OF THE HEALTH SYSTEM. THESE POLICIES REQUIRE ALL ORGANIZATIONAL LEADERSHIP, AS WELL AS RANK AND FILE ASSOCIATES IN KEY POSITIONS OR WITH RELATIONSHIPS WITH OUTSIDE PARTIES THAT DO BUSINESS WITH THE HEALTH SYSTEM, TO DISCLOSE ANY ACTUAL OR POTENTIAL CONFLICT OF INTEREST. ANNUAL DISCLOSURES ARE REQUIRED AND DOCUMENTED WITH A FURTHER REQUIREMENT TO PROMPTLY SUPPLEMENT WHEN AN ACTUAL OR POTENTIAL CONFLICT IS DISCOVERED OR CREATED. THE HEALTH SYSTEM REQUIRES THAT THESE POLICIES BE CONSTRUED BROADLY TO AVOID THE APPEARANCE OF IMPROPER ACTIVITY AND REQUIRES DISCLOSURE AND RESOLUTION OF POTENTIAL CONFLICTS AS WELL. THE

|  |  |
|--|--|
| Name of the organization<br>CALVERT MEMORIAL HOSPITAL OF CALVERT<br>COUNTY | Employer identification number<br>52-0619000 |
|--|--|

PROCESS IS OVERSEEN BY THE CHIEF COMPLIANCE OFFICER OF THE HEALTH SYSTEM WHO HAS ACCESS TO EXTERNAL RESOURCES, INCLUDING OUTSIDE COUNSEL. REMEDIES RANGE FROM DISCLOSURE AND MONITORING FOR THE MOST ATTENUATED POTENTIAL CONFLICTS TO RESIGNATION/TERMINATION FOR UNRESOLVABLE CONFLICTS.

FORM 990, PART VI, SECTION B, LINE 15:

EXPLANATION: THE ORGANIZATION UTILIZES A COMPENSATION COMMITTEE, AN INDEPENDENT COMPENSATION CONSULTANT, A WRITTEN EMPLOYMENT CONTRACT, A COMPENSATION SURVEY OR STUDY, APPROVAL BY BOARD/COMPENSATION COMMITTEE AND CONTEMPORANEOUS WRITTEN SUBSTANTIATION OF THE DECISION-MAKING PROCESS TO DETERMINE COMPENSATION OF THE CEO.

FORM 990, PART VI, SECTION C, LINE 19:

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

FORM 990, PART IX, LINE 24E, ALL OTHER FUNCTIONAL EXPENSES:

LOSS ON EXTINGUISHMENT OF DEBT:

|  |            |
|--|------------|
| PROGRAM SERVICE EXPENSES                                   | 0.         |
| MANAGEMENT AND GENERAL EXPENSES                            | 2,169,713. |
| FUNDRAISING EXPENSES                                       | 0.         |
| TOTAL EXPENSES   | 2,169,713. |
| TOTAL OTHER EXPENSES ON FORM 990, PART IX, LINE 24E, COL A | 2,169,713. |

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

|                            |             |
|----------------------------|-------------|
| NET ASSETS TRANSFER TO CHS | -4,200,000. |
| PENSION RELATED CHANGES    | -4,090,412. |

|   |  |
|---|--|
| Name of the organization<br>CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY | Employer identification number<br>52-0619000 |
|---|--|

CHANGE OF INVESTMENT IN FOUNDATION 312,705.

NET ASSETS RELEASED -193,913.

TOTAL TO FORM 990, PART XI, LINE 9 -8,171,620.

PART XII LINE 2B

EXPLANATION: THE ORGANIZATIONS FINANCIAL STATEMENTS ARE AUDITED BY AN  
 INDEPENDENT ACCOUNTING FIRM AS PART OF THE CONSOLIDATED AUDIT OF THE  
 HEALTH SYSTEM.



**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

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

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

OMB No. 1545-0047

**2013**

**Open to Public  
Inspection**

Name of the organization **CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY** Employer identification number **52-0619000**

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

| (a)<br>Name, address, and EIN (if applicable)<br>of disregarded entity | (b)<br>Primary activity | (c)<br>Legal domicile (state or<br>foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>Direct controlling<br>entity |
|--|-------------------------|---|---------------------|---------------------------|-------------------------------------|
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |
|  |                         |   |                     |                           |                                     |

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

| (a)<br>Name, address, and EIN<br>of related organization   | (b)<br>Primary activity | (c)<br>Legal domicile (state or<br>foreign country) | (d)<br>Exempt Code<br>section | (e)<br>Public charity<br>status (if section<br>501(c)(3)) | (f)<br>Direct controlling<br>entity | (g)<br>Section 512(b)(13)<br>controlled<br>entity? |    |
|--|-------------------------|---|-------------------------------|---|-------------------------------------|--|----|
|  |                         |   |                               |   |                                     | Yes  | No |
| CALVERT HEALTH SYSTEM INC - 52-2347324<br>100 HOSPITAL RD<br>PRINCE FREDERICK, MD 20678                  | HEALTHCARE              | MARYLAND  | 501(C)(3)                     | 170B1AIII   |                                     |  | X  |
| CMH HOLDING CO - 52-2176827<br>100 HOSPITAL RD<br>PRINCE FREDERICK, MD 20678                             | REAL ESTATE             | MARYLAND  | 501(C)(2)                     |   | CHS                                 | X  |    |
| CMH II HOLDING CO - 52-2178784<br>100 HOSPITAL RD<br>PRINCE FREDERICK, MD 20678                          | REAL ESTATE             | MARYLAND  | 501(C)(2)                     |   | CHS                                 | X  |    |
| CALVERT MEMORIAL HOSPITAL FOUNDATION INC -<br>52-1680647, 100 HOSPITAL RD, PRINCE<br>FREDERICK, MD 20678 | FUND RAISING            | MARYLAND  | 501(C)(3)                     | 509(A)(3)   | CMH                                 | X  |    |

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

Schedule R (Form 990) 2013



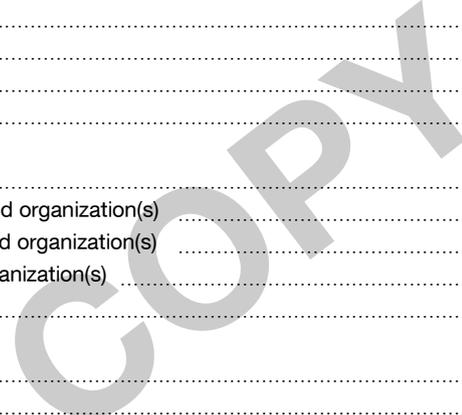
**CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY**

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

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

**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?

|   | Yes | No |
|---|-----|----|
| <b>a</b> Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity .....   |     | X  |
| <b>b</b> Gift, grant, or capital contribution to related organization(s) .....                                |     | X  |
| <b>c</b> Gift, grant, or capital contribution from related organization(s) .....                              | X   |    |
| <b>d</b> Loans or loan guarantees to or for related organization(s) .....                                     | X   |    |
| <b>e</b> Loans or loan guarantees by related organization(s) .....  |     | X  |
| <b>f</b> Dividends from related organization(s) .....   |     | X  |
| <b>g</b> Sale of assets to related organization(s) .....  |     | X  |
| <b>h</b> Purchase of assets from related organization(s) .....  |     | X  |
| <b>i</b> Exchange of assets with related organization(s) .....  |     | X  |
| <b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....                     | X   |    |
| <b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....                   | X   |    |
| <b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) ..... | X   |    |
| <b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....  | X   |    |
| <b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....  | X   |    |
| <b>o</b> Sharing of paid employees with related organization(s) .....   | X   |    |
| <b>p</b> Reimbursement paid to related organization(s) for expenses .....                                     | X   |    |
| <b>q</b> Reimbursement paid by related organization(s) for expenses .....                                     | X   |    |
| <b>r</b> Other transfer of cash or property to related organization(s) .....                                  | X   |    |
| <b>s</b> 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)<br>Name of related organization          | (b)<br>Transaction type (a-s) | (c)<br>Amount involved | (d)<br>Method of determining amount involved |
|--|-------------------------------|------------------------|--|
| (1) CALVERT MEMORIAL HOSPITAL FOUNDATION INC | C                             | 571,429.               | CASH   |
| (2) CMH HOLDING CO                           | L                             | 183,395.               | FMV  |
| (3) CMH II HOLIDNG CO                        | L                             | 165,395.               | FMV  |
| (4) CMH HOLDING CO                           | K                             | 193,496.               | FMV  |
| (5) CMH II HOLIDNG CO                        | K                             | 112,238.               | FMV  |
| (6) CMH II HOLIDNG CO                        | D                             | 7,000,000.             | FMV  |



