

EXTENDED TO MAY 17, 2021

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**
(Rev. January 2020)
Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

2019

Open to Public Inspection

A For the 2019 calendar year, or tax year beginning **JUL 1, 2019** and ending **JUN 30, 2020**

B Check if applicable: <input checked="" type="checkbox"/> Address change <input checked="" type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC. Doing business as DOCTORS COMMUNITY MEDICAL CENTER		D Employer identification number 52-1638026
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2000 MEDICAL PARKWAY, SUITE 606	E Telephone number 443-481-1308	G Gross receipts \$ 247,702,493.
	City or town, state or province, country, and ZIP or foreign postal code ANNAPOLIS, MD 21401	H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
	F Name and address of principal officer: VICTORIA W. BAYLESS SAME AS C ABOVE		H(c) Group exemption number ▶
	I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
J Website: ▶ WWW.DCHWEB.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1990	M State of legal domicile: MD

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: OPENED IN 1975 BY A GROUP OF LEADING COMMUNITY PHYSICIANS, LUMINIS HEALTH DOCTORS COMMUNITY		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	11
	5 Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	1884
	6 Total number of volunteers (estimate if necessary)	6	240
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	7a	831,905.
b Net unrelated business taxable income from Form 990-T, line 39	7b	338,988.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	0.	0.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	234,785,833.	247,282,842.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	589,574.	349,766.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	50,288.	69,885.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	235,425,695.	247,702,493.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0.	22,500.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	122,442,437.	122,058,648.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	102,532,265.	120,090,484.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	224,974,702.	242,171,632.
19 Revenue less expenses. Subtract line 18 from line 12	10,450,993.	5,530,861.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	327,451,431.	417,636,246.
	22 Net assets or fund balances. Subtract line 21 from line 20	247,141,122.	313,449,774.
		80,310,309.	104,186,472.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	KEVIN SMITH, CFO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name AMY BIBBY	Preparer's signature AMY BIBBY	Date 05/05/21	Check if self-employed <input type="checkbox"/>	PTIN P00445891
	Firm's name ▶ DIXON HUGHES GOODMAN LLP	Firm's EIN ▶ 56-0747981	Phone no. (703) 970-0400		
	Firm's address ▶ 1410 SPRING HILL ROAD, SUITE 500 TYSONS, VA 22102-3056				

May the IRS discuss this return with the preparer shown above? (see instructions) 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

1 Briefly describe the organization's mission:
THE HOSPITAL OFFERS A BROAD RANGE OF INPATIENT AND OUTPATIENT SERVICES, A NUMBER OF SPECIALTY AND SUBSPECIALTY SERVICES, AND A FULL RANGE OF ANCILLARY AND SUPPORT SERVICES. IT PROVIDES HEALTHCARE SERVICES TO THE CITIZENS OF PRINCE GEORGES COUNTY AND THE SURROUNDING

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ 174,369,875. including grants of \$ 22,500.) (Revenue \$ 246,450,937.)
PROVIDING ACCESSIBLE, HIGH QUALITY INPATIENT AND AMBULATORY HEALTHCARE SERVICES TO MEMBERS OF THE COMMUNITY, WHICH INCLUDES MOST OF PRINCE GEORGE'S COUNTY, MARYLAND AND SURROUNDING AREAS. THE HOSPITAL PROVIDES HEALTHCARE SERVICES TO PATIENTS REGARDLESS OF THE PATIENTS' ABILITY TO PAY.

4b (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4c (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services (Describe on Schedule O.)
(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses **▶ 174,369,875.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		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 donor-restricted endowments or in 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? <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	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a 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 Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>		X
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
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	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 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
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
2a	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		
	2a 1884		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	X	
4a	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	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	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	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	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	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	X	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	X	
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a	
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	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b	
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	15	X
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16	X

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 on 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
1a	Enter the number of voting members of the governing body at the end of the tax year 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 on Schedule O.		
	1a	12	
b	Enter the number of voting members included on line 1a, above, who are independent		
	1b	11	
2	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
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7a	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	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9	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 on Schedule O		X

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?		X
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?		
10b			
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
12c			
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	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?		
a	The organization's CEO, Executive Director, or top management official	X	
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).		
16a	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	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?	X	
16b			

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 (1024 or 1024-A, 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 on Schedule O)
- 19** Describe on 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, address, and telephone number of the person who possesses the organization's books and records **▶**
KEVIN SMITH - 443-481-1308
2000 MEDICAL PARKWAY, SUITE 600, ANNAPOLIS, MD 21401

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. See instructions for the order in which to list the persons above.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) RENE LAVIGNE CHAIRMAN	1.00 1.00	X		X				0.	0.	0.
(2) VICTORIA BAYLESS BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(3) LAURA CLINE BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(4) TIM ADELMAN BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(5) PATRICIA ARZUAGA BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(6) CARLESA R. FINNEY BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(7) GEORGE L. ASKEY BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(8) DENEEN RICHMOND BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(9) DR. REGINA HAMPTON BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(10) ALAN J. HYATT, ESQ. BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(4) MONSIGNOR JOHN ENZLER BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(8) MICHAEL P ERRICO BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(9) TIMOTHY J ADAMS BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(11) GARY MICHAEL VICE CHAIRMAN	1.00 1.00	X		X				0.	0.	0.
(12) PHILIP DOWN CEO	39.00 1.00			X				3,720,242.	0.	612,495.
(13) CAMILLE BASH (RET 8/7/20) CFO/TREASURER	39.00 1.00			X				516,115.	0.	41,090.
(14) PATRICIA CHRISTENSEN CNO	39.00 1.00				X			324,742.	0.	21,600.

LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) KIMARA HARRIS VP HR	39.00 1.00				X			170,089.	0.	14,269.
(16) ROBYN M WEBB-WILLIAMS VP FOUNDATION	39.00 1.00				X			176,460.	0.	17,914.
(17) MELISSA YEAGER VP	39.00 1.00				X			293,676.	0.	25,812.
(18) SUNIL I MADAN MD CMO	39.00 1.00				X			543,533.	0.	44,210.
(19) PAUL GREINALDO COO	39.00 1.00				X			675,614.	0.	89,833.
(20) JOYCE HANSCOME CIO	39.00 1.00				X			300,294.	0.	30,590.
(21) LEONID SELYA MD	40.00					X		945,123.	0.	50,310.
(22) LAEEQ AHMAD MD	40.00					X		659,589.	0.	43,232.
(23) GUCWA, ANGELA MD	40.00					X		560,362.	0.	27,812.
1b Subtotal								8,885,839.	0.	1019167.
c Total from continuation sheets to Part VII, Section A								1,054,856.	0.	85,944.
d Total (add lines 1b and 1c)								9,940,695.	0.	1105111.

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 **784**

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
AGILITI HEALTH, 6625 WEST 78TH ST, STE 300, MINNEAPOLIS, MN 55439	EQUIPMENT RENTAL	2,175,844.
ACCOUNTS CLEARING HOUSE PO BOX 2373, GLEN BURNIE, MD 21060	BILLING SERVICES	1,499,177.
CRUZ LEELLACER ASSOCIATES 12204 SELINE WAY, POTOMAC, MD 20854	ICU INTENSIVIST	1,118,950.
ADVANTEDGE HEALTHCARE SOLUTIONS 9 NORTHEASTERN BLVD, SALEM, NH 03079	BILLING/COLLECTION SERVICES	805,364.
CPEOPLE 2274 ROCKBROOK DR, LEWISVILLE, TX 75067	STAFFING AGENCY	730,147.

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 **27**

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VIII Statement of Revenue

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

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f	1g \$					
	h Total. Add lines 1a-1f						
Program Service Revenue	2 a NET PATIENT REVENUE	Business Code 622000	226,420,706.	225,588,801.	831,905.		
	b OTHER OPERATING REVENUE	621000	20,862,136.	20,862,136.			
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f		247,282,842.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		349,766.			349,766.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real	69,885.				
		(ii) Personal					
		6b Less: rental expenses	0.				
	6c Rental income or (loss)	69,885.					
	d Net rental income or (loss)		69,885.			69,885.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities					
		(ii) Other					
		7b Less: cost or other basis and sales expenses					
	7c Gain or (loss)						
	d Net gain or (loss)						
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18							
	8b Less: direct expenses						
	c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19							
	9b Less: direct expenses						
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances							
	10b Less: cost of goods sold						
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue	11 a	Business Code					
	b						
	c						
	d All other revenue						
	e Total. Add lines 11a-11d						
12 Total revenue. See instructions			247,702,493.	246,450,937.	831,905.	419,651.	

LUMINIS HEALTH

DOCTORS COMMUNITY MEDICAL CENTER, INC.

Form 990 (2019)

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) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...	22,500.	22,500.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	6,720,765.		6,720,765.	
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	97,109,059.	74,757,473.	22,351,586.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	2,187,950.	1,575,324.	612,626.	
9 Other employee benefits	16,040,874.	11,549,429.	4,491,445.	
10 Payroll taxes				
11 Fees for services (nonemployees):				
a Management				
b Legal	480,492.	345,954.	134,538.	
c Accounting	547,504.	394,203.	153,301.	
d Lobbying	50,039.	36,028.	14,011.	
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.)	39,987,659.	28,791,115.	11,196,544.	
12 Advertising and promotion	1,426,479.	1,027,065.	399,414.	
13 Office expenses	4,272,922.	3,076,504.	1,196,418.	
14 Information technology				
15 Royalties				
16 Occupancy	5,550,635.	3,996,457.	1,554,178.	
17 Travel	259,265.	186,671.	72,594.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings				
20 Interest	4,317,819.	3,108,830.	1,208,989.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	9,938,219.	7,155,518.	2,782,701.	
23 Insurance	2,927,982.	2,108,147.	819,835.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a SUPPLIES	34,584,452.	24,900,805.	9,683,647.	
b REPAIRS AND MAINTENANCE	8,143,361.	5,863,220.	2,280,141.	
c FACILITY RENTS	3,361,787.	2,420,487.	941,300.	
d CLINICAL EXPENSES	1,985,441.	1,429,518.	555,923.	
e All other expenses	2,256,428.	1,624,627.	631,801.	
25 Total functional expenses. Add lines 1 through 24e	242,171,632.	174,369,875.	67,801,757.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				
Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC.

Form 990 (2019)

52-1638026 Page 11

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	24,000.	1	24,000.
	2 Savings and temporary cash investments	29,188,415.	2	94,720,621.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	38,061,539.	4	35,092,434.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net	4,645,303.	7	2,639,606.
	8 Inventories for sale or use	4,223,973.	8	5,587,114.
	9 Prepaid expenses and deferred charges	3,598,184.	9	1,519,747.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 122,706,755.		
	b Less: accumulated depreciation	10b 9,691,025.	10c	113,015,730.
	11 Investments - publicly traded securities	17,436,369.	11	18,179,843.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11	101,119,284.	13	110,506,006.
	14 Intangible assets	1,637,222.	14	4,000,000.
	15 Other assets. See Part IV, line 11	27,666,385.	15	32,351,145.
16 Total assets. Add lines 1 through 15 (must equal line 33)	327,451,431.	16	417,636,246.	
Liabilities	17 Accounts payable and accrued expenses	103,739,970.	17	165,661,699.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	122,394,065.	20	122,765,997.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	21,007,087.	25	25,022,078.
	26 Total liabilities. Add lines 17 through 25	247,141,122.	26	313,449,774.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	80,148,560.	27	104,092,476.
	28 Net assets with donor restrictions	161,749.	28	93,996.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	80,310,309.	32	104,186,472.
	33 Total liabilities and net assets/fund balances	327,451,431.	33	417,636,246.

Form 990 (2019)

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	247,702,493.
2	Total expenses (must equal Part IX, column (A), line 25)	2	242,171,632.
3	Revenue less expenses. Subtract line 2 from line 1	3	5,530,861.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	80,310,309.
5	Net unrealized gains (losses) on investments	5	-262,337.
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 on Schedule O)	9	18,607,639.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	104,186,472.

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 _____ 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? _____ 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: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? _____ 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: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on 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
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____		

Form 990 (2019)

LUMINIS HEALTH

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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2018 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2019. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2018. 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 stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2019. 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 stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2018. 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 stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. 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"/>

LUMINIS HEALTH

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

(Complete only if you checked the box on line 10 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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 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						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
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						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2018 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2018 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2019. 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 - 2018. 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 Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		

LUMINIS HEALTH

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount		(A) Prior Year	Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

LUMINIS HEALTH

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2019 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2019	(iii) Distributable Amount for 2019
1 Distributable amount for 2019 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2019 (reasonable cause required- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2019			
a From 2014			
b From 2015			
c From 2016			
d From 2017			
e From 2018			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2019 distributable amount			
i Carryover from 2014 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2019 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2019 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2020. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2015			
b Excess from 2016			
c Excess from 2017			
d Excess from 2018			
e Excess from 2019			

Schedule A (Form 990 or 990-EZ) 2019

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2019

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

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

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

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

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

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

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

Name of organization LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.	Employer identification number 52-1638026
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political campaign activity expenditures ▶ \$ _____
- 3 Volunteer hours for political campaign activities _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ _____
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ _____
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____
- 4 Did the filing organization file **Form 1120-POL** for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. **Schedule C (Form 990 or 990-EZ) 2019**

LUMINIS HEALTH

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

- A** Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grassroots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)														
d Other exempt purpose expenditures														
e Total exempt purpose expenditures (add lines 1c and 1d)														
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.															
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a. If zero or less, enter -0-														
i Subtract line 1f from line 1c. If zero or less, enter -0-														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?														

Yes No

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
 See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

LUMINIS HEALTH

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		55,488.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?		X	
j Total. Add lines 1c through 1i			55,488.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

PART II-B, LINE 1, LOBBYING ACTIVITIES:

THE ORGANIZATION PAID DUE TO ITS LOBBYIST CAPITOL STRATEGIES TO DIRECTLY CONTACT LEGISLATORS ON MATTERS AFFECTING HEALTH CARE. THE ORGANIZATION PAYS DUES TO THE MARYLAND HOSPITAL ASSOCIATION. A PORTION OF THESE DUES ARE USED FOR LOBBYING ACTIVITIES. TOTAL LOBBYING FEES PAID WAS \$55,488.

Part IV Supplemental Information (continued)

SCHEDULE C, PART II-B, LINE 1

THE ORGANIZATION PAID DUE TO ITS LOBBYIST CAPITOL STRATEGIES TO DIRECTLY CONTACT ASSOCIATION. A PORTION OF THESE DUES ARE USED FOR LOBBYING ACTIVITIES. TOTAL LOBBYING FEES PAID WAS \$64,700. LEGISLATORS ON MATTERS AFFECTING HEALTH CARE. THE ORGANIZATION PAYS DUES TO THE MARYLAND HOSPITAL.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2019
Open to Public Inspection

Name of the organization LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC. **Employer identification number**
52-1638026

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (for example, recreation or education) Preservation of a historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule D (Form 990) 2019

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 make 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 program
 - 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" on 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, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on 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 Term endowment _____%
- The percentages on 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" on line 3a(ii), are the related organizations listed as required on Schedule R? <input type="checkbox"/> | 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" on 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		7,921,876.		7,921,876.
b Buildings		83,357,771.	7,159,106.	76,198,665.
c Leasehold improvements		2,771,216.	238,003.	2,533,213.
d Equipment		25,554,823.	2,194,752.	23,360,071.
e Other		3,101,069.	99,164.	3,001,905.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				113,015,730.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on 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)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on 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) DUE TO LHDCMC FROM		
(2) AFFILIATES	106,264,086.	COST
(3) INVESTMENTS IN DOCTORS		
(4) REGIONAL	4,241,920.	COST
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶	110,506,006.	

Part IX Other Assets.

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

(a) Description	(b) Book value
(1) OTHER ASSETS	18,797,238.
(2) LIFE INSURANCE	9,010,136.
(3) RIGHT OF USE ASSET	4,543,771.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	32,351,145.

Part X Other Liabilities.

Complete if the organization answered "Yes" on 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) OPERATING LEASE	4,074,861.
(3) DEFERRED COMPENSATION AND IBNRS	14,421,786.
(4) PENSION OBLIGATION	6,525,431.
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	25,022,078.

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 FASB 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" on Form 990, Part IV, line 12a.

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

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

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

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

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:

THE COMPANY AND THE FOUNDATION ARE EXEMPT FROM FEDERAL INCOME TAX UNDER SECTION 501(C) (3) OF THE INTERNAL REVENUE CODE AS PUBLIC CHARITIES. BOTH ENTITIES ARE ENTITLED TO RELY ON THIS DETERMINATION AS LONG AS THERE ARE NO SUBSTANTIAL CHANGES IN THEIR CHARACTER, PURPOSES, OR METHODS OF OPERATION. MANAGEMENT HAS CONCLUDED THAT THERE HAVE BEEN NO SUCH CHANGES, AND THEREFORE THE STATUS OF THE COMPANY AND FOUNDATION AS PUBLIC CHARITIES EXEMPT FROM FEDERAL INCOME TAXATION REMAIN IN EFFECT. THE STATE IN WHICH THE COMPANY AND THE FOUNDATION OPERATE ALSO PROVIDES A GENERAL EXEMPTION FROM STATE INCOME TAXATION FOR ORGANIZATIONS THAT ARE EXEMPT FROM FEDERAL INCOME TAXATION. HOWEVER, BOTH ENTITIES ARE SUBJECT TO FEDERAL AND STATE INCOME TAXATION AT CORPORATE TAX RATES ON UNRELATED BUSINESS INCOME.

EXEMPTION FROM OTHER STATE AND LOCAL TAXES, SUCH AS REAL AND PERSONAL PROPERTY TAXES IS SEPARATELY DETERMINED. THE COMPANY AND THE FOUNDATION HAD NO UNRECOGNIZED TAX BENEFITS OR SUCH AMOUNTS WERE IMMATERIAL DURING THE PERIODS PRESENTED. FOR TAX PERIODS WITH RESPECT TO WHICH UNRELATED BUSINESS INCOME WAS RECOGNIZED, A TAX RETURN WAS FILED IN ORDER TO REPORT ANY UNRELATED BUSINESS INCOME AS WELL AS ANY TAXES DUE. DRCC AND ACO ARE MARYLAND LIMITED LIABILITY COMPANIES THAT HAVE NOT ELECTED TO BE TAXED AS CORPORATIONS UNDER CURRENT TREASURY REGULATIONS. BOTH ARE OWNED BY MORE THAN ONE MEMBER. DRCC AND ACO ARE SUBJECT TO THE PARTNERSHIP TAX RULES UNDER SUBCHAPTER K OF THE INTERNAL REVENUE CODE OF 1986 (IRC), AS AMENDED. UNDER THESE RULES NEITHER IS SUBJECT TO FEDERAL OR STATE INCOME TAX, BUT MUST FILE ANNUAL INFORMATION RETURNS INDICATING THEIR GROSS AND TAXABLE INCOME TO DETERMINE THE TAX RESULTS TO THEIR MEMBERS. THE SLEEP CENTER AND CHP ARE MARYLAND LIMITED LIABILITY COMPANIES THAT HAVE NOT ELECTED TO BE TAXED AS CORPORATIONS UNDER CURRENT TREASURY REGULATIONS. SLEEP CENTER AND CHP ARE WHOLLY OWNED BY THE COMPANY. AS SUCH, THE SLEEP CENTER AND CHP ARE CONSIDERED "DISREGARDED ENTITIES" UNDER CURRENT IRC REGULATIONS.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
- ▶ Attach to Form 990.
- ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization **LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.** Employer identification number **52-1638026**

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
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: <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"/>	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used 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.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
5a 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 If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	<input checked="" type="checkbox"/>	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		<input checked="" type="checkbox"/>
6a Did the organization prepare a community benefit report during the tax year?		<input checked="" type="checkbox"/>
b If "Yes," did the organization make it available to the public?		

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

7 Financial Assistance and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			7174317.		7174317.	2.96%
b Medicaid (from Worksheet 3, column a)			38418151.	46846481.	0.	.00%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs			45592468.	46846481.	7174317.	2.96%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		53,703	1554892.	803,107.	751,785.	.31%
f Health professions education (from Worksheet 5)		1,036	551,484.		551,484.	.23%
g Subsidized health services (from Worksheet 6)		2,397	5374267.		5374267.	2.22%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			635,897.		635,897.	.26%
j Total. Other Benefits		57,136	8116540.	803,107.	7313433.	3.02%
k Total. Add lines 7d and 7j		57,136	53709008.	47649588.	14487750.	5.98%

Part V Facility Information

Section A. Hospital Facilities

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

How many hospital facilities did the organization operate during the tax year? 1

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

1 DOCTORS HOSPITAL INC.
8118 GOOD LUCK ROAD
LANHAM, MD 20706
DCHWEB.ORG

Table with columns: Licensed hospital, gen. medical & surgical, Children's hospital, Teaching hospital, Critical access hospital, Research facility, ER-24 hours, ER-other, Other (describe), Facility reporting group. Row 1: X, X, , , , , X, , ,

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 letter of facility reporting group DOCTORS HOSPITAL INC

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 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 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <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		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>19</u>		
5 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	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	X	
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	X	
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW.DCHWEB.ORG</u>		
b <input type="checkbox"/> Other website (list url): _____		
c <input type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>19</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>WWW.DCHWEB.ORG</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a 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)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, 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)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group DOCTORS HOSPITAL INC

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:			
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200</u> % and FPG family income limit for eligibility for discounted care of <u>300</u> %		
b	<input checked="" type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input checked="" type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input checked="" type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized 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 FAP was widely available on a website (list url): <u>WWW.DCHWEB.ORG</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>WWW.DCHWEB.ORG</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>WWW.DCHWEB.ORG</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j	<input type="checkbox"/> Other (describe in Section C)		

Schedule H (Form 990) 2019

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group DOCTORS HOSPITAL INC

	Yes	No
17 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 all of the actions the hospital facility or other authorized party may take upon nonpayment?	X	
18 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(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19 Did the hospital facility or other authorized 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(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)		
b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
d <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
e <input type="checkbox"/> Other (describe in Section C)		
f <input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

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

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

Name of hospital facility or letter of facility reporting group DOCTORS HOSPITAL INC

		Yes	No
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d	<input checked="" type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23	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? If "Yes," explain in Section C.	23	X
24	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.	24	X

Schedule H (Form 990) 2019

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

DOCTORS HOSPITAL INC:

PART V, SECTION B, LINE 5: DOCTORS HOSPITAL INC - DOCTORS COMMUNITY

HOSPITAL (DCH) TOOK INTO ACCOUNT INPUT FROM REPRESENTATIVES OF DCH'S

COMMUNITY, INCLUDING FROM THOSE WITH SPECIALIZED KNOWLEDGE OF OR EXPERTISE

IN PUBLIC HEALTH, COMMUNITY LEADERS, AND LEADERS OR REPRESENTATIVES OF LOW

INCOME OR UNDERSERVED GROUPS SERVED IN THE COMMUNITY. FROM DECEMBER 2015

TO APRIL 2016 AND AGAIN IN DECEMBER 2018 TO APRIL 2019, A SURVEY PREPARED

BY THE PRINCE GEORGES COUNTY HEALTH DEPARTMENT AND OTHER PRINCE GEORGES

COUNTY HOSPITALS WAS DISTRIBUTED AMONG COMMUNITY MEMBERS, FAITH-BASED

ORGANIZATIONS, BUSINESS LEADERS, AND TO CURRENT PATIENTS AND THEIR

FAMILIES. AS PART OF THE SURVEY, RESPONDENTS SELECTED THEIR TOP FOUR

HEALTHCARE CONCERNS.

DOCTORS HOSPITAL INC:

PART V, SECTION B, LINE 6A: DOCTORS HOSPITAL INC - THE HOSPITAL

PARTICIPATED WITH THE PRINCE GEORGES HEALTH DEPARTMENT AND ALL THE

HOSPITALS OF THE COUNTY TO CONDUCT AND ASSEMBLE THE CHNA IN THE SPRING OF

CALENDAR YEAR 2016 AND SPRING 2019.

DOCTORS HOSPITAL INC:

PART V, SECTION B, LINE 6B: DOCTORS HOSPITAL INC - THE HOSPITAL

PARTICIPATED WITH THE PRINCE GEORGES HEALTH DEPARTMENT AND ALL THE

HOSPITALS OF THE COUNTY TO CONDUCT AND ASSEMBLE THE CHNA IN THE SPRING OF

CALENDAR YEAR 2016 AND SPRING 2019

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

DOCTORS HOSPITAL INC:

PART V, SECTION B, LINE 11: DOCTORS HOSPITAL INC - UNMET HEALTH NEEDS

ILLITERACY-ILLITERACY WAS IDENTIFIED IN THE CHNA. THE HOSPITAL DOES NOT HAVE THE SPECIALIZED RESOURCES CAPABILITIES NEEDED TO PROVIDE THIS TYPE OF PROGRAM. THE HOSPITAL WILL CONTINUE TO WORK WITH THE PRINCE GEORGE'S COUNTY OFFICIALS TO SEE HOW WE CAN ASSIST.

DOCTORS HOSPITAL INC:

PART V, SECTION B, LINE 13H: DOCTORS HOSPITAL INC - THE HOSPITAL FACILITY

PROVIDES A DISCOUNT OF 25% 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 6%. AS A RESULT, THE HOSPITAL FACILITY WAS ABLE TO DETERMINE IT DID NOT CHARGE ANY FINANCIAL ASSISTANCE POLICY ELIGIBLE PATIENTS MORE THAN THE AMOUNTS GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE.

DOCTORS HOSPITAL INC:

PART V, SECTION B, LINE 15E: DOCTORS HOSPITAL INC - THE HOSPITAL FACILITY

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

PROVIDES A DISCOUNT OF 25% 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 6%. AS A RESULT, THE HOSPITAL FACILITY WAS ABLE TO DETERMINE IT DID NOT CHARGE ANY FINANCIAL ASSISTANCE POLICY ELIGIBLE PATIENTS MORE THAN THE AMOUNTS GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE.

SCHEDULE H, PART V, SECTION B, LINE 22D

DOCTORS HOSPITAL INC - THE HOSPITAL FACILITY PROVIDES A DISCOUNT OF 25% 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 6%. AS A RESULT, THE HOSPITAL FACILITY WAS ABLE TO DETERMINE IT DID NOT CHARGE ANY FINANCIAL ASSISTANCE POLICY ELIGIBLE PATIENTS MORE THAN THE AMOUNTS GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE.

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? 6

Name and address	Type of Facility (describe)
1 CAPITAL ORTHOPEDICS SPECIALISTS LLC 8116 GOOD LUCK ROAD LANHAM, MD 20706	ORTHOPEDICS PHYSICIAN PRACTICE
2 CAPITAL ORTHOPEDICS SPECIALISTS LLC 4000 MITCHELLVILLE ROAD B116 LANHAM, MD 20706	ORTHOPEDIC PHYSICIAN PRACTICE
3 CAPITAL ORTHOPEDICS SPECIALISTS LLC 7501 SURRATS ROAD STE 110 AND 301 CLINTON, MD 20735	ORTHOPEDIC PHYSICIAN PRACTICE
4 DOCTORS REGIONAL CANCER CENTER 8116 GOOD LUCK ROAD LANHAM, MD 20706	CANCER TREATMENT CENTER
5 SLEEP CENTER 8118 GOOD LUCK ROAD LANHAM, MD 20706	SLEEP CENTER FACILITY WITH 10 BEDS
6 UNIVERSITY CENTER FOR AMBULATORY SURGI 6502 KENILWORTH RIVERDALE, MD 20737	AN AMBULATORY SURGICAL CENTER

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:

THE HOSPITAL PROVIDES FREE CARE TO THOSE INDIVIDUALS THAT HAVE FAMILY INCOME BELOW 200% OF THE FEDERAL POVERTY GUIDELINES, AS WELL AS DISCOUNTED CARE (AT A MINIMUM 25% DISCOUNT RATE) TO INDIVIDUALS THAT HAVE FAMILY INCOME BELOW 300% OF THE FEDERAL POVERTY GUIDELINES. IN ADDITION, PATIENTS WHOSE FAMILY INCOME IS BETWEEN 200 AND 500 PERCENT OF THE FEDERAL POVERTY GUIDELINES MAY RECEIVE DISCOUNTED CARE WHEN THE HOSPITAL DEBT EXCEEDS 25% OF THE FAMILY GROSS INCOME FOR THE FAMILY UNIT, AND SUCH ELIGIBILITY WILL REMAIN ACTIVE DURING A 12 MONTH PERIOD BEGINNING ON THE DATE WHICH THE REDUCED COST MEDICALLY NECESSARY CARE WAS INITIATED. ALL IMMEDIATE FAMILY MEMBERS WITHIN THE FAMILY HOUSEHOLD WHO HAVE MEDICAL DEBTS AT THE HOSPITAL WILL BE CONSIDERED. IN ORDER TO PROMOTE THE PROVISION OF FINANCIAL ASSISTANCE TO PATIENTS THAT WOULD QUALIFY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE HOSPITAL UTILIZES PRESUMPTIVE CHARITY CARE. SELF-PAY PATIENTS MAY QUALIFY FOR PRESUMPTIVE CHARITY CARE BY SUBMITTING PROOF OF ENROLLMENT IN CERTAIN SOCIAL SERVICE PROGRAMS, INCLUDING: (1) HOUSEHOLD WITH CHILD IN FREE OR REDUCED LUNCH PROGRAM, (2) SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM, (3) LOW INCOME HOUSEHOLD ENERGY ASSISTANCE

PROGRAM, (4) PRIMARY ADULT CARE PROGRAM AND (5) WOMENS, INFANTS, AND CHILDREN PROGRAM. IN ADDITION, THE HOSPITAL USES AN ELIGIBILITY VERIFICATION SYSTEM, PURSUANT TO WHICH, IF A PATIENT IS FOUND TO QUALIFY FOR A PROGRAM SUCH AS PHARMACY ONLY OR PHYSICIAN ONLY COVERAGE, THE HOSPITAL MAY PROVIDE PRESUMPTIVE CHARITY CARE. FURTHERMORE, THE HOSPITAL UTILIZES A CREDIT SCORING SOFTWARE. IF THE PATIENT'S FAMILY INCOME IS INDICATED TO BE BELOW 200% OF THE FEDERAL POVERTY GUIDELINES PURSUANT TO USE OF THE CREDIT SCORING SOFTWARE, THEN PRESUMPTIVE CHARITY CARE MAY BE PROVIDED. PATIENTS MAY NOT QUALIFY FOR FINANCIAL ASSISTANCE, IF THE PATIENT HAS MONETARY ASSETS IN EXCESS OF \$10,000, EXCLUDING UP TO \$150,000 IN A PRIMARY RESIDENCE AND RETIREMENT BENEFITS WHERE THE IRS HAS GRANTED PREFERENTIAL TREATMENT.

PART I, LINE 7:

THE HOSPITAL PROVIDES FREE CARE TO THOSE INDIVIDUALS THAT HAVE FAMILY INCOME BELOW 200% OF THE FEDERAL POVERTY GUIDELINES, AS WELL AS DISCOUNTED CARE (AT A MINIMUM 25% DISCOUNT RATE) TO INDIVIDUALS THAT HAVE FAMILY INCOME BELOW 300% OF THE FEDERAL POVERTY GUIDELINES. IN ADDITION, PATIENTS WHOSE FAMILY INCOME IS BETWEEN 200 AND 500 PERCENT OF THE FEDERAL POVERTY GUIDELINES MAY RECEIVE DISCOUNTED CARE WHEN THE HOSPITAL DEBT EXCEEDS 25% OF THE FAMILY GROSS INCOME FOR THE FAMILY UNIT, AND SUCH ELIGIBILITY WILL REMAIN ACTIVE DURING A 12 MONTH PERIOD BEGINNING ON THE DATE WHICH THE REDUCED COST MEDICALLY NECESSARY CARE WAS INITIATED. ALL IMMEDIATE FAMILY MEMBERS WITHIN THE FAMILY HOUSEHOLD WHO HAVE MEDICAL DEBTS AT THE HOSPITAL WILL BE CONSIDERED. IN ORDER TO PROMOTE THE PROVISION OF FINANCIAL ASSISTANCE TO PATIENTS THAT WOULD QUALIFY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE HOSPITAL UTILIZES PRESUMPTIVE CHARITY CARE. SELF-PAY PATIENTS MAY QUALIFY FOR PRESUMPTIVE CHARITY CARE BY SUBMITTING

PROOF OF ENROLLMENT IN CERTAIN SOCIAL SERVICE PROGRAMS, INCLUDING: (1) HOUSEHOLD WITH CHILD IN FREE OR REDUCED LUNCH PROGRAM, (2) SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM, (3) LOW INCOME HOUSEHOLD ENERGY ASSISTANCE PROGRAM, (4) PRIMARY ADULT CARE PROGRAM AND (5) WOMENS, INFANTS, AND CHILDREN PROGRAM. IN ADDITION, THE HOSPITAL USES AN ELIGIBILITY VERIFICATION SYSTEM, PURSUANT TO WHICH, IF A PATIENT IS FOUND TO QUALIFY FOR A PROGRAM SUCH AS PHARMACY ONLY OR PHYSICIAN ONLY COVERAGE, THE HOSPITAL MAY PROVIDE PRESUMPTIVE CHARITY CARE. FURTHERMORE, THE HOSPITAL UTILIZES A CREDIT SCORING SOFTWARE. IF THE PATIENT'S FAMILY INCOME IS INDICATED TO BE BELOW 200% OF THE FEDERAL POVERTY GUIDELINES PURSUANT TO USE OF THE CREDIT SCORING SOFTWARE, THEN PRESUMPTIVE CHARITY CARE MAY BE PROVIDED. PATIENTS MAY NOT QUALIFY FOR FINANCIAL ASSISTANCE, IF THE PATIENT HAS MONETARY ASSETS IN EXCESS OF \$10,000, EXCLUDING UP TO \$150,000 IN A PRIMARY RESIDENCE AND RETIREMENT BENEFITS WHERE THE IRS HAS GRANTED PREFERENTIAL TREATMENT.

PART III, LINE 4:
BELOW IS THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBES BAD DEBT EXPENSE IN THE PATIENT, "NET PATIENT SERVICE REVENUE AND NET PATIENT ACCOUNTS RECEIVABLE ARE REPORTED AT ESTIMATED NET REALIZABLE AMOUNTS FROM PATIENTS, THIRD PARTY PAYERS, AND OTHERS FOR SERVICES RENDERED. DISCOUNTS RANGING FROM 2.25% TO 8% OF HOSPITAL CHARGES ARE GIVEN TO MEDICARE, MEDICAID, AND CERTAIN APPROVED COMMERCIAL HEALTH INSURANCE PROVIDERS AND HEALTH MAINTENANCE ORGANIZATIONS. IN ADDITION, THESE PAYERS ROUTINELY REVIEW PATIENT BILLINGS AND DENY PAYMENTS FOR CERTAIN CHARGES THAT THEY DEEM MEDICALLY UNNECESSARY OR PERFORMED WITHOUT APPROPRIATE PRE-AUTHORIZATION. DISCOUNTS AND DENIALS ARE RECORDED AS REDUCTIONS OF NET PATIENT SERVICE REVENUE. ACCOUNTS RECEIVABLE FROM THESE

THIRD-PARTY PAYERS HAVE BEEN ADJUSTED TO REFLECT THE DIFFERENCE IN CHARGES AND ESTIMATED REIMBURSABLE AMOUNTS. THE COMPANY BILLS THIRD PARTY PAYERS DIRECTLY FOR SERVICES PROVIDED. INSURANCE COVERAGE AND CREDIT INFORMATION ARE OBTAINED FROM PATIENTS UPON ADMISSION WHEN AVAILABLE. NO COLLATERAL IS OBTAINED FOR PATIENT ACCOUNTS RECEIVABLE. PATIENT ACCOUNTS RECEIVABLE DEEMED TO BE UNCOLLECTIBLE BY MANAGEMENT HAVE BEEN WRITTEN OFF. AN ALLOWANCE FOR DOUBTFUL ACCOUNTS IS RECORDED BASED ON HISTORICAL TRENDS FOR PATIENT ACCOUNTS RECEIVABLE THAT ARE ANTICIPATED TO BECOME UNCOLLECTIBLE IN FUTURE PERIODS." THE COMPANY ESTIMATES THAT ONLY A DE MINIMS AMOUNT OF ITS BAD DEBT EXPENSE IS ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY. THE COMPANY WIDELY PUBLICIZES ITS FINANCIAL ASSISTANCE POLICY AND REGULARLY UTILIZES PRESUMPTIVE CHARITY TO ENSURE THAT PATIENTS THAT WOULD QUALIFY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY DO IN FACT RECEIVE FINANCIAL ASSISTANCE.

PART III, LINE 8:

MEDICARE DISCOUNTS ARE REQUIRED BUT SHOULD BE TREATED AS A COMMUNITY BENEFIT TO THE MEDICARE POPULATION SINCE THE DISCOUNTED REVENUE DOES NOT COVER FULL COSTS IN AN ALL PAYER STATE AS MARYLAND

PART III, LINE 9B:

A PATIENT IS CLASSIFIED AS A FINANCIAL ASSISTANCE PATIENT BY REFERENCE TO THE FINANCIAL ASSISTANCE POLICY OF THE HOSPITAL (FAP). THE FAP SETS FORTH THE CRITERIA FOR PATIENTS TO QUALIFY FOR FREE OR DISCOUNTED CARE. IN ASSESSING A PATIENT'S ELIGIBILITY FOR FINANCIAL ASSISTANCE UNDER THE FAP, THE HOSPITAL ASSESSES WHETHER THE PATIENT'S FAMILY INCOME IS BELOW A CERTAIN PERCENTAGE OF THE FEDERAL POVERTY GUIDELINES, AS WELL AS WHETHER INCURRED CHARGES ARE SIGNIFICANT WHEN COMPARED TO THE PATIENT'S FAMILY

INCOME. PATIENTS WHO HAVE INSURANCE MAY STILL QUALIFY FOR FINANCIAL ASSISTANCE FOR THEIR PORTION OF THE AMOUNT DUE. OUR POLICY STATES THAT AT ANY TIME THE PATIENT CAN QUALIFY FOR FINANCIAL ASSISTANCE, EVEN AFTER COLLECTION EFFORTS HAVE BEGUN. IF THE PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE AFTER COLLECTION EFFORTS HAVE COMMENCED, ALL COLLECTION EFFORTS BY THE HOSPITAL WILL CEASE IMMEDIATELY. FURTHERMORE, IF THE PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE AFTER PAYMENT HAVE BEEN MADE BY THE PATIENT, THE APPROPRIATE REFUND WILL BE MADE BY THE HOSPITAL.

PART VI, LINE 2:

THE HOSPITAL ASSESSES THE HEALTH CARE NEEDS OF THE COMMUNITIES IT SERVES; IN ADDITION TO THE NEEDS ASSESSMENTS REPORTED IN PART V, SECTION B USING SURVEYS TO THE PHYSICIANS, PATIENTS, AND IN FY 2019 THE COMMUNITY ASSESSMENT SURVEY.

PART VI, LINE 3:

THE ORGANIZATION MAKES AN ATTEMPT TO INFORM AND EDUCATE PATIENTS AND PERSONS WHO MAY BE BILLED FOR PATIENT CARE ABOUT THEIR ELIGIBILITY FOR ASSISTANCE UNDER FEDERAL, STATE OR LOCAL GOVERNMENTAL PROGRAMS OR UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY. THE ORGANIZATION PUBLISHES NOTICES OF THE FINANCIAL ASSISTANCE POLICY IN LOCAL NEWSPAPERS ANNUALLY. THERE ARE SIGNS NOTING THE AVAILABLE OF FINANCIAL ASSISTANCE POSTED AT EMERGENCY REGISTRATION, OUTPATIENT REGISTRATION AND AT THE HOSPITAL'S BUSINESS OFFICE IN PATIENT WAITING AREAS. A SUMMARY OF THE FINANCIAL ASSISTANCE POLICY, WRITTEN IN SPANISH AND ENGLISH, AS WELL AS WHO TO CALL FOR QUESTIONS ABOUT THE FINANCIAL ASSISTANCE POLICY OR HOW TO REGISTER FOR MEDICAL ASSISTANCE, IS AVAILABLE IN THE PATIENT LOBBY WAITING AREAS OF THE HOSPITAL. FURTHERMORE, A SUMMARY OF THE FINANCIAL ASSISTANCE POLICY IS

Part VI Supplemental Information (Continuation)

PROVIDED TO EVERY INPATIENT AT THE TIME OF ADMISSION, AS WELL AS WITH THE PATIENT'S BILL. FINALLY, AN OVERVIEW OF THE FINANCIAL ASSISTANCE POLICY IS PROVIDED TO ALL HOSPITAL EMPLOYEES AS PART OF THE EMPLOYEES' ORIENTATION IN ORDER TO HELP THOSE EMPLOYEES PROVIDE DIRECTION AND ASSISTANCE TO PATIENTS WITH QUESTIONS REGARDING THE FINANCIAL ASSISTANCE POLICY.

PART VI, LINE 4:

THE HOSPITAL SERVES PRINCE GEORGE'S COUNTY OF MARYLAND. THE HOSPITAL ATTENDS MANY HEALTH FAIRS THROUGHOUT THE COMMUNITY AND FOCUSES ON DIABETIC SCREENING, A COUNTY DEPARTMENT HEALTH INITIATIVE.

PART VI, LINE 5:

DOCTORS COMMUNITY HOSPITAL IS GOVERNED BY A BOARD OF DIRECTORS THAT IS COMPRISED ALMOST ENTIRELY OF INDEPENDENT PERSONS WHO RESIDE WITHIN THE DOCTORS COMMUNITY HOSPITAL'S COMMUNITY. THE HOSPITAL EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS FOR ALL OF ITS DEPARTMENTS. ALL FINANCIAL SURPLUSES THAT ARE GENERATED ARE USED EXCLUSIVELY TO FURTHER THE EXEMPT PURPOSES OF THE HOSPITAL. THE HOSPITAL PARTICIPATED WITH THE PRINCE GEORGES HEALTH DEPARTMENT AND ALL THE HOSPITALS OF THE COUNTY TO CONDUCT AND ASSEMBLE THE CHNA IN THE SPRING OF CALENDAR YEAR 2016 AND 2019.

PART VI, LINE 7, LIST OF STATES RECEIVING 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" on Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047

2019

**Open to Public
Inspection**

Name of the organization **LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC.** Employer identification number
52-1638026

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 Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on 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.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
JUNIOR ACHIEVEMENT OF GREATER WASHINGTON - 919 18TH STREET, NW, SUITE 901 - WASHINGTON, DC 20006	54-0788947	501(C)(3)	22,500.	0.			GENERAL SUPPORT

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

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) (2019)

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

2019

Open to Public Inspection

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

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

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

Name of the organization **LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC.**

Employer identification number
52-1638026

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|---|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input checked="" type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 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 on line 1a?

3 Indicate which, if any, of the following the 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"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on 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

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b	X	
2		X
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

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

Schedule J (Form 990) 2019

LUMINIS HEALTH

DOCTORS COMMUNITY MEDICAL CENTER, INC.

52-1638026

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 on 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 aren't 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 in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) PHILIP DOWN	(i)	3,720,242.	0.	0.	612,495.	0.	4,332,737.	0.
CEO	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) CAMILLE BASH (RET 8/7/20)	(i)	516,115.	0.	0.	40,200.	890.	557,205.	0.
CFO/TREASURER	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) PATRICIA CHRISTENSEN	(i)	324,742.	0.	0.	19,000.	2,600.	346,342.	0.
CNO	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) KIMARA HARRIS	(i)	170,089.	0.	0.	9,901.	4,368.	184,358.	0.
VP HR	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) ROBYN M WEBB-WILLIAMS	(i)	176,460.	0.	0.	13,650.	4,264.	194,374.	0.
VP FOUNDATION	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) MELISSA YEAGER	(i)	293,676.	0.	0.	19,000.	6,812.	319,488.	0.
VP	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) SUNIL I MADAN MD	(i)	543,533.	0.	0.	34,200.	10,010.	587,743.	0.
CMO	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) PAUL GRENALDO	(i)	675,614.	0.	0.	84,243.	5,590.	765,447.	0.
COO	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) JOYCE HANSCOME	(i)	300,294.	0.	0.	25,000.	5,590.	330,884.	0.
CIO	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) LEONID SELYA	(i)	945,123.	0.	0.	25,000.	25,310.	995,433.	0.
MD	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) LAEEQ AHMAD	(i)	659,589.	0.	0.	25,000.	18,232.	702,821.	0.
MD	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) GUCWA, ANGELA	(i)	560,362.	0.	0.	19,000.	8,812.	588,174.	0.
MD	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) CROWE, JOSEPH	(i)	548,100.	0.	0.	25,000.	25,310.	598,410.	0.
MD	(ii)	0.	0.	0.	0.	0.	0.	0.
(14) BASHIR, SHOWKAT	(i)	506,756.	0.	0.	10,324.	25,310.	542,390.	0.
MD	(ii)	0.	0.	0.	0.	0.	0.	0.
	(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:

SCHEDULE J, PART I, LINE 1A - IN 2014, THE COMPENSATION COMMITTEE APPROVED AN ANNUAL PAYMENT TO MR. DOWN, THE FORMER CEO, FOR CERTAIN INCOME TAXES ON INCOME THAT ARE IMPUTED TO HIM ANNUALLY UNDER A LIFE INSURANCE ARRANGEMENT ADOPTED IN THE EARLY 1990S. THE HOSPITAL HAS NOT FUNDED THE SUBJECT LIFE INSURANCE ARRANGEMENT IN MANY YEARS. ANY INCOME TAX PAYMENTS PAID FOR MR. DOWN NET OUT OF (I.E., REDUCE) THE SUPPLEMENTAL RETIREMENT PLAN DESCRIBED IN THE BELOW PARAGRAPH. THEREFORE, THE TAX GROSS UP DESCRIBED HEREIN DOES NOT INCREASE THE HOSPITAL'S OVERALL COST.

PART I, LINE 3:

LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC. USED THE FOLLOWING METHODS TO DETERMINE THE CEO'S COMPENSATION: COMPENSATION COMMITTEE, WRITTEN EMPLOYMENT CONTRACT, INDEPENDENT COMPENSATION CONSULTANT, COMPENSATION SURVEY OR STUDY, FORM 990 OF OTHER ORGANIZATIONS, AND RECOMMENDED BY THE COMPENSATION COMMITTEE AND APPROVED BY THE LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC. BOARD.

PART I, LINE 4B:

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.

DENNIS SCANLON, THE RETIRED CFO, AND THOMAS CROWLEY, RETIRED COO, RECEIVES ANNUAL PAYMENTS FROM THE DCH SPLIT DOLLAR PLAN. IN 2018, THE COMPENSATION COMMITTEE APPROVED AN INCENTIVE FOR MR. DOWN'S EMPLOYMENT COMMITMENT UNTIL JANUARY 31, 2022 BONUS. MR. DOWN PARTICIPATES IN A SPLIT DOLLAR PLAN, UNDER WHICH DOCTORS COMMUNITY HOSPITAL ADVANCES PREMIUMS INTO LIFE INSURANCE POLICIES OWNED BY MR. DOWN FOR WHICH DOCTORS COMMUNITY HOSPITAL IS LATER REPAID; AND IN AN OPTION PLAN, UNDER WHICH MR. DOWN ELECTED TO FOREGO WAGE PAYMENTS IN EXCHANGE FOR THE RECEIPT OF OPTIONS TO PURCHASE MUTUAL FUND SHARES. DURING 2020, MR. PHILIP DOWN RECEIVED THE 457B PLAN PAYOUT OF \$581,095.11. DURING 2020, THE HOSPITAL FUNDED MR. PAUL GRENALDO'S SERP II PLAN WITH ADDITIONAL \$44,043 DEPOSIT ON 6/8/2020.

PART I, LINE 7:

LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC. PROVIDED NON-FIXED INCENTIVE COMPENSATION PAYMENTS FOR THE PERSONS SO LISTED. AS PART OF THE PROCESS, THE COMPENSATION COMMITTEE REVIEWS RESULTS OF THE ORGANIZATION AND THE EXECUTIVE OF ORGANIZATIONAL FINANCIAL, QUALITY OF CARE, PATIENT SATISFACTION, AND SIMILAR GOALS AND MAKES INCENTIVE COMPENSATION AWARDS BASED ON THIS PERFORMANCE.

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.** ▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Name of the organization **LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.** Employer identification number **52-1638026**

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A MAYLAND HEALTH AND HIGHER EDUCATION 2016A	52-0936091	574218Y98	06/29/16	33930941.	REFINANCE 2007A AND PARTIAL 2010		X		X		X
B MAYLAND HEALTH AND HIGHER EDUCATION 2017A	52-0936091	574218Y98	02/23/17	64165000.	REFINANCE BOND 2010		X		X		X
C MAYLAND HEALTH AND HIGHER EDUCATION 2017B	52-0936091	5742158L6	03/07/17	38710000.	REFINANCE BOND 2016		X		X		X
D											

Part II Proceeds										
	A		B		C		D			
1 Amount of bonds retired										14,545,000.
2 Amount of bonds legally defeased										
3 Total proceeds of issue		33,930,941.		64,165,000.		38,710,000.				
4 Gross proceeds in reserve funds				11,529,759.						
5 Capitalized interest from proceeds										
6 Proceeds in refunding escrows										
7 Issuance costs from proceeds		398,892.		1,163,332.		561,722.				
8 Credit enhancement from proceeds										
9 Working capital expenditures from proceeds										
10 Capital expenditures from proceeds										
11 Other spent proceeds										
12 Other unspent proceeds										
13 Year of substantial completion										
		Yes	No	Yes	No	Yes	No	Yes	No	
14 Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?			X		X	X				
15 Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		X			X			
16 Has the final allocation of proceeds been made?			X		X		X			
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?		X		X		X				

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

LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC.

Part III Private Business Use

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X		
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X		
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X		X		X			
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X		X		X			
c Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government								
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government								
6 Total of lines 4 and 5								
7 Does the bond issue meet the private security or payment test?		X		X		X		
8a 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		X		X		
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 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		X		X		

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X		X		X		
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?	X		X		X			
b Exception to rebate?		X		X		X		
c No rebate due?		X		X		X		
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X		X		X		

LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC.

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X		X		
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X		X		
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X		X		X		
7 Has the organization established written procedures to monitor the requirements of section 148?	X			X		X		

	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 isn't available under applicable regulations?		X		X		X		

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions

SCHEDULE K, PART I, COLUMN F
06/29/2016 33,930,941 MARYLAND HEALTH AND HIGHER EDUCATION 2016A - NONE DUE.

SCHEDULE K, PART I, COLUMN F
03/07/2017 38,710,000 MARYLAND HEALTH AND HIGHER EDUCATION 2017B - BANK NOTE WAS CONVERTED TO BONDS 2017B AS PLANNED TO FIXED BONDS ON APRIL 4, 2017.

SCHEDULE K, PART IV, LINE 2C
06/29/2016 33,930,941 MARYLAND HEALTH AND HIGHER EDUCATION 2016A - NO REBATE REPORT DUE THIS YEAR

SCHEDULE K, PART IV, LINE 2C
02/23/2017 64,165,000 MARYLAND HEALTH AND HIGHER EDUCATION 2017A - NO REBATE REPORT DUE THIS YEAR

SCHEDULE K, PART IV, LINE 2C
03/07/2017 38,710,000 MARYLAND HEALTH AND HIGHER EDUCATION 2017B - NO REBATE REPORT DUE THIS YEAR

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.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.	Employer identification number	52-1638026
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FORM 990, PART I, DOING BUSINESS AS:

DOCTORS COMMUNITY MEDICAL CENTER

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

MEDICAL CENTER, INC. IS A PRIVATE, NOT-FOR-PROFIT HOSPITAL LOCATED IN LANHAM, MARYLAND. LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC. CURRENTLY OPERATES 190 LICENSED MEDICAL/SURGICAL BEDS, ADMITS 10,000 PATIENTS ANNUALLY, AND SEES OVER 60,000 PATIENTS IN THE AMBULATORY SETTING, EMPLOYEES OVER 1,500 INDIVIDUALS INCLUDING PHYSICIANS. OUR MEDICAL STAFF IS COMPRISED OF MORE THAN 600 PHYSICIANS. THE HOSPITAL OFFERS A BROAD RANGE OF INPATIENT AND OUTPATIENT SERVICES, A NUMBER OF SPECIALTY AND SUBSPECIALTY SERVICES, AND A FULL RANGE OF ANCILLARY AND SUPPORT SERVICES.

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

COMMUNITY. THE HOSPITAL PROVIDES HEALTHCARE SERVICES TO PATIENTS REGARDLESS OF THE PATIENTS' ABILITY TO PAY.

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

THE 990 IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM, REVIEWED BY THE PRESIDENT AND CFO, AND THEN SUBMITTED TO EACH MEMBER OF THE BOARD FOR THEIR REVIEW. ANY COMMENTS/QUESTIONS FROM THE BOARD MEMBERS ARE REFLECTED IN THE 990 THAT IS FILED BY THE ORGANIZATION.

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

LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC. HAS ADOPTED A

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

Schedule O (Form 990 or 990-EZ) (2019)

Name of the organization	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.	Employer identification number	52-1638026
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CONFLICT OF INTEREST POLICY COVERING LHDCMC AND ITS WHOLLY-CONTROLLED SUPPORTING ORGANIZATION LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER FOUNDATION, INC (LHDCMCF). PURSUANT TO SUCH CONFLICT OF INTEREST POLICY, EACH BOARD MEMBER AND OFFICER OF THE ORGANIZATION IS REQUIRED TO COMPLETE A WRITTEN CONFLICT OF INTEREST STATEMENT ANNUALLY. THE INFORMATION RECEIVED IS USED TO BOTH ADDRESS THE CONCERNS RAISED BY THE CHARTER AND BY-LAWS OF LHDCMC AND LHDCMCF, AS WELL AS TO PROVIDE ADDITIONAL INFORMATION REGARDING OFFICER AND DIRECTORS, WHICH WILL HEIGHTEN AWARENESS OF THEIR BUSINESS TRANSACTIONS, EXPERIENCE, BACKGROUND, ABILITIES AND ACCOMPLISHMENTS, AND OF THE COMMUNITY THAT LHDCMC AND LHDCMCF SEEK TO SERVE.

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

THE ORGANIZATION'S BOARD HAS ADOPTED A COMPENSATION POLICY ("THE POLICY") FOR COVERED INDIVIDUALS. PURSUANT TO THE POLICY, A COMPENSATION COMMITTEE OF INDEPENDENT DIRECTORS WAS ESTABLISHED TO REVIEW THE COMPENSATION OF ALL EMPLOYEES SPECIFIED AS HAVING A SUBSTANTIAL INFLUENCE OVER THE ORGANIZATION AND WHO RECEIVE REMUNERATION FROM THE ORGANIZATION, INCLUDING, AMONG OTHERS, THE ORGANIZATION'S PRESIDENT, AND THE ORGANIZATION'S CHIEF FINANCIAL OFFICER AND VICE PRESIDENT OF FINANCE. THE COMPENSATION COMMITTEE IS ADVISED BY AN INDEPENDENT COMPENSATION CONSULTANT, WHICH OPINES TO THE COMPENSATION COMMITTEE THAT THE LEVEL OF COMPENSATION PAID AND THE PROCESS BY WHICH COMPENSATION IS ESTABLISHED MEET APPLICABLE IRS REASONABLENESS AND 'SAFE HARBOR' STANDARDS. THE OUTSIDE COMPENSATION CONSULTANT PROVIDES DATA OF COMPENSATION PROVIDED AT SIMILAR ORGANIZATIONS TO ENSURE THAT THE ORGANIZATION DOES NOT COMPENSATE IN EXCESS OF MARKET NORMS. THE COMPENSATION COMMITTEE RECOMMENDS THE ANNUAL CHANGES TO THE BOARD FOR APPROVAL.

Name of the organization	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.	Employer identification number	52-1638026
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FORM 990, PART VI, SECTION C, LINE 19:

THESE DOCUMENTS ARE AVAILABLE UPON REQUESTS. WE ALSO FILE THESE DOCUMENTS WITH THE STATE OF MARYLAND HEALTH SERVICES COSTS REVIEW COMMISSION. DOCTORS HOSPITAL INC. 301-552-8118

FORM 990, PART IX, LINE 11G, OTHER FEES:

CONTRACTED SERVICES :

PROGRAM SERVICE EXPENSES	5,588,095.
MANAGEMENT AND GENERAL EXPENSES	2,173,148.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	7,761,243.

OTHER PROFESSIONAL FEES:

PROGRAM SERVICE EXPENSES	5,839,489.
MANAGEMENT AND GENERAL EXPENSES	2,270,912.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	8,110,401.

PURCHASED SERVICES :

PROGRAM SERVICE EXPENSES	17,363,531.
MANAGEMENT AND GENERAL EXPENSES	6,752,484.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	24,116,015.
TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A	39,987,659.

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

NET ASSET TRANSFER	-468,991.
EQUITY TRANSFER	8,300,798.

Name of the organization LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.	Employer identification number 52-1638026
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OTHER CHANGE IN NET ASSETS	-67,753.
PURCHASE ADJUSTMENT	10,843,585.
TOTAL TO FORM 990, PART XI, LINE 9	18,607,639.

FORM 990, PART XII, LINE 2C

THE PROCESS HAS NOT CHANGED SINCE THE PRIOR YEAR.

**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.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization **LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.** Employer identification number **52-1638026**

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
SPINE TEAM OF MARYLAND CLOSED SEPT 2016 - 27-2049767, 8116 GOOD LUCK ROAD, LANHAM, MD 20706	NEURO AND ENT CLINICS	MARYLAND	0.	155,091.	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.
CAPITAL ORTHOPAEDICS SPECIALISTS LLC - 90-0983677, 8116 GOOD LUCK ROAD, LANHAM, MD 20706	SURGICAL PRACTICE: ORTHOPADICS, GENERAL SURGERY, VASCULAR SURGERY,	MARYLAND	24,907,273.	5,702,780.	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.
DCH INTEGRATED HEALTHCARE NETWORK LLC - 46-5664423, 8118 GOOD LUCK ROAD, LANHAM, MD 20706	SHARED SERVICE ORGANIZATION	MARYLAND	1,676,510.	1,390,680.	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.
DOCTOR COMMUNITY PRACTICES LLC - 81-1095800 8118 GOOD LUCK ROAD LANHAM, MD 20706	PRIMARY CARE PHYSICIAN OFFICES	MARYLAND	13,147,232.	1,644,971.	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.

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) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, FOUNDATION INC. - 52-171233, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD	TO RAISE FUNDS FOR DOCTORS HOSPITAL INC CAPITAL NEEDS	MARYLAND	501(C)(3)	LINE 12A, I	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER,	X	

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

Schedule R (Form 990) 2019

SEE PART VII FOR CONTINUATIONS

LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC.

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
DOCTORS REGIONAL CANCER CENTER - 20-8889327, 8116 GOOD LUCK ROAD, LANHAM, MD 20706	CANCER TREATMENT SERVICES FOR RESIDENTS OF	MD	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL		5,246,288.	4,490,567.		X	N/A		X	60.00%
MAGNOLIA GARDENS NURSING HOME - 52-1961563, 8200 GOOD LUCK ROAD, LANHAM, MD 20706	NURSING HOME	MD	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL		0.	0.		X	N/A		X	51.00%
SOUTHERN MARYLAND INTEGRATED CARE LLC - 45-5627098, 8118 GOOD LUCK ROAD, LANHAM, MD 20706	MEDICARE SHARED SAVINGS	MD	LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL		134,842.	0.		X	N/A		X	61.00%

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
DOCTORS COMMUNITY HEALTH VENTURES INC - 52-1884380, 8118 GOOD LUCK ROAD, LANHAM, MD 20706	WHOLLY OWNED FOR PROFIT ENTITY OF DOCTORS HOSPITAL INC	MD	LUMINIS HEALTH DOCTORS COMMUNITY	C CORP	4,133,977.	7,464,274.	100%	X	

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.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)	X	
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)	X	
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses	X	
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL (1) CENTER, FOUNDATION INC.	N	120,000.	FMV
(2) DOCTORS COMMUNITY HEALTH VENTURES INC	B	-2,471,557.	FMV
(3) DOCTORS REGIONAL CANCER CENTER	Q	195,443.	FMV
(4)			
(5)			
(6)			

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

PART I, IDENTIFICATION OF DISREGARDED ENTITIES:

NAME OF DISREGARDED ENTITY:

CAPITAL ORTHOPAEDICS SPECIALISTS LLC

PRIMARY ACTIVITY: SURGICAL PRACTICE: ORTHOPADICS, GENERAL SURGERY,
VASCULAR SURGERY, BREAST SU

PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:

NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:

LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, FOUNDATION
INC.

EIN: 52-1712338

2000 MEDICAL PARKWAY, SUITE 606
ANNAPOLIS, MD 21401

DIRECT CONTROLLING ENTITY: LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL
CENTER, INC.

PART III, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS PARTNERSHIP:

NAME OF RELATED ORGANIZATION:

DOCTORS REGIONAL CANCER CENTER

PRIMARY ACTIVITY: CANCER TREATMENT SERVICES FOR RESIDENTS OF PRINCE
GEORGE'S COUNTY

DIRECT CONTROLLING ENTITY: LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL
CENTER, INC.

NAME OF RELATED ORGANIZATION:

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R. See instructions.

MAGNOLIA GARDENS NURSING HOME

DIRECT CONTROLLING ENTITY: LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.

NAME OF RELATED ORGANIZATION:

SOUTHERN MARYLAND INTEGRATED CARE LLC

DIRECT CONTROLLING ENTITY: LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

NAME OF RELATED ORGANIZATION:

DOCTORS COMMUNITY HEALTH VENTURES INC

DIRECT CONTROLLING ENTITY: LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.



Doctors Community Medical Center and Subsidiaries

**Consolidated Financial Statements and
Other Financial Information**

Years Ended June 30, 2020 and 2019

Table of Contents

Independent Auditors' Report	1
Financial Statements:	
Consolidated Balance Sheets	3
Consolidated Statements of Operations	5
Consolidated Statements of Changes in Net Assets	6
Consolidated Statements of Cash Flows	7
Notes to the Consolidated Financial Statements	9
Supplementary Information:	
Consolidating Balance Sheet, Statement of Operations and Changes in Net Assets	34



Independent Auditors' Report

The Board of Directors
Doctors Community Medical Center and Subsidiaries
Lanham, Maryland

We have audited the accompanying consolidated financial statements of Doctors Community Medical Center and Subsidiaries (the "Company"), which comprise the consolidated balance sheets as of June 30, 2020 and 2019, and the related consolidated statements of operations and other changes in net assets without donor restrictions, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Doctors Community Medical Center and Subsidiaries as of June 30, 2020 and 2019, and the results of its operations, changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Change in Accounting Principles

As discussed in Note 1 to the consolidated financial statements, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-02, Leases (Topic 842) in 2020. Our opinion is not modified with respect to this matter.

Emphasis of Matter

As explained in Notes 1 and 18 to the consolidated financial statements, the Company executed an affiliation agreement and became a controlled affiliate of Anne Arundel Health System effective July 1, 2019. Beginning net assets on July 1, 2019 have been adjusted in connection with this transaction and change in control. Our opinion is not modified with respect to this matter.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements as a whole. The consolidating information presented in the supplemental schedules is presented for purposes of additional analysis rather than to present the financial position and results of operations of the individual organizations, and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management, was derived from, and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Dixon Hughes Goodman LLP

**Tysons, Virginia
October 23, 2020**

Doctors Community Medical Center and Subsidiaries
Consolidated Balance Sheets

	June 30	
	2020 Successor	2019 Predecessor
Assets		
Current assets:		
Cash and cash equivalents	\$ 99,221,421	\$ 34,168,164
Patient receivables, net	35,468,849	38,839,947
Inventories	5,587,114	4,243,356
Prepaid expenses and other current assets	5,379,423	9,600,901
Total current assets	<u>145,656,807</u>	<u>86,852,368</u>
Property and equipment	124,878,074	259,442,817
Less accumulated depreciation and amortization	<u>(10,165,956)</u>	<u>(157,091,894)</u>
Net property and equipment	<u>114,712,118</u>	<u>102,350,923</u>
Other assets:		
Investments	20,023,040	18,257,784
Lease right-of-use asset	4,543,771	–
Investments in joint ventures	6,195,831	5,019,926
Goodwill	–	3,070,898
Other assets	29,322,305	26,092,855
Total assets	<u>\$ 320,453,872</u>	<u>\$ 241,644,754</u>

**Doctors Community Medical Center and Subsidiaries
Consolidated Balance Sheets (continued)**

	June 30	
	2020 Successor	2019 Predecessor
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 10,273,880	\$ 13,146,010
Accrued salaries, wages, and benefits	14,653,755	16,046,116
Other accrued expenses	13,952,583	2,682,475
Advances from third-party payors	51,905,567	7,765,308
Current portion of lease liabilities	1,183,557	—
Current portion of long-term debt	4,978,798	4,448,457
Total current liabilities	<u>96,948,140</u>	<u>44,088,366</u>
Long-term debt, less current portion and unamortized original issue premium	122,765,997	122,394,065
Lease liabilities	4,074,861	—
Accrued pension liability	6,525,431	5,001,393
Other long-term liabilities	14,421,786	16,005,694
Total liabilities	<u>244,736,215</u>	<u>187,489,518</u>
Net assets:		
Without donor restrictions	73,058,778	51,403,040
Noncontrolling interest	2,191,257	2,265,386
With donor restrictions	467,622	486,810
Total net assets	<u>75,717,657</u>	<u>54,155,236</u>
Total liabilities and net assets	<u>\$ 320,453,872</u>	<u>\$ 241,644,754</u>

See the accompanying notes to the consolidated financial statements.

Doctors Community Medical Center and Subsidiaries
Consolidated Statements of Operations

	Year Ended June 30	
	2020 Successor	2019 Predecessor
Operating revenue:		
Net patient service revenue	\$ 239,122,825	\$ 243,509,189
Other operating revenue	21,884,197	6,466,016
Total operating revenue	<u>261,007,022</u>	<u>249,975,205</u>
Operating expenses:		
Salaries and wages	108,828,804	105,670,968
Employee benefits	17,005,912	17,058,725
Purchased services	80,683,895	69,729,474
Supplies	35,088,434	34,293,627
Depreciation and amortization	10,413,150	9,222,787
Interest	4,317,819	4,766,952
Total operating expenses	<u>256,338,014</u>	<u>240,742,533</u>
Operating income	<u>4,669,008</u>	<u>9,232,672</u>
Other (loss) income:		
Investment income, net	461,214	158,553
Gain from joint ventures and other, net	253,366	311,435
Loss on sale of property	-	(11,247)
Change in unrealized gains (losses) on trading securities, net	(262,337)	145,630
Pension expense	(660,906)	(1,533,516)
Total other loss, net	<u>(208,663)</u>	<u>(929,145)</u>
Excess of revenue over expenses	<u>\$ 4,460,345</u>	<u>\$ 8,303,527</u>

See the accompanying notes to the consolidated financial statements.

Doctors Community Medical Center and Subsidiaries
Consolidated Statements of Changes in Net Assets

Predecessor

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, June 30, 2018	\$ 44,983,697	\$ 838,920	\$ 45,822,617
Excess of revenues over expenses	8,303,527	-	8,303,527
Pension liability adjustment	42,563	-	42,563
Released from restrictions used for purchase of property and equipment	338,639	-	338,639
Restricted gifts, bequests, and contributions	-	980,092	980,092
Net assets released from restrictions	-	(1,332,202)	(1,332,202)
Changes in net assets	<u>8,684,729</u>	<u>(352,110)</u>	<u>8,332,619</u>
Net assets, June 30, 2019	53,668,426	486,810	54,155,236

Successor

Net assets, July 1, 2019	63,980,460	486,810	64,467,270
Excess of revenues over expenses	4,460,345	-	4,460,345
Pension liability adjustment	(1,527,044)	-	(1,527,044)
Released from restrictions used for purchase of property and equipment	35,476	-	35,476
Transfers and other, net	8,300,798	-	8,300,798
Restricted gifts, bequests, and contributions	-	533,153	533,153
Net assets released from restrictions	-	(552,341)	(552,341)
Changes in net assets	<u>11,269,575</u>	<u>(19,188)</u>	<u>11,250,387</u>
Net assets, June 30, 2020	<u>\$ 75,250,035</u>	<u>\$ 467,622</u>	<u>\$ 75,717,657</u>

See the accompanying notes to the consolidated financial statements.

**Doctors Community Medical Center and Subsidiaries
Consolidated Statements of Cash Flows**

	Year Ended June 30	
	2020 Successor	2019 Predecessor
OPERATING ACTIVITIES AND OTHER GAINS		
Increase in net assets	\$ 11,250,387	\$ 8,332,619
Adjustments to reconcile increase in net assets to net cash and cash equivalents provided by operating activities:		
Unrealized (gain) loss on investments	262,337	(145,630)
Pension liability adjustment	1,527,044	841,835
Equity in earnings of joint ventures and other	(408,621)	(311,435)
Distributions received from joint ventures	155,255	689,605
Restricted contributions received	(533,153)	(980,090)
Depreciation and amortization	10,413,150	8,979,516
Amortization on bond issue cost	59,621	186,921
Net sales of trading investments	(2,027,593)	(304,469)
Loss (gain) on sale of property	(3,000)	11,247
Transfer from parent	(8,300,798)	-
Net change in operating assets and liabilities	57,292,977	(8,871,224)
NET CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES AND OTHER GAINS	69,687,606	8,428,895
INVESTING ACTIVITIES		
Proceeds from sale on property	3,000	70,000
Purchase of property, plant and equipment	(8,585,345)	(4,338,290)
NET CASH AND CASH EQUIVALENTS USED IN INVESTING ACTIVITIES	(8,582,345)	(4,268,290)
FINANCING ACTIVITIES		
Principal payments on debt	\$ (4,885,955)	\$ (5,028,160)
Transfers from parent	8,300,798	-
Restricted contributions received	533,153	980,090
NET CASH AND CASH EQUIVALENTS PROVIDED BY (USED IN) FINANCING ACTIVITIES	3,947,996	(4,048,070)
NET INCREASE IN CASH AND CASH EQUIVALENTS	65,053,257	112,535
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	34,168,164	34,055,629
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 99,221,421	\$ 34,168,164

See the accompanying notes to the consolidated financial statements.

Doctors Community Medical Center and Subsidiaries
Consolidated Statements of Cash Flows

	Year Ended June 30	
	2020 Successor	2019 Predecessor
Changes in operating assets and liabilities		
(Decrease) increase in operating assets:		
Net patient accounts receivable	\$ 3,371,098	\$ (6,079,831)
Inventories	(1,343,758)	(356,148)
Prepaid expenses and other current assets	4,221,478	211,314
Other assets	1,485,197	(1,702,891)
	<u>7,734,015</u>	<u>(7,927,556)</u>
Increase (decrease) in operating liabilities:		
Accounts payable	(2,872,130)	(629,540)
Accrued salaries, wages and benefits	(1,392,361)	(122,887)
Accrued expenses	11,270,108	35,569
(Advances from) refunds to third party payers	44,140,259	(210,591)
Other liabilities	(1,586,914)	(16,219)
	<u>49,558,962</u>	<u>(943,668)</u>
	<u>\$ 57,292,977</u>	<u>\$ (8,871,224)</u>

See the accompanying notes to the consolidated financial statements.

Doctors Community Medical Center and Subsidiaries Notes to the Consolidated Financial Statements

1. Organization and Summary of Significant Accounting Policies

Organization

Doctors' Hospital, Inc. (d/b/a Doctors Community Medical Center and Subsidiaries), (the Company) is a not-for-profit, non-stock corporation that operates an acute care general hospital facility licensed for 190 beds. The Company serves the health care needs of the residents of Prince George's County, the District of Columbia, and the greater Washington, D.C. metropolitan area. The Company has four wholly owned/controlled subsidiaries: Doctors Community Healthcare Programs (CHP), Doctors Community Hospital Foundation, Inc. (the Foundation), Doctors Community Health Ventures, Inc. (Health Ventures), and Doctors Community Sleep Center, LLC (the Sleep Center).

Doctors Community Healthcare Programs (CHP) consists of three wholly owned/controlled entities: Doctors Community Hospital Clinics (CLINICS), Doctors Community Practices, LLC (DCP), Capital Orthopedics Specialists, LLC (COS) and Care Transitional Organization (CTO). CLINICS is a limited liability company formed in Maryland for the purpose of providing outpatient medical care for the residents of Prince Georges County and surrounding areas. CLINICS includes a transitional outpatient program and mobile van that provides services throughout the Prince George's County. DCP is a limited liability company formed in Maryland for the purpose of providing medical primary care services for the residents of Prince Georges County and surrounding areas. COS is a limited liability company formed in Maryland for the purpose of providing surgical services for the residents of Prince Georges County and surrounding areas. CTO is a limited liability company formed in Maryland for the purpose of participating in certain Centers for Medicare and Medicaid (CMS) programs for primary care providers serving the residents of Prince Georges County and surrounding areas.

The Foundation was incorporated in Maryland in 1990 as a not-for-profit, non-stock corporation established to raise and invest funds to support or benefit the operations of the Company. The Foundation's bylaws provide that all funds raised, except those required for the operation of the Foundation, be distributed to or be held for the benefit of the Company. Under the Foundation's bylaws, a majority of its directors must be directors of the Company, appointed by its President. The Foundation's bylaws also provide the Company with the authority to direct its activities, management, and policies.

Health Ventures is incorporated under the laws of Maryland as a for-profit, stock corporation. The Company owns 100% of its stock. Health Ventures invests in for-profit businesses consistent with the mission and strategic plan of the Company. Health Ventures consolidates three LLCs: Metropolitan Medical Specialist, LLC (MMS), Doctors Community Management Services, LLC (MSO), and Doctors Community Ambulatory Surgical Center, LLC (ASC). Health Ventures also has investments in two other companies: Magnolia Gardens LLC (Magnolia Gardens) and Diagnostic Imaging Center, LLC (DI).

The Sleep Center is a limited liability company formed in Maryland for the purpose of providing diagnostic sleep services for residents of Prince Georges County and surrounding areas. The Sleep Center operates a 10-bed sleep lab located on the Company's campus and provides outpatient sleep studies.

The Company owns a 60% interest in Doctors Regional Cancer Center, LLC (DRCC). DRCC is a limited liability company formed in June 2007 by Maryland Regional Cancer Care, LLC (MRCC) for the purpose of providing outpatient cancer treatment services to the residents of central Maryland. The Company owns 100% of Spine Team Maryland (STM), for the purpose of providing medical primary care services for the residents of Prince Georges County and surrounding areas. STM ceased operations in fiscal year 2016. The Company owns a 61% interest in the Southern Maryland Integrated Healthcare, LLC (ACO). The ACO, which notified CMS that it ended participating in the program effective December 31, 2018, was a limited liability company formed in Maryland for the purpose of participating in a Medicare Shared Savings Program (MSSP) among primary care providers serving the residents of Prince Georges County and surrounding areas.

Doctors Community Medical Center and Subsidiaries

Notes to the Consolidated Financial Statements

Basis of presentation and periods presented

On July 1, 2019, the Company completed a transaction that resulted in the Company becoming a wholly-controlled subsidiary of Anne Arundel Health System (the "Acquisition"). Anne Arundel Health System then changed its name to Luminis Health ("Luminis"). The Acquisition resulted in a change of control and a new basis of accounting as of the opening of business on July 1, 2019 (see Note 18).

The Acquisition was recorded in accordance with ASC 805: *Business Combinations* and the fair values of the net assets acquired were pushed down from Luminis to the Company, which resulted in a new basis for the assets and liabilities of the Company. Under pushdown accounting, the acquiree uses the basis of the acquirer in the preparation of the acquiree's separate financial statements. Accordingly, the Company revised balance sheet amounts to estimated fair values as of July 1, 2019.

The consolidated balance sheet as of June 30, 2020, and the consolidated statements of operations, changes in net assets, and cash flows for the year then ended (the "Successor Period"), reflect the effects of the acquisition method of accounting. Financial statement amounts prior to July 1, 2019, and the results of operations and cash flows for the year ended June 30, 2019 (the "Predecessor Period"), reflect operations prior to the Acquisition.

Principles of consolidation

The consolidated financial statements include the accounts of the Company, CHP, the Foundation, Health Ventures, the Sleep Center, DRCC and ACO (collectively, the Company). All intercompany accounts and transactions have been eliminated in consolidation. The consolidated financial statements include non-controlling interest held by third parties in less than wholly owned subsidiaries.

Use of estimates

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

Cash and cash equivalents

Cash and cash equivalents include cash on hand, amounts on deposit in banks, and highly liquid debt instruments with an original maturity of 90 days or less when purchased, excluding amounts whose use is limited. The Company has cash holdings in commercial banks routinely exceeding the Federal Deposit Insurance Corporation maximum insurance limit of \$250,000. Cash and cash equivalents are reported at cost which approximates market value.

Investments

Marketable securities consist of investments in equity and debt securities and are carried at fair value. All such investments are classified as trading.

Unrestricted investment income, including realized gains and losses on the sale of trading securities, is reported as other operating revenue. The cost of securities sold is based on the specific-identification method. Unrealized gains and losses on trading securities are included in non-operating gains (losses) in the accompanying consolidated statements of operations and other changes in net assets without donor restrictions.

Inventories

Inventories consist of supplies and drugs and are carried at the lower of cost or market using the average-cost method.

Doctors Community Medical Center and Subsidiaries

Notes to the Consolidated Financial Statements

Land, buildings, and equipment

Land, buildings, and equipment are recorded at cost. Depreciation is recorded over the estimated useful lives of the assets using the straight-line method. Maintenance and repairs are charged to expense as incurred. The straight-line method is used to amortize the cost of equipment under financing leases over the estimated useful lives of the equipment or the term of the lease, whichever is appropriate.

Net assets with donor restrictions

Net assets with donor restrictions are those whose use by the Company and the Foundation have been limited by donors to a specific time period or purpose. Net assets with donor restrictions are available to fund various health care services and other community benefits provided by the Company. The Company's policy is to treat restricted contributions recorded and released in the same fiscal year as contributions without donor restrictions.

Excess of revenue over expenses (expenses over revenue)

The consolidated statements of operations and other changes in net assets without donor restrictions include the excess of revenue over expenses (expenses over revenue) (the "performance indicator"). Changes in net assets without donor restrictions, which are excluded from the excess of revenue over expenses (expenses over revenue), consistent with industry practice, include contributions received and used for additions of long-lived assets, distributions to non-controlling interest-holders, and changes in the pension obligation other than net periodic pension cost.

Net patient service revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered. The Company charges are based on rates established by the State of Maryland Health Services Cost Review Commission (the Commission); accordingly, revenue reflects actual charges to patients based on rates in effect during the period in which the services are rendered (see Note 11). CHP and the Sleep Center are paid for services based on either negotiated contracts with commercial payers, fee schedules with Medicare and Medicaid or standardized pricing for self-pay patients.

Explicit price concessions represent the difference between amounts billed as patient service revenue and amounts allowed by third-party payers, and are accrued in the period in which the related services are rendered.

Based on historical experience, a significant portion of the Company's uninsured patients will be unable or unwilling to pay for services provided. Thus, the Company estimates an implicit price concession related to uninsured patients in the period the services are provided based upon management's assessment of historical and expected net collections. This estimate considers business and general economic conditions, trends in healthcare coverage and other collection indicators. Throughout the year, management assesses the adequacy of these implicit price concessions based upon its review of patient accounts receivable and collections to date. Other factors, such as account aging and payment cycles, are considered when estimating implicit price concessions. The Company follows established guidelines for placing its self-pay patient accounts with an outside collection agency. After collection efforts are exhausted, the uncollected balances are returned to the Company for final write-off.

Charity care

A patient is classified as a charity recipient by reference to certain established policies of the Company. These policies define charity services as those services for which no payment is anticipated. In assessing a patient's ability to pay, the Company utilizes the generally recognized poverty income levels in the local community, but also includes certain cases where incurred charges are significant when compared to income.

Under current accounting standards, the Company is required to report the cost of providing charity care. The cost of charity care provided by the Company totaled \$9,528,010 and \$8,425,301 for the years ended June 30, 2020 and 2019, respectively. Rates charged by the Company for regulated services are determined based on assessment of direct and indirect cost calculated pursuant to the methodology established by the Commission (see Note 1), and therefore the cost of charity services noted above for the Company are equivalent to its established

Doctors Community Medical Center and Subsidiaries Notes to the Consolidated Financial Statements

rates for those services. For any charity services rendered by the Company other than from the Company, the cost of charity care is calculated by applying the estimated total cost-to-charge ratio for the non-Hospital services to the total amount of charges for services provided to patients benefitting from the charity care policies of the Company's non-Hospital affiliates. These charges are excluded from consolidated net patient service revenue.

The Company receives a payment from the Commission with respect to an Uncompensated Care Fund ("UCC") established for rate-regulated hospitals in Maryland. The UCC is intended to provide Maryland hospitals with funds to support the provision of uncompensated care at those hospitals. The Company received \$4,296,773 for 2020 and \$2,299,712 for 2019 in UCC payments. All hospitals contribute to the Health Care Coverage Fund ("HCCF") that supports the expansion of Medicaid eligibility and the Medicaid program. The Company contributed \$2,846,231 for 2020 and \$2,695,536 for 2019 to the HCCF.

Contributions and pledges

Unconditional promises to give cash and other assets to the Company and the Foundation are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received or when the conditions for receiving the donation have been satisfied. The gifts are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. Contributions restricted by donors for additions to the Company's operating property are transferred from net assets with donor restrictions to net assets without donor restrictions when the expenditure is made. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and statements of changes in net assets as net assets released from restriction.

The Company and Foundation write off any grants and pledges receivable that are considered uncollectible; accordingly, there is no allowance for doubtful accounts recorded for these grants and pledges. Grants and pledges receivable have not been discounted because management considers the effect to be immaterial. The balance of pledges receivable was \$191,332 and \$201,332 at June 30, 2020 and 2019, respectively, and is included in other amounts receivable in the accompanying consolidated balance sheets.

Other operating revenue

Other operating revenue is composed of contribution revenue, net assets released from restrictions for operating purposes and the CARES Act funding recognized.

Advertising costs

The Company expenses advertising costs as they are incurred. Advertising expense was \$1,444,374 and \$1,850,449 for the fiscal years June 30, 2020 and 2019, respectively, and is reported as other expense in the accompanying consolidated statements of operations.

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

Functional expenses

The Company's consolidated operating expenses by functional classification for the years ended June 30, 2020 and 2019 are as follows:

	2020			
	Health care services	General and administrative	Fundraising	Total
Salaries and benefits	\$ 78,056,920	\$ 30,355,469	\$ 416,415	\$ 108,828,804
Employee benefits	12,244,257	4,761,655	-	17,005,912
Purchased services	58,808,056	21,547,578	328,261	80,683,895
Medical supplies	25,255,286	9,821,500	11,648	35,088,434
Depreciation and amortization	7,497,468	2,915,682	-	10,413,150
Interest	3,108,830	1,208,989	-	4,317,819
Total Operating Expenses	\$ 184,970,817	\$ 70,610,873	\$ 756,324	\$ 256,338,014

	2019			
	Health care services	General and administrative	Fundraising	Total
Salaries and benefits	\$ 75,769,916	\$ 29,466,079	\$ 434,973	\$ 105,670,968
Employee benefits	12,282,282	4,776,443	-	17,058,725
Purchased services	50,131,040	19,495,405	103,029	69,729,474
Medical supplies	24,685,767	9,600,021	7,839	34,293,627
Depreciation and amortization	6,640,407	2,582,380	-	9,222,787
Interest	3,432,205	1,334,747	-	4,766,952
Total Operating Expenses	\$ 172,941,617	\$ 67,255,075	\$ 545,841	\$ 240,742,533

Fair value of financial instruments

The following methods and assumptions were used by the Company to estimate the fair value of financial instruments:

- **Cash and cash equivalents, patient accounts receivable, other amounts receivable, notes receivable, and advances from third-party payers:** The carrying amount reported in the balance sheets for each of these assets and liabilities approximates their fair value.
- **Marketable securities:** Fair values are based on quoted market prices of individual securities or investments if available, or are estimated using quoted market prices for similar securities (see *Note 2*)
- **Long-term debt:** Fair values of the Company's fixed-rate debt are based on current traded values.

Doctors Community Medical Center and Subsidiaries

Notes to the Consolidated Financial Statements

Income taxes

The Company and the Foundation are exempt from federal income tax under section 501(c) (3) of the Internal Revenue Code as public charities. Both entities are entitled to rely on this determination as long as there are no substantial changes in their character, purposes, or methods of operation. Management has concluded that there have been no such changes, and therefore the status of the Company and Foundation as public charities exempt from federal income taxation remain in effect.

The state in which the Company and the Foundation operate also provides a general exemption from state income taxation for organizations that are exempt from federal income taxation. However, both entities are subject to federal and state income taxation at corporate tax rates on unrelated business income. Exemption from other state and local taxes, such as real and personal property taxes is separately determined. The Company and the Foundation had no unrecognized tax benefits or such amounts were immaterial during the periods presented. For tax periods with respect to which unrelated business income was recognized, a tax return was filed in order to report any unrelated business income as well as any taxes due.

DRCC and ACO are Maryland limited liability companies that have not elected to be taxed as corporations under current Treasury regulations. Both are owned by more than one member. DRCC and ACO are subject to the partnership tax rules under Subchapter K of the Internal Revenue Code of 1986 (IRC), as amended. Under these rules neither is subject to federal or state income tax, but must file annual information returns indicating their gross and taxable income to determine the tax results to their members.

The Sleep Center and CHP are Maryland limited liability companies that have not elected to be taxed as corporations under current treasury regulations. Sleep Center and CHP are wholly owned by the Company. As such, the Sleep Center and CHP are considered “disregarded entities” under current IRC regulations.

Goodwill

Goodwill represented the excess of cost over the fair value of assets acquired. Management evaluated goodwill for impairment on an annual basis. Due to the Acquisition on July 1, 2019, the goodwill was written off (see Note 13 and 18).

Other assets

Included in other assets is a certificate of need (see Note 18) with a balance of \$4 million. Management evaluates the carrying value reported for the certificate of need for impairment on an annual basis. As of June 30, 2020, there was no known impairment.

Reclassifications

To allow for improved transparency in the nature of revenue and expenses, in 2020 the Company moved several accounts in the revenue and expense categories to align with the line items of Luminis, the new Parent company. These reclassifications did not have any effect on the Company’s total revenues or expenses, or consolidated excess of revenues over expenses for the year ended June 30, 2019.

Subsequent events

Subsequent events have been evaluated by management through October 23, 2020, which is the date the consolidated financial statements were available to be issued.

New accounting standard

On July 1, 2019, the Company adopted the requirements of Accounting Standards Update (“ASU”) 2016-02, *Leases* (Topic 842). The objective of this ASU, along with several related ASUs issued subsequently, is to increase transparency and comparability between organizations that enter into lease agreements. For lessees, the key difference of the new standard from the previous guidance (Topic 840) is the recognition of a right-of-use (ROU) asset and lease liability on the balance sheet. The most significant change is the requirement to recognize ROU

Doctors Community Medical Center and Subsidiaries

Notes to the Consolidated Financial Statements

assets and lease liabilities for leases classified as operating leases. The accounting for finance leases remained substantially unchanged with the adoption of Topic 842. The standard requires disclosures to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

As part of the transition to the new standard, the Company was required to measure and recognize leases that existed at July 1, 2019 using a modified retrospective approach. For leases existing at the effective date, the Company elected the package of three transition practical expedients and therefore did not reassess whether an arrangement is or contains a lease, did not reassess lease classification, and did not reassess what qualifies as an initial direct cost. The adoption of Topic 842 resulted in the recognition of an operating right of use asset and corresponding lease liability of \$5,934,485 as of July 1, 2019.

2. Patient Revenue and Accounts Receivable

Patient service revenue is reported at the amount that reflects the consideration to which the Company expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payers (including health insurers and government programs) and others. Generally, the Company bills patients and third-party payers several days after services are performed or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Company. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected charges. The Company believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligations. Generally, performance obligations satisfied over time relate to patients in the Company. The Company measures the performance obligation from admission to the facility to the point when the facility is no longer required to provide services to that patient, which is generally the time of discharge. Revenue for performance obligations satisfied at a point in time generally relate to patients receiving outpatient services or patients and customers in a retail setting and the Company does not believe it is required to provide additional goods or services.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Company has elected to apply the optional exemption provided in current applicable accounting standards and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. Any unsatisfied or partially unsatisfied performance obligations are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

As discussed in Note 11, the Company charges are based on rates established by the Commission, which are subsequently reduced by contractual discounts provided to third-party payers and discounts provided to uninsured patients (i.e., explicit price concessions) in accordance with the Company policy, as well as any applicable implicit price concessions that are estimated by management based on a number of factors including historical collection experience. For non-Hospital services provided by the Company, management generally determines the transaction price based on standard charges for goods and services provided, reduced by explicit price concession in the form of contractual adjustments provided to third-party payers, discounts provided to uninsured patients in accordance with internal policy, and implicit price concessions provided to uninsured patients. The Company determines its estimate of implicit price concessions based on historical collection experience with each class of patients using a portfolio approach as a practical expedient to account for patient contracts as collective groups rather than individually. Management believes that the financial effects of using this practical expedient are not materially different from an individual contract approach.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

by a material amount in the near term. As a result of investigations by governmental agencies, various healthcare organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which in some instances have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge compliance of the Company with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Company. The results of such governmental review could include fines, penalties and exclusion from participation in the Medicare and Medicaid programs. In addition, the contracts the Company has with commercial payers also provide for retroactive audit and review of claims.

Generally, patients who are covered by third-party payers are responsible for related deductibles and coinsurance, which vary in amount. The Company also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. The Company estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any discounts and price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense.

Consistent with mission of the Company, care is provided to patients regardless of their ability to pay. Therefore, the Company provides implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Company expects to collect based on its collection history with those patients and other factors.

Net patient service revenue from third-party payers and others (including uninsured patients) for the years ended June 30, 2020 and 2019 are summarized in the following tables:

	2020		2019			
Medicare	\$	123,170,170	52%	\$	118,346,517	49%
Medicaid		16,145,516	7%		31,514,613	13%
Blue Cross Blue Shield		60,318,653	25%		55,852,375	23%
Other third-party payers		32,049,830	13%		32,975,064	13%
Self-pay patients		7,438,656	3%		4,820,620	2%
	\$	239,122,825		\$	243,509,189	

Revenue from deductibles and coinsurance are included in the categories presented above based on the primary payer.

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

The following table sets forth the detail of net patient service revenue:

	June 30	
	<u>2020</u>	<u>2019</u>
Gross patient service revenue	\$ 320,380,529	\$ 324,576,951
Price concessions:		
Charity care	9,528,010	8,425,301
Contractual and other allowances	71,729,694	72,642,461
Net patient service revenue	<u>\$ 239,122,825</u>	<u>\$ 243,509,189</u>

Patient accounts receivable were comprised of the following for the years ended June 30:

	<u>2020</u>	<u>2019</u>
Medicare	28%	24%
Medicaid	21%	27%
Blue Cross Blue Shield	10%	12%
Other third-party payers	29%	23%
Self-pay patients	12%	14%
	<u>100%</u>	<u>100%</u>

3. Investments

The following is a summary of investment securities held by the Company as of June 30:

	<u>2020</u>	<u>2019</u>
Marketable securities:		
Cash and cash equivalents		
Money market and CD funds	\$ 13,039,485	\$ 2,204,303
Equity		
Stock and mutual funds	6,983,555	16,053,481
	<u>\$ 20,023,040</u>	<u>\$ 18,257,784</u>

Investment return is summarized as follows for the years ended June 30:

	<u>2020</u>	<u>2019</u>
Interest and dividend income	\$ 508,405	\$ 406,889
Net realized loss	-	(214,952)
Net unrealized gain (loss)	(262,337)	145,630
Investment fees	(47,191)	(33,385)
	<u>\$ 198,877</u>	<u>\$ 304,183</u>

Doctors Community Medical Center and Subsidiaries

Notes to the Consolidated Financial Statements

Current accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, and establish a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels of inputs that may be used to measure fair value are as follows:

- Level 1:** Quoted prices in active markets for identical assets or liabilities.
- Level 2:** Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3:** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The following discussion describes the valuation methodologies used for the Company's financial assets and liabilities measured at fair value. The techniques utilized in estimating the fair values are affected by the assumptions used, including discount rates, and estimates of the amount and timing of future cash flows. Care should be exercised in deriving conclusions about the Company's business, its value, or financial position based on the fair value information of financial assets and liabilities presented below.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset or liability, including estimates of the timing, amount of expected future cash flows, and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset or liability. Furthermore, the disclosed fair values do not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset or liability. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in the amounts disclosed.

Fair values of the Company's investments in mutual funds classified at Level 1 are based on quoted market prices. Fair values for the Company's fixed income securities (corporate debt and federal government obligations) are based on prices provided by its investment managers and its custodian bank. The investment managers and the custodian bank use a variety of pricing sources to determine market valuations. Each designate specific pricing services or indexes for each sector of the market based upon the provider's experience.

The Company's federal government obligations and government backed securities portfolio is highly liquid, which allows for a high percentage of the portfolio to be priced through pricing services.

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

The following table presents the Company's fair value hierarchy for financial instruments measured at fair value on a recurring basis as of June 30, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Fair Value</u>
Assets:				
Cash and cash equivalents	\$ -	\$ 13,039,487	\$ -	\$ 13,039,487
Trading securities and other assets whose use is limited:				
Equity funds	8,151,817	-	-	\$ 8,151,817
Fixed income funds	-	3,031,760	-	3,031,760
Total assets	<u>\$ 8,151,817</u>	<u>\$ 16,071,247</u>	<u>\$ -</u>	<u>\$ 24,223,064</u>
Plus deposits in transit				-
Less investments included in other assets				4,200,024
Total investments per consolidated balance sheet				<u>\$ 20,023,040</u>

The above table includes financial instruments of \$4,200,024 included in other assets on the consolidated balance sheets for deferred compensation and other arrangements.

The following table presents the Company's fair value hierarchy for financial instruments measured at fair value on a recurring basis as of June 30, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total Fair Value</u>
Assets:				
Cash and cash equivalents	\$ -	\$ 2,204,303	\$ -	\$ 2,204,303
Trading securities and other assets whose use is limited:				
Equity funds	8,889,254	-	-	8,889,254
Fixed income funds	-	11,747,496	-	11,747,496
Total assets	<u>\$ 8,889,254</u>	<u>\$ 13,951,799</u>	<u>\$ -</u>	<u>\$ 22,841,053</u>
Plus deposits in transit				38,327
Less investments included in other assets				4,621,596
Total investments per consolidated balance sheet				<u>\$ 18,257,784</u>

The total investment of \$22,879,380 includes deposits in transit of \$38,327 plus financial instruments of \$22,841,053. The above table includes financial instruments of \$4,621,596 included in other assets on the consolidated balance sheets for deferred compensation and other arrangements

There were no significant transfers between fair value hierarchy levels for the years ended June 30, 2020 and 2019.

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

4. Joint Ventures and Equity Investments

Health Ventures and ASC invest in businesses consistent with the mission and strategic plan of the Company. Unconsolidated investments are carried at cost or at equity depending on the percentage of ownership and control. Investment in Magnolia Gardens LLC represents a 51% interest and is not consolidated with the financial statements of the Company because Health Ventures and ASC do not control the investees. The investment income of these joint ventures and equity investments is reported in other (loss) income in the accompanying consolidated statements of operations and other changes in net assets without donor restrictions.

These investments, which are reported as noncurrent assets in the accompanying consolidated financial statements, are summarized as follows as of June 30:

Name	2020	2019
Magnolia Gardens LLC	\$ 5,387,968	\$ 5,210,175
University Center for Ambulatory Surgery	-	(922,539)
Diagnostic Imaging, LLC	807,863	732,290
	\$ 6,195,831	\$ 5,019,926

5. Related Party Transactions

The Company has income guarantee agreements with certain physicians. These advances are held as promissory notes and are often forgiven based on the established terms of these notes, such as maintaining an active practice in the Company's community.

The Company advanced funds to Health Ventures in its establishment of MMS. Since MMS is wholly owned by Health Ventures, the amounts loaned to MMS have been eliminated in consolidation.

The Medical Director of Radiology for the Company is an investor in DI, which is an unconsolidated subsidiary of Health Ventures. The Medical Director of DCP, who is also a Foundation board member, leases property to the Company and CHP.

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

6. Land, Buildings, and Equipment

Land, buildings, and equipment are summarized as follows:

Name	Useful Life	June 30	
		2020	2019
Land improvements	2-40 Years	\$ 743,583	\$ 4,525,777
Buildings	4-40 Years	66,378,759	137,331,411
Leasehold improvements	4-40 Years	4,087,700	6,090,018
Furniture and equipment	2-20 Years	43,609,709	104,436,820
Equipment under finance lease obligations	2-20 Years	190,000	190,000
		115,009,751	252,574,026
Less accumulated depreciation		(10,165,956)	(157,091,894)
		104,843,795	95,482,132
Construction in progress		1,946,447	730,289
Land		7,921,876	6,138,502
		\$ 114,712,118	\$ 102,350,923

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

7. Long-Term Debt

Long-term indebtedness as of June 30 consisted of the following:

	<u>2020</u>	<u>2019</u>
Maryland Health and Higher Education Facilities Authority Revenue Bonds, Series 2017B Bond 2.180% term bonds due October 1, 2024	\$ 24,165,000	\$ 28,570,000
Maryland Health and Higher Education Facilities Authority Revenue Bonds, Series 2016 Bond Series 2016A _ Tax_Exempt Private Placement 2007 Refunding 2.567% term bonds due July 1, 2030	16,795,000	16,795,000
Series 2016A Tax Exempt Private Placement 2010 Partial Refunding 2.567% term bonds due July 1, 2030	15,150,000	15,150,000
Maryland Health and Higher Education Facilities Authority Revenue Bonds, Series 2017A: 5.00% term bonds due July 1, 2031	6,720,000	6,720,000
5.00% term bonds due July 1, 2032	7,055,000	7,055,000
5.00% term bonds due July 1, 2033	7,410,000	7,410,000
5.00% term bonds due July 1, 2034	7,780,000	7,780,000
5.00% term bonds due July 1, 2038	35,200,000	35,200,000
Finance leases	33,798	77,255
	<u>\$ 120,308,798</u>	<u>\$ 124,757,255</u>
Current portion of long-term debt	(4,978,798)	(4,448,457)
Financing costs, net of accumulated amortization	(1,340,361)	(1,514,133)
Premium, net of accumulated amortization	8,776,358	3,599,400
	<u>\$ 122,765,997</u>	<u>\$ 122,394,065</u>

The fair value of the Company's Series 2018A bonds, based on quoted market prices, was \$72,024,163 and \$72,482,555 for fiscal year 2020 and 2019, respectively. Remaining bonds are private placement bonds. Fair value of the private placement bonds approximate carrying value.

Financing costs incurred in issuing the Maryland Health and Higher Education Facilities Authority (MHHEFA) Revenue Bonds have been capitalized by the Company. These costs are being amortized over the life of the related bond issue using the bonds-outstanding method, which approximates the interest method. Deferred financing costs are presented as a direct deduction of long-term debt and are amortized using the straight-line method over the term of the related financing.

Doctors Community Medical Center and Subsidiaries Notes to the Consolidated Financial Statements

The aggregate maturities of long-term debt, including sinking fund principal requirements during the next five fiscal years, are as follows:

2021	\$	4,978,798
2022		5,070,000
2023		5,195,000
2024		5,265,000
2025		5,965,000
2026 and after		93,835,000
	\$	<u>120,308,798</u>

Total interest paid for the years ended June 30, 2020 and 2019 was \$4,317,000 and \$4,767,000, respectively.

Revenue bonds

On February 8, 2017 MHHEFA issued \$64,165,000 principal amount of Revenue Bonds, Series 2017A. The proceeds of this issue were used to retire the remainder of the Series 2010 Bonds in order to take advantage of lower interest rates with an estimated net present value savings of \$3.7 million.

On June 28, 2016 MHHEFA issued \$73,445,000 principal amount of Revenue Bonds, Series 2016A (\$31,945,000) and Series 2016B (\$41,500,000). The proceeds of this issue were used to retire the Series 2007A Bonds and Series 2010 Bonds (partial) in order to take advantage of lower interest rates with an estimated net present value savings of \$7.3 million. In 2017, the Series 2016B taxable note was converted as planned to Series 2017B. On March 23, 2017 the Series 2016 were converted to Series 2017B bonds as planned when the 2016B bonds were issued in June 2016.

The Obligated Group for MHHEFA bond issuances includes the Company, CHP, Foundation, Sleep Center, Doctors Community Medical Group and Doctors Integrated Healthcare Network and Health Ventures excluding the MAUI, Magnolia Gardens, DI LLC, ACO, and STM. The Series 2017A, Series 2017B, and Series 2016 Bonds are secured by the revenue and accounts receivable of the Obligated Group, and certain other property secured by a Deed of Trust. The Obligated Group is required to maintain certain compliance ratios and covenants as defined under the bond documents. In the opinion of the management, the Company has complied with the required covenants for 2017 and 2016 series bonds.

Other debt

During 2008, DRCC obtained a \$4,000,000 revolving line of credit from a commercial lender to finance the acquisition of certain medical equipment. The line of credit was converted to a financing lease during 2009. Beginning in October 2009, monthly payments of principal and interest at 6.8% per annum become due. In July 2012, DRCC modified the capital equipment lease to obtain an interest rate of 3.6%. This lease ended January 2019.

8. Professional and General Liabilities, Workers Compensation, and Employee Health Coverages

The Company has coverage for professional and general liabilities on a claims-made basis from Freestate Healthcare Insurance Company, Ltd., a group captive formed by several Maryland hospitals. The Company owns 20% interest in the captive and accounts for its investment in the captive using the cost method. The cost of \$15,000 is recorded in other noncurrent assets in the accompanying consolidated balance sheets as of June 30, 2020 and 2019. Premiums are expensed as incurred and are established by the captive based on the Company's historical experience supplemented as necessary with industry experience. The total premium is allocated to each of the shareholders based on their experience. Retrospective premium assessments and credits are calculated based on

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

the aggregate experience of all named insureds under the policy. Each named insured's assessment of credit is based on the percentage of their actual exposure to the actual exposure of all named insureds. Each named insured will not be charged or entitled to any retrospective premium assessments or credits until the policy period has been closed and no further claim obligations are expected. In management's opinion, the assets of Freestate are sufficient to meet its obligations as of June 30, 2020. If the financial condition of Freestate were to materially deteriorate in the future, and Freestate was unable to pay its claim obligations, the responsibility to pay those claims would return to the member hospitals.

The captive is responsible for claims up to \$1,000,000 for each and every loss event. Additional coverage has been purchased by the captive for all claims in excess of \$1,000,000 to a limit of \$6,000,000 effective March 1, 2006, \$10,000,000 effective March 1, 2012, and \$15,000,000 March 1, 2019. The estimated unpaid loss liability reserved by the captive for the Company was \$9,466,094 and \$10,656,429 at June 30, 2020 and 2019, respectively. These amounts are included in long term liabilities and the related anticipated insurance recoveries were reported in noncurrent assets in the accompanying consolidated balance sheets. The liability for all claims incurred but not reported for the Company was \$1,106,000 and \$1,066,000 at June 30, 2020 and 2019, respectively. The discount rate for unpaid losses is 3.5% for years ending June 30, 2020 and 2019. The Company engages a consulting actuary to assist in the determination of all professional liability claims incurred but not reported.

The Company is self-insured against workers' compensation claims up to a per-claim limit of \$500,000 with an annual limitation of approximately \$1,000,000. A liability has been recorded for all known claims and an estimate for claims incurred but not reported in the amount of \$1,204,270 and \$1,080,971 at June 30, 2020 and 2019, respectively. These amounts are included in accrued expense line item in the accompanying consolidated balance sheets.

The Company is self-insured against employee health medical claims up to a per-claim limit of \$200,000 and no maximum aggregate benefit. A liability has been recorded for all known claims and an estimate for claims incurred but not reported in the amount of \$507,000 and \$621,000 at June 30, 2020 and 2019, respectively. These amounts are included in the accrued expenses line item in the accompanying consolidated balance sheets.

9. Leases

The following table presents the components of the Company's right-of-use assets and liabilities related to leases and their classification in the accompanying consolidated balance sheet as of June 30, 2020:

Component of Lease Balances	Classification in Consolidated Balance Sheet	June 30, 2020
Assets:		
Operating lease assets	Right of use asset	\$ 4,543,771
Finance lease assets	Property and equipment	155,672
Total leased assets		<u>\$ 4,699,443</u>
Liabilities:		
Operating lease liabilities:		
Current	Lease liabilities short term	\$ 1,183,557
Long-term	Lease liabilities long term	4,074,861
Total operating lease liabilities		<u>\$ 5,258,418</u>
Finance lease liabilities:		
Current	Current portion of long-term debt	\$ 33,798
Long-term	Long-term debt	-
Total finance lease liabilities		<u>33,798</u>
Total lease liabilities		<u>\$ 5,292,216</u>

Doctors Community Medical Center and Subsidiaries

Notes to the Consolidated Financial Statements

The Company determines if an arrangement is a lease at inception of the contract. The right-of-use assets represent the Company's right to use the underlying assets for the lease term and the lease liabilities represent the Company's obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Company uses an incremental borrowing rate as the discount rate.

The Company's operating leases are primarily for real estate and equipment. Real estate leases include leases of medical facilities and office spaces. Equipment leases mainly include lease of copiers and medical equipment. The Company's real estate lease agreements typically have initial terms of three to ten years, and equipment lease agreements typically have initial terms of three to five years.

Real estate leases may include one or more options to renew that can extend the lease term from five to ten years. The exercise of lease renewal options is at the Company's sole discretion. In general, the Company does not consider renewal options to be reasonably likely to be exercised; therefore, renewal options are generally not recognized as part of the Company's right-of-use assets and lease liabilities. Certain equipment leases also include options to purchase the leased equipment. The useful life of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise. The Company currently does not have any leases whereby there is a transfer of title or a purchase option that is reasonably certain to be exercised; hence, all of the Company's leases are depreciated over the lease term.

Certain of the Company's lease agreements for real estate include payments based on actual common area maintenance expenses and other operating expenses. These variable lease payments are recognized in other operating expenses, net but are not included in the right of-use asset or liability balances. The Company's lease agreements do not contain any material residual value guarantees, restrictions, or covenants.

The Company elected the accounting policy practical expedients by class of underlying asset to: (i) exclude recording leases with an initial term of twelve months or less ("short-term leases") as right-of-use assets and liabilities on the consolidated balance sheets; and (ii) combine associated lease and non-lease components into a single lease component. Non-lease components, which are not significant overall, are combined with lease components. The Company has elected these practical expedients for real estate, equipment, and all other asset classes when acting as a lessee.

The following table presents the components of the Company's lease expense for the year ended June 30, 2020:

	Year ended June 30, 2020
Components of Lease Expense	
Operating lease expense	\$ 1,653,919
Finance lease expense:	
Amortization of leased assets	2,391
Interest on lease liabilities	42,455
Total finance lease expense	44,846
Variable lease expense	59,713
Short-term lease expense	4,976
Total lease expense	\$ 1,763,454

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

The weighted-average lease terms and discount rates for operating and finance leases are as follows:

	June 30, 2020
Weighted-average remaining lease term (years)	
Operating leases	7.44
Finance leases	.67
Weighted-average discount rate	
Operating leases	4.55%
Finance leases	4.16%

Cash flow and other information related to leases are included in the following table:

	Year ended
	June 30, 2020
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash outflows from operating leases	\$ 3,001,328
Operating cash outflows from finance leases	2,391
Financing cash outflows from finance leases	43,457
Right-of-use assets obtained in exchange for lease obligations:	
Operating leases	\$ 5,934,485

Future minimum lease payments as of June 30, 2020 are as follows:

	<u>Finance Leases</u>	<u>Operating Leases</u>	<u>Total</u>
2021	\$ 33,798	\$ 1,183,557	\$ 1,217,355
2022	-	756,519	756,519
2023	-	448,616	448,616
2024	-	434,938	434,938
2025	-	406,176	406,176
Thereafter	-	2,028,612	2,028,612
Total minimum lease payments	<u>\$ 33,798</u>	<u>\$ 5,258,418</u>	<u>\$ 5,292,216</u>

10. Retirement Plans

The Company has a 403b defined contribution plan (the “contribution plan”) covering substantially all its employees. The contribution plan is employee and employer contributory. The Company contributed a match of \$0.50 for every \$1.00 of elective deferrals for a plan year for eligible employees up to 4% of base compensation. Defined contribution plan expense amounted to \$1,265,842 and \$1,422,542 for 2020 and 2019, respectively.

The Company froze the defined benefit pension plan that it sponsors (the Plan) in 2011, which covered substantially all employees. The decision to terminate the Plan has not been made by the board of directors. The benefits are based on years of service and employee compensation during years of employment. The Company’s funding policy is to make sufficient contributions to the Plan to comply with the minimum funding provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Company expects to contribute \$1,232,021 to the Plan during 2021 to keep the funding levels at the ERISA requirements. The measurement date of the Plan is June 30.

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

The following table provides a reconciliation of the benefit obligation, Plan assets, and funded status of the Plan in the Company's consolidated financial statements based on actuarial valuations for the years ended June 30:

	For the Year Ended	
	2020	2019
Accumulated Benefit Obligation		
Change in Benefit Obligation		
Benefit Obligation at beginning of year	\$ 21,661,466	\$ 22,871,105
Interest cost	636,293	796,893
Settlement loss/(gain)	(36,964)	(14,800)
Actuarial loss/(gain)	1,882,541	1,234,497
Settlement payments	(982,194)	(3,136,449)
Benefits paid	(111,500)	(89,780)
Benefit Obligation at End of Year	\$ 23,049,642	\$ 21,661,466
Change in Plan Assets		
Fair value of plan assets at beginning of year	\$ 16,660,073	\$ 18,711,547
Actual return on plan assets	293,921	525,639
Employer contributions	663,912	649,116
Settlement payments	(982,194)	(3,136,449)
Benefits paid	(111,500)	(89,780)
Fair Value of Plan Assets at End of Year	\$ 16,524,212	\$ 16,660,073
Funded Status (Pension Obligation)	\$ (6,525,430)	\$ (5,001,393)
Components of Net Periodic Benefit Costs		
Interest cost	\$ 636,293	\$ 796,893
Expected return on plan assets	(955,530)	(942,470)
Settlement	410,534	1,181,733
Recognition of loss from change in measurement date	569,608	497,360
Net Period Pension Costs	\$ 660,905	\$ 1,533,516

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

The total amount recognized in net assets without donor restrictions in the accompanying consolidated financial statements for the years ended June 30:

	<u>2020</u>	<u>2019</u>
Net actuarial loss	\$ 9,634,202	\$ 8,107,158

Lump sum distributions exceeded the Plan's interest cost triggering a settlement event. As a result, a settlement loss of \$410,534 and \$1,181,733 was recognized for 2020 and 2019, respectively.

Plan assets are invested to ensure that the Plan has the ability to pay all benefit and expense obligations when due, to maximize return within prudent levels of risk for pension assets, and to maintain a funding cushion for unexpected developments. The target weighted-average asset allocation of pension investments was 38% equities and 62% fixed maturity securities and cash as of June 30, 2020.

The Plan's estimated future benefit payments are as follows:

2021	\$ 2,428,434
2022	1,291,976
2023	1,235,496
2024	1,257,026
2025	1,580,928
2026 - 2030	6,329,519
Total	<u><u>\$ 14,123,379</u></u>

The weighted-average assumptions used to determine net periodic benefit cost and the projected benefit obligation for the years ended June 30 were as follows:

	<u>2020</u>	<u>2019</u>
Discount rate	2.05%	3.10%
Expected return on Plan assets	6.00%	6.00%

The following table presents the Company's fair value hierarchy for financial instruments measured at fair value on a recurring basis as of June 30, 2020:

	<u>June 30, 2020</u>			
	<u>Quoted Prices in Active Markets for Identical Assets</u>	<u>Significant Other Observable Inputs</u>	<u>Significant Unobservable Inputs</u>	
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets				
Mutual funds:				
Equity	\$ 15,570,848	\$ 15,570,848	\$ -	\$ -
Alternative investments:				
Common/collective trust	953,364	-	953,364	-
	<u><u>\$ 16,524,212</u></u>	<u><u>\$ 15,570,848</u></u>	<u><u>\$ 953,364</u></u>	<u><u>\$ -</u></u>

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

The following table presents the Company's fair value hierarchy for financial instruments measured at fair value on a recurring basis as of June 30, 2019:

	June 30, 2019		
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
Total	Level 1	Level 2	Level 3
Assets			
Mutual funds:			
Equity	\$ 16,660,073	\$ -	\$ -
	\$ 16,660,073	\$ -	\$ -

There were no significant transfers between fair value hierarchy levels for the years ended June 30, 2020 and 2019.

The Company has a deferred compensation plan that permits certain executives to defer receiving a portion of their compensation. The deferred amounts are included in other assets in the accompanying consolidated balance sheets. The associated liability of an equal amount is included in other liabilities in the accompanying consolidated balance sheets. The liability recorded regarding the deferred compensation was \$3,831,692 and \$4,253,265 as of June 30, 2020 and 2019, respectively.

The Company is the beneficiary of split dollar life insurance policies in place for certain executives. The amounts that could be realized by the Company under the insurance contracts are approximately \$9,000,000 as of both June 30, 2020 and 2019 and are included in other assets in the consolidated balance sheets.

11. Maryland Health Services Cost Review Commission

Certain of the Company's charges are subject to review and approval by the Commission. Company management has filed the required forms with the Commission and believes the Company is in compliance with Commission requirements.

The current rate of reimbursement for principally all hospital inpatient and outpatient services to patients under the Medicare and Medicaid programs is based on an agreement between the Centers for Medicare and Medicaid Services and the Commission. This agreement is based upon a waiver from Medicare reimbursement principles under Section 1814(b) of the Social Security Act and will continue as long as all third-party payers elect to be reimbursed under this program, the rate of increase for costs per hospital services is below the national average, and certain specific quality indicators are met. In January 2014, the State of Maryland and CMS agreed to implement a revised waiver focused on population health, and the previous waiver was terminated.

This was a new global budget arrangement which set a fixed revenue amount for the upcoming year, without fluctuation due to utilization or case mix. This was a five-year demonstration where Maryland successfully made significant progress toward reducing costs inside and outside of the hospital as well as improving patient care. Beginning January 2019 the new "Total Cost of Care Model" (the "Model") was approved and builds upon the successes of the All-Payer Model. The Model encourages continued clinical redesign and provides tools to providers to treat complex and chronic conditions and is built on the same global budget arrangement mechanics for revenue setting as the predecessor model. This is approved for a 10-year term provided Maryland meets the Model performance requirements.

Doctors Community Medical Center and Subsidiaries

Notes to the Consolidated Financial Statements

The Commission's rate-setting methodology for service centers that provide both inpatient and outpatient services or only outpatient services consists of establishing an acceptable unit rate for these centers within the applicable facility. The actual average unit charge for each service center is compared to the approved rate on a monthly basis. The rate variances, plus penalties where applicable, are applied to decrease (in the case of overcharges) or increase (in the case of undercharges) future approved rates on an annual basis. The timing of the Commission's rate adjustments for the Company could result in an increase or reduction due to the variances and penalties described above in a year subsequent to the year in which such items occur. The Company's policy is to accrue revenue based on actual charges for services to patients in the year in which the services are performed and billed. For 2020, hospitals that are in an undercharge position due to the current pandemic (see Note 17) may not be able to recoup more than their undercharge net of any applicable CARES Act funding (see Note 16).

12. Contingencies

Litigation

There are several lawsuits pending in which the Company has been named as defendant. In the opinion of Company management, after consultation with legal counsel, the potential liability, in the event of adverse settlement, will not have a material impact on the Company's consolidated financial position.

Risk factors

The Company's ability to maintain and/or increase future revenues could be adversely affected by:

- The growth of managed care organizations promoting alternative methods for health care delivery and payment of services such as discounted fee for service networks and capitated fee arrangements (the rate setting process in the State of Maryland prohibits hospitals from entering into discounted fee arrangements; however, managed care contracts may provide for exclusive service arrangements);
- Proposed and/or future changes in the laws, rules, regulations, and policies relating to the definition, activities, and/or taxation of not-for-profit tax-exempt entities;
- The enactment into law of all or any part of the current budget resolutions under consideration by Congress related to Medicare and Medicaid reimbursement methodology and/or further reductions in payments to hospitals and other health care providers;
- The future of Maryland's certificate of need program, where future deregulation could result in the entrance of new competitors, or future additional regulation may eliminate the Company's ability to expand new services; and
- The ultimate impact of, and any changes to, the federal Patient Protection and Affordable Care Act and the Health Care Education Affordability Reconciliation Act of 2010.

The Joint Commission, a non-governmental privately owned entity, provides accreditation status to hospitals and other health care organizations in the United States. Such accreditation is based upon a number of requirements such as undergoing periodic surveys conducted by Joint Commission personnel. Certain managed care payers require hospitals to have appropriate Joint Commission accreditation in order to participate in those programs. In addition, the CMS, the agency with oversight of the Medicare and Medicaid programs, provides "deemed status" for facilities having Joint Commission accreditation. By being Joint Commission accredited, facilities are "deemed" to be in compliance with the Medicare and Medicaid conditions of participation. Termination as a Medicare provider or exclusion from any or all of these programs/payers would have a materially negative impact on the future financial position, operating results and cash flows of the Company. In February 2019, the Company was surveyed by Joint Commission and received a full three-year Joint Commission accreditation through February 2022.

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

The Company invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term, and such changes could materially affect the amounts reported as investments on the consolidated balance sheets.

Other contingency

During the year ended June 30, 2020, the Company recorded an accrual related to a billing error that it intends to self-report to the Department of Health and Human Services. The Company expects to work with the Federal Government to come to a resolution on this matter. It is possible that other regulatory conditions may be part of the final resolution. Based on consultation with legal counsel, management believes the final resolution will not have a material adverse effect on the June 30, 2020 financial statements.

13. Goodwill

The Company used the acquisition method of accounting to record goodwill when purchasing physician practices and other similar entities. Goodwill is not considered an identifiable asset and as such, was not included in the acquired assets during the acquisition with the entire balance being written off as of July 1, 2019. The table below presents goodwill that had been recorded as of June 30, 2019 prior to the Acquisition.

	<u>2019</u>
Cancer center, DRCC	\$ 1,062,531
Orthopedic practice	376,316
Nursing home	767,285
Surgery center	20,416
Cancer center, MRCC	646,975
Physician practices	197,375
	<u>\$ 3,070,898</u>

14. Liquidity and Availability

Financial assets available for general expenditure within one year of the consolidated balance sheet date, consist the following at June 30:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 99,221,421	\$ 34,168,164
Patient accounts receivable, net	35,468,849	38,839,947
Pledges receivable, net	191,332	201,332
Other current assets	3,302,953	5,418,525
Investments with daily and weekly liquidity	18,179,843	17,436,369
Total	<u>\$ 156,364,398</u>	<u>\$ 96,064,337</u>

Doctors Community Medical Center and Subsidiaries
Notes to the Consolidated Financial Statements

15. Net Assets With Donor Restrictions

Net assets with donor restrictions are available as of June 30 for the following programs and projects:

	2020	2019
Hospital capital additions	\$ 35,476	\$ 48,108
Hospital operating programs	432,146	438,702
	\$ 467,622	\$ 486,810

16. CARES Act Funding

In response to the COVID-19 pandemic, the Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law on March 27, 2020. One provision of the CARES Act was the establishment of the Provider Relief Funds administered by the U.S. Department of Health and Human Services (HHS). The Provider Relief Funds are being distributed to healthcare providers throughout the country to support the battle against the COVID-19 outbreak. During the year ended June 30, 2020, the Company has received \$15,553,859 in general distributions from this fund. These funds are intended to reimburse qualifying expenses and lost revenues attributable to COVID-19 and are subject to the terms, conditions, and regulatory requirements set forth by HHS. If the total distributions received by the Company exceed the cumulative amount of qualifying expenses and lost revenues attributable to COVID-19 through July 31, 2021, any excess funding may be subject recoupment. For the year ended June 30, 2020 the Company recognized \$15,553,859 as other operating revenues in the accompanying consolidated statements of operations. In July 2020, the Company received targeted distributions of \$16,505,004 from the Provider Relief Funds.

On October 22, 2020, HHS released additional reporting requirements for health care entities that received distributions from the Provider Relief Fund. The Post-Payment Notice of Reporting Requirements (the Notice) supplements the previous notice issued on July 20, 2020, and amended on August 14, 2020 and September 19, 2020. The Company considered the effects of the changes included in the Notice and concluded these changes represent non-recognized (i.e., Type II) subsequent events in accordance with ASC 855, Subsequent Events, since the reporting requirements included in the Notice provide evidence about conditions that did not exist at the balance sheet date, but instead are conditions that arose after that date but before financial statements were issued. Based on the expectations of the revenue to be recognized through December 31, 2020, the Company does not believe the new guidance will result in a material change to amounts recorded in the June 30, 2020, financial statements related to the Provider Relief Funds. The Company will continue to monitor changes in reporting guidance or additional clarifications that may be issued by HHS, which would affect the accounting for distributions from the Provider Relief Fund. In addition, the Company will continue to monitor guidance from the Commission related to how the Commission will interpret the new HHS guidance.

Also under the CARES Act, the Company received \$43,234,231 working capital financing from the Medicare Accelerated and Advance Payment Program in May 2020, which will need to be repaid beginning 120 days after the date of issuance of the payments as new claims are submitted to CMS. As of June 30, 2020, the remaining balance of \$43,101,714 is included in advances from third party payors in the accompanying consolidated balance sheets.

17. COVID-19

In March 2020, the World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. The coronavirus outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of the outbreak on the Company's operational and financial

Doctors Community Medical Center and Subsidiaries

Notes to the Consolidated Financial Statements

performance will depend on certain developments, including the duration and spread of the outbreak, impact on employees and vendors, and governmental, regulatory and private sector responses. The accompanying consolidated financial statements do not reflect any adjustments as a result of the increase in economic uncertainty which continues through the issuance date.

18. Business Combination

On July 1, 2019, Luminis became the sole member and parent of the Company. No consideration was transferred by Luminis as part of the transaction. However, as part of the terms of the agreement, Luminis has committed to invest \$138,000,000 into the Company over the next five years, with \$8.3 million invested in 2020.

The Company elected to apply pushdown accounting whereby individual assets and liabilities were adjusted to the new basis of accounting established by Luminis as of the acquisition date. Luminis is required to reassess whether it has identified all of the assets acquired and all of the liabilities assumed from the transaction, and there is at least a reasonable possibility that recorded amounts will change.

The following information summarizes the recorded values of the assets acquired and liabilities assumed as of the date of the change-in-control:

Cash	\$ 34,168,164
Patient accounts receivable, net	38,839,947
Other receivables	5,619,857
Inventories	4,243,356
Prepaid expenses	3,981,044
Marketable securities	18,257,784
Joint ventures and equity investments	5,942,465
Property and equipment	116,539,923
Other non-current assets	<u>30,092,855</u>
Total assets acquired	<u>257,685,395</u>
Accounts payable and accrued expenses	31,874,601
Advances from third party payers	7,765,308
Long-term debt	132,571,129
Net pension liability	5,001,393
Deferred compensation/claims incurred but not reported	<u>16,005,694</u>
Total liabilities assumed	<u>193,218,125</u>
Net assets acquired over liabilities assumed	<u>\$ 64,467,270</u>

Supplementary Information

Doctors Community Medical Center and Subsidiaries
Consolidating Balance Sheet
June 30, 2020

	Hospital	Healthcare Programs	Foundation	Health Ventures	Sleep Center	Eliminations	Obligated Group	DRCC	Magnolia Gardens, MAUI, DI, UCAS	STM, ACO	Eliminations	Total
ASSETS												
CURRENT ASSETS												
Cash and cash equivalents	\$ 91,769,627	\$ 2,930,306	\$ 376,096	\$ 640,220	\$ 1,644	\$ -	\$ 95,717,893	\$ 3,460,484	\$ -	\$ 43,044	\$ -	\$ 99,221,421
Patient accounts receivable, net	30,471,456	4,592,046	-	79,049	4,903	-	35,147,454	297,366	-	24,029	-	35,468,849
Inventories	5,567,731	-	-	-	19,383	-	5,587,114	0	-	-	-	5,587,114
Prepaid expenses and other current assets	3,878,080	184,636	484,053	464,093	12,521	-	5,023,383	271,924	-	84,116	-	5,379,423
TOTAL CURRENT ASSETS	131,686,894	7,706,988	860,149	1,183,362	38,451	-	141,475,844	4,029,774	-	151,189	-	145,656,807
Property and equipment	120,970,659	1,249,176	-	105,853	486,920	-	122,812,608	2,065,466	-	-	-	124,878,074
Accumulated depreciation	(9,484,367)	(230,004)	-	(20,772)	23,346	-	(9,711,797)	(454,159)	-	-	-	(10,165,956)
Net property and equipment	111,486,292	1,019,172	-	85,081	510,266	-	113,100,811	1,611,307	-	-	-	114,712,118
Other assets												
Investments	18,179,843	-	-	-	-	-	18,179,843	1,843,197	-	-	-	20,023,040
Investment in DRCC	4,241,920	-	-	-	-	(4,241,920)	-	-	-	-	-	-
Right of use asset	4,543,771	-	-	-	-	-	4,543,771	-	-	-	-	4,543,771
Other assets	31,791,201	12,271	-	-	-	(2,485,069)	29,318,403	-	-	3,902	-	29,322,305
Joint ventures and equity investments	-	-	-	6,195,831	-	(6,195,831)	-	-	6,195,831	-	-	6,195,831
	58,756,735	12,271	-	6,195,831	-	(12,922,820)	52,042,017	1,843,197	6,195,831	3,902	-	60,084,947
DUE TO DCH	97,091,847	-	-	-	9,172,239	(96,318,283)	9,945,803	-	-	-	(9,945,803)	-
TOTAL ASSETS	\$ 399,021,768	\$ 8,738,431	\$ 860,149	\$ 7,464,274	\$ 9,720,956	\$ (109,241,103)	\$ 316,564,475	\$ 7,484,278	\$ 6,195,831	\$ 155,091	\$ (9,945,803)	\$ 320,453,872

See independent auditors' report.

Doctors Community Medical Center and Subsidiaries
Consolidating Balance Sheet
June 30, 2020

(Continued)

	Hospital	Healthcare Programs	Foundation	Health Ventures	Sleep Center	Eliminations	Obligated Group	DRCC	Magnolia Gardens, MAUI, DI, UCAS	STM ACO	Eliminations	Total
LIABILITIES AND NET ASSETS												
CURRENT LIABILITIES												
Accounts payable	\$ 8,145,323	\$ 1,386,691	\$ -	\$ 525,479	\$ 44,984	\$ -	10,102,477	\$ 170,275	\$ -	\$ 1,128	\$ -	10,273,880
Due to DCH	9,172,239	50,920,569	358,270	2,824,654	1,581,126	(63,603,775)	1,253,083	154,137	-	8,538,583	(9,945,803)	-
Salaries, wages, and related items	14,558,976	80,535	-	14,244	-	-	14,653,755	-	-	-	-	14,653,755
Other accrued expenses	13,461,659	-	128,253	75,872	58,714	-	13,724,498	89,997	-	138,088	-	13,952,583
Advances from third party payers	50,394,224	1,016,505	-	494,838	-	-	51,905,567	-	-	-	-	51,905,567
Current portion of operating lease liabilities	1,183,557	-	-	-	-	-	1,183,557	-	-	-	-	1,183,557
Current portion of long-term obligations	4,978,798	-	-	-	-	-	4,978,798	-	-	-	-	4,978,798
TOTAL CURRENT LIABILITIES	101,894,776	53,404,300	486,523	3,935,087	1,684,824	(63,603,775)	97,801,735	414,409	-	8,677,799	(9,945,803)	96,948,140
NONCURRENT LIABILITIES												
Other long-term liabilities	14,421,786	-	-	-	-	-	14,421,786	-	-	-	-	14,421,786
Pension obligation	6,525,431	-	-	-	-	-	6,525,431	-	-	-	-	6,525,431
Operating lease liabilities	4,074,861	-	-	-	-	-	4,074,861	-	-	-	-	4,074,861
Long-term obligation, net of current portion	122,765,997	-	-	32,725,782	-	(32,725,782)	122,765,997	-	-	-	-	122,765,997
TOTAL LIABILITIES	249,682,851	53,404,300	486,523	36,660,869	1,684,824	(96,329,557)	245,589,810	414,409	-	8,677,799	(9,945,803)	244,736,215
NET ASSETS AND MEMBERS' EQUITY												
Without donor restrictions	149,244,921	(44,665,869)	-	-	8,036,132	(44,299,398)	68,315,786	-	-	(2,270,061)	7,013,053	73,058,778
Members' equity	-	-	-	(29,196,595)	-	29,196,595	-	7,069,869	6,195,831	(6,252,647)	(7,013,053)	-
With donor restrictions	93,996	-	373,626	-	-	-	467,622	-	-	-	-	467,622
Noncontrolling interest	-	-	-	-	-	2,191,257	2,191,257	-	-	-	-	2,191,257
	149,338,917	(44,665,869)	373,626	(29,196,595)	8,036,132	(12,911,546)	70,974,665	7,069,869	6,195,831	(8,522,708)	-	75,717,657
TOTAL LIABILITIES AND NET ASSETS	\$ 399,021,768	\$ 8,738,431	\$ 860,149	\$ 7,464,274	\$ 9,720,956	\$ (109,241,103)	\$ 316,564,475	\$ 7,484,278	\$ 6,195,831	\$ 155,091	\$ (9,945,803)	\$ 320,453,872

See independent auditors' report.

Doctors Community Medical Center and Subsidiaries
Consolidating Statement of Operations and Changes in Net Assets
June 30, 2020

	Hospital	Healthcare Programs	Foundation	Health Ventures	Sleep Center	Eliminations	Obligated Group	DRCC	Magnolia Gardens, MAUI, DI, UCAS	STM, ACO	Total
OPERATING REVENUE											
Net patient service revenue	211,390,545	12,365,479	-	3,958,306	2,664,682	-	230,379,012	8,743,813	-	-	239,122,825
Other operating revenue	18,369,657	2,561,796	308,287	644,666	-	(66,422)	21,817,984	65,645	-	568	21,884,197
TOTAL OPERATING REVENUE	229,760,202	14,927,275	308,287	4,602,972	2,664,682	(66,422)	252,196,996	8,809,458	-	568	261,007,022
EXPENSES											
Salaries and wages	89,485,612	14,320,212	345,261	4,653,717	24,000	-	108,828,802	-	-	2	108,828,804
Employee benefits	13,710,079	2,330,795	71,154	893,884	-	-	17,005,912	-	-	-	17,005,912
Purchased services	64,296,863	5,656,856	339,909	1,313,140	1,158,425	-	72,765,193	7,758,354	-	160,348	80,683,895
Supplies	33,920,959	663,493	-	368,687	-	-	34,953,139	135,295	-	-	35,088,434
Depreciation and Amortization	9,681,806	279,759	-	20,772	(23,346)	-	9,958,991	454,159	-	-	10,413,150
Interest	4,317,819	-	-	-	-	-	4,317,819	-	-	-	4,317,819
TOTAL EXPENSES	215,413,138	23,251,115	756,324	7,250,200	1,159,079	-	247,829,856	8,347,808	-	160,350	256,338,014
INCOME (LOSS) FROM OPERATIONS	14,347,064	(8,323,840)	(448,037)	(2,647,228)	1,505,603	(66,422)	4,367,140	461,650	-	(159,782)	4,669,008
NONOPERATING GAINS (LOSSES)											
Investment income, net	457,595	3,366	253	-	-	-	461,214	-	-	-	461,214
Pension expense	(660,906)	-	-	-	-	-	(660,906)	-	-	-	(660,906)
Loss in trading securities	(262,337)	-	-	-	-	-	(262,337)	-	-	-	(262,337)
Equity in joint ventures	(111,195)	-	-	175,671	-	(64,476)	0	-	253,366	-	253,366
EXCESS OF REVENUE OVER EXPENSES (EXPENSES OVER REVENUE)	13,770,221	(8,320,474)	(447,784)	(2,471,557)	1,505,603	(130,898)	3,905,111	461,650	253,366	(159,782)	4,460,345
Net asset transfer	473,964	-	412,308	56,683	(942,955)	-	-	-	-	-	-
Equity transfer	8,300,798	-	-	-	-	-	8,300,798	-	-	-	8,300,798
Net assets released from restrictions for capital acquisitions	-	-	35,476	-	-	-	35,476	-	-	-	35,476
Contributions with donor restrictions	15,275	-	517,878	-	-	-	533,153	-	-	-	533,153
Net assets released from restrictions for use in operations	(83,028)	-	(433,837)	-	-	-	(516,865)	-	-	-	(516,865)
Net assets released from restrictions for capital acquisitions	-	-	(35,476)	-	-	-	(35,476)	-	-	-	(35,476)
Pension - related changes other than net periodic pension cost	(1,527,044)	-	-	-	-	-	(1,527,044)	-	-	-	(1,527,044)
Increase (decrease) in net assets	20,950,186	(8,320,474)	48,565	(2,414,874)	562,648	(130,898)	10,695,153	461,650	253,366	(159,782)	11,250,387
Net assets, beginning of year	128,388,731	(36,345,395)	325,061	(26,781,721)	7,473,484	(12,780,648)	60,279,512	6,608,219	5,942,465	(8,362,926)	64,467,270
Net assets, end of year	\$ 149,338,917	\$ (44,665,869)	\$ 373,626	\$ (29,196,595)	\$ 8,036,132	\$ (12,911,546)	\$ 70,974,665	\$ 7,069,869	\$ 6,195,831	\$ (8,522,708)	\$ 75,717,657

See independent auditors' report.

ARTICLES OF AMENDMENT

OF

DOCTORS' HOSPITAL, INC.

Doctors' Hospital, Inc., a Maryland corporation, having its principal office at 8118 Good Luck Road, Lanham, Maryland 20706 (hereinafter referred to as the "Corporation") hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: The charter of the Corporation is hereby amended as follows:

The first sentence of Article FIRST is hereby deleted in its entirety and replaced by the following:

The name of the Corporation (hereinafter referred to as the "Corporation") is:

Luminis Health Doctors Community Medical Center, Inc.

SECOND: In accordance with the Bylaws of the Corporation, these Articles have been approved by the sole Member of the Corporation.

THIRD: These Articles of Amendment shall become effective upon acceptance for filing by the State Department of Assessments and Taxation of Maryland.

IN WITNESS WHEREOF, Doctors' Hospital, Inc. has caused these presents to be signed in its name and on its behalf by its President and witnessed by its Secretary on January 6, 2021.

ATTEST:

ANNE ARUNDEL MEDICAL CENTER, INC.

By: _____ 

By: _____ 

Name: Tim Adelman

Name: Deneen Richmond

Title: Secretary

Title: President

Certificate

THE UNDERSIGNED, President of Doctors' Hospital, Inc., who executed on behalf of the Corporation the foregoing Articles of Amendment of which this certificate is made a part, hereby acknowledges in the name and on behalf of said Corporation the foregoing Articles of Amendment to be the corporate act of said Corporation and hereby certifies that to the best of her knowledge, information, and belief the matters and facts set forth therein with respect to the authorization and approval thereof are true in all material respects under the penalties of perjury.



Deneen Richmond, President

TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING

June 30, 2020

Prepared For:

Luminis Health
Doctors Community Medical Center, Inc.
2000 Medical Parkway, Suite 606
Annapolis, MD 21401

Prepared By:

Dixon Hughes Goodman LLP
1410 Spring Hill Road, Suite 500
Tysons, VA 22102-3056

Amount Due or Refund:

No amount is due. The organization will receive a refund in the amount of \$37,813

Make Check Payable To:

No amount is due.

Mail Tax Return and Check (if applicable) To:

Department of the Treasury
Internal Revenue Service Center
Ogden, UT 84201-0027

Return Must be Mailed On or Before:

May 17, 2021

Special Instructions:

The return should be signed and dated.

We recommend that you file your return using certified mail with a postmarked receipt for proof of timely filing. You should write the certified mail receipt number on the return in the margin near your signature prior to filing. You should also retain the certified mail receipt with your copy of the return.

2020 ESTIMATED TAX FILING INSTRUCTIONS

FORM 990-W

FOR THE YEAR ENDING

June 30, 2021

Prepared For:

Luminis Health
Doctors Community Medical Center, Inc.
2000 Medical Parkway, Suite 606
Annapolis, MD 21401

Prepared By:

Dixon Hughes Goodman LLP
1410 Spring Hill Road, Suite 500
Tysons, VA 22102-3056

Amount of Tax:

Total Estimated Tax	\$	71,200
Less credit from prior year	\$	0
Less amt already paid on 2020 Estimate	\$	0
Balance Due	\$	71,200

Payable in full or in installments as follows:

Voucher	Amount	Due Date
No 1	\$ 0	
No 2	\$ 0	
No 3	\$ 0	
No 4	\$ 71,200	June 15, 2021

Make Check Payable To:

Payments should be made using the Electronic Federal Tax Payment System (EFTPS).

Mail Voucher and Check (if applicable) To:

Not applicable

Special Instructions:

We recommend that you file your return using certified mail with a postmarked receipt for proof of timely filing. You should write the certified mail receipt number on the return in the margin near your signature prior to filing. You should also retain the certified mail receipt with your copy of the return.

LUMINIS HEALTH
DOCTORS COMMUNITY MEDICAL CENTER, INC.
2000 MEDICAL PARKWAY, SUITE 606
ANNAPOLIS, MD 21401

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



FORM 990-T

Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

For calendar year 2019 or other tax year beginning JUL 1, 2019, and ending JUN 30, 2020

2019

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Department of the Treasury
Internal Revenue Service

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

<p>A <input checked="" type="checkbox"/> Check box if address changed</p> <p>B Exempt under section <input checked="" type="checkbox"/> 501(c)(3)) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)</p>	Print or Type	<p>Name of organization (<input checked="" type="checkbox"/> Check box if name changed and see instructions.) LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC.</p> <p>Number, street, and room or suite no. If a P.O. box, see instructions. 2000 MEDICAL PARKWAY, SUITE 606</p> <p>City or town, state or province, country, and ZIP or foreign postal code ANNAPOLIS, MD 21401</p>	<p>D Employer identification number (Employees' trust, see instructions.) 52-1638026</p> <p>E Unrelated business activity code (See instructions.) 621500</p>
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<p>C Book value of all assets at end of year 417,636,246.</p>	<p>F Group exemption number (See instructions.) ▶</p> <p>G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust</p>
--	--

H Enter the number of the organization's unrelated trades or businesses. ▶ 1 Describe the only (or first) unrelated trade or business here ▶ SEE STATEMENT 1. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

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

J The books are in care of ▶ KEVIN SMITH Telephone number ▶ 443-481-1308

Part I Unrelated Trade or Business Income	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales <u>1,053,752.</u>			
b Less returns and allowances <u>221,847.</u> c Balance ▶	1c 831,905.		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit. Subtract line 2 from line 1c	3 831,905.		831,905.
4a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from a partnership or an S corporation (attach statement)	5		
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from a controlled organization (Schedule F)	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (See instructions; attach schedule)	12		
13 Total. Combine lines 3 through 12	13 831,905.		831,905.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Deductions must be directly connected with the unrelated business income.)	(A) Income	(B) Expenses	(C) Net
14 Compensation of officers, directors, and trustees (Schedule K)			14 9,902.
15 Salaries and wages			15 185,743.
16 Repairs and maintenance			16
17 Bad debts			17
18 Interest (attach schedule) (see instructions)		SEE STATEMENT 2	18 4,936.
19 Taxes and licenses			19 20,164.
20 Depreciation (attach Form 4562)	20		
21 Less depreciation claimed on Schedule A and elsewhere on return	21a		21b
22 Depletion			22
23 Contributions to deferred compensation plans			23
24 Employee benefit programs			24 35,216.
25 Excess exempt expenses (Schedule I)			25
26 Excess readership costs (Schedule J)			26
27 Other deductions (attach schedule)		SEE STATEMENT 3	27 235,956.
28 Total deductions. Add lines 14 through 27			28 491,917.
29 Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13			29 339,988.
30 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)			30 0.
31 Unrelated business taxable income. Subtract line 30 from line 29			31 339,988.

Part III Total Unrelated Business Taxable Income		
32	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	32 339,988.
33	Amounts paid for disallowed fringes	33
34	Charitable contributions (see instructions for limitation rules)	34 0.
35	Total unrelated business taxable income before pre-2018 NOLs and specific deduction. Subtract line 34 from the sum of lines 32 and 33	35 339,988.
36	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	36
37	Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35	37 339,988.
38	Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions)	38 1,000.
39	Unrelated business taxable income. Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37	39 338,988.

Part IV Tax Computation		
40	Organizations Taxable as Corporations. Multiply line 39 by 21% (0.21)	40 71,187.
41	Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 39 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	41
42	Proxy tax. See instructions	42
43	Alternative minimum tax (trusts only)	43
44	Tax on Noncompliant Facility Income. See instructions	44
45	Total. Add lines 42, 43, and 44 to line 40 or 41, whichever applies	45 71,187.

Part V Tax and Payments		
46a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	46a
b	Other credits (see instructions)	46b
c	General business credit. Attach Form 3800	46c
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	46d
e	Total credits. Add lines 46a through 46d	46e
47	Subtract line 46e from line 45	47 71,187.
48	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	48
49	Total tax. Add lines 47 and 48 (see instructions)	49 71,187.
50	2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3	50 0.
51a	Payments: A 2018 overpayment credited to 2019	51a
b	2019 estimated tax payments	51b 109,000.
c	Tax deposited with Form 8868	51c
d	Foreign organizations: Tax paid or withheld at source (see instructions)	51d
e	Backup withholding (see instructions)	51e
f	Credit for small employer health insurance premiums (attach Form 8941)	51f
g	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	51g
52	Total payments. Add lines 51a through 51g	52 109,000.
53	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	53
54	Tax due. If line 52 is less than the total of lines 49, 50, and 53, enter amount owed	54
55	Overpayment. If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid	55 37,813.
56	Enter the amount of line 55 you want: Credited to 2020 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	56 37,813.

Part VI Statements Regarding Certain Activities and Other Information (see instructions)		
57	At any time during the 2019 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here	Yes No <input type="checkbox"/> <input type="checkbox"/> X
58	During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see instructions for other forms the organization may have to file.	<input type="checkbox"/> <input type="checkbox"/> X
59	Enter the amount of tax-exempt interest received or accrued during the tax year	\$

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Paid Preparer Use Only	Print/Type preparer's name AMY BIBBY	Preparer's signature AMY BIBBY	Date 05/05/21	Check <input type="checkbox"/> if self-employed	PTIN P00445891
	Firm's name DIXON HUGHES GOODMAN LLP 1410 SPRING HILL ROAD, SUITE 500 Firm's address TYSONS, VA 22102-3056			Firm's EIN 56-0747981	Phone no. (703) 970-0400

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

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

1	Inventory at beginning of year	1		6	Inventory at end of year	6			
2	Purchases	2		7	Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7			
3	Cost of labor	3		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?		Yes	No	
4a	Additional section 263A costs (attach schedule)	4a							
b	Other costs (attach schedule)	4b							
5	Total. Add lines 1 through 4b	5							

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

(see instructions)

1. Description of property

(1)	
(2)	
(3)	
(4)	

2. Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total	0.	Total 0.

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) 0.

(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) 0.

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

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A) 0.	Enter here and on page 1, Part I, line 7, column (B) 0.
Total dividends-received deductions included in column 8			0.	0.

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

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
Totals			0.	0.

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

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).
Totals		0.		0.

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

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 25.
Totals		0.	0.			0.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))		0.	0.			0.

LUMINIS HEALTH

Form 990-T (2019) DOCTORS COMMUNITY MEDICAL CENTER, INC.

52-1638026

Page 5

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

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals from Part I	0.	0.				0.
Totals, Part II (lines 1-5)	Enter here and on page 1, Part I, line 11, col. (A). 0.	Enter here and on page 1, Part I, line 11, col. (B). 0.				Enter here and on page 1, Part II, line 26. 0.

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

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14			0.

Form 990-T (2019)

