

PUBLIC DISCLOSURE COPY

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2019

Open to Public Inspection

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.

Department of the Treasury
Internal Revenue Service

A For the 2019 calendar year, or tax year beginning 07/01, 2019, and ending 06/30, 20 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization UPPER CHESAPEAKE MEDICAL CENTER, INC.
 Doing business as _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
500 UPPER CHESAPEAKE DRIVE
 City or town, state or province, country, and ZIP or foreign postal code
BEL AIR, MD 21014

D Employer identification number 52-1253920

E Telephone number (443) 643-1000

F Name and address of principal officer: LYLE E. SHELDON
SAME AS C ABOVE

G Gross receipts \$ 357,940,741

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list. (see instructions)
H(c) Group exemption number ▶ _____

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶ WWW.UMMS.ORG/UCH

K Form of organization: Corporation Trust Association Other ▶ _____

L Year of formation: 1997

M State of legal domicile: MD

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>SEE SCHEDULE O.</u>		
	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	21
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	14
	5	Total number of individuals employed in calendar year 2019 (Part V, line 2a)	5	2,958
	6	Total number of volunteers (estimate if necessary)	6	812
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b	Net unrelated business taxable income from Form 990-T, line 39	7b	0	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	1,022,573	19,124,993
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	287,188,861	279,471,856
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,118,263	2,566,675
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	491,632	(271,036)
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	291,821,329	300,892,488
	14	Benefits paid to or for members (Part IX, column (A), line 4)	19,306,465	200,000
	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)	127,889,638	134,972,772
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ <u>0</u>	0	0
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	129,457,166	147,906,765
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	276,653,269	283,079,537
19	Revenue less expenses. Subtract line 18 from line 12	15,168,060	17,812,951	
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)	729,972,196	785,805,376
	22	Net assets or fund balances. Subtract line 21 from line 20	251,057,720	285,326,521
			478,914,476	500,478,855

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 _____
MARCO PRIOLO, SVP
 Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name JUSTIN LOWE Preparer's signature _____ Date _____
 Check if self-employed PTIN P01866796
 Firm's name ▶ ERNST & YOUNG U.S. LLP Firm's EIN ▶ 34-6565596
 Firm's address ▶ 1101 NEW YORK AVE NW, WASHINGTON, DC 20005 Phone no. (202) 327-6000

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form **990** (2019)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III Yes No

1 Briefly describe the organization's mission:
SEE SCHEDULE O.

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 \$ 204,971,363 including grants of \$ 200,000) (Revenue \$ 279,486,792)
PROVIDING HEALTHCARE SERVICES TO PATIENTS REGARDLESS OF THEIR ABILITY TO PAY FOR SUCH SERVICES.

FOR MORE THAN 90 YEARS, UPPER CHESAPEAKE HEALTH HAS BEEN PROVIDING COMPREHENSIVE, HIGH QUALITY HEALTHCARE. ITS TWO HOSPITALS, HARFORD MEMORIAL HOSPITAL AND UPPER CHESAPEAKE MEDICAL CENTER OFFER SOME OF THE AREA'S MOST ADVANCED INPATIENT AND OUTPATIENT SERVICES SO THAT PATIENTS CAN ENJOY THE SUPERIOR WELLNESS RESOURCES A HEALTHY LIFESTYLE NEEDS, WITHOUT LEAVING THEIR NEIGHBORHOOD. UPPER CHESAPEAKE HEALTH IS A COMMUNITY-BASED, NON-PROFIT HEALTH SYSTEM LOCATED IN HARFORD COUNTY, MARYLAND. OUR VISION IS BASED ON CREATING THE HEALTHIEST COMMUNITY IN MARYLAND. BUILDING ON THAT VISION, WE HAVE A STRONG COMMITMENT TO SERVICE
(CONTINUED ON SCHEDULE O)

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 **▶** 204,971,363

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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the United States?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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>		✓
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>	✓	
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>		✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
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>		✓
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>		✓
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>		✓
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>		✓
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>		✓
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	✓	
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>		✓
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		✓
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>		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
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>		✓
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>		✓
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>	✓	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	✓	
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>	✓	
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>		✓
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>		✓
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? 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?	✓	

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	2,958		
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)	2b		✓	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a			✓
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	3b			
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)?	4a			✓
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?	5a			✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			✓
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c			
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?	6a			✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
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?	7a			✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			✓
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?	7e			✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			✓
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
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?	8			
9	Sponsoring organizations maintaining donor advised funds.				
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b			
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			✓
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			✓
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			✓

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 21		
b	Enter the number of voting members included on line 1a, above, who are independent		
	1b 14		
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?		<input checked="" type="checkbox"/>
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?		<input checked="" type="checkbox"/>
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		<input checked="" type="checkbox"/>
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		<input checked="" type="checkbox"/>
6	Did the organization have members or stockholders?	<input checked="" type="checkbox"/>	
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?	<input checked="" type="checkbox"/>	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	<input checked="" type="checkbox"/>	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	<input checked="" type="checkbox"/>	
b	Each committee with authority to act on behalf of the governing body?	<input checked="" type="checkbox"/>	
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		<input checked="" type="checkbox"/>

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?		<input checked="" type="checkbox"/>
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?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	<input checked="" type="checkbox"/>	
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	<input checked="" type="checkbox"/>	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	<input checked="" type="checkbox"/>	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	<input checked="" type="checkbox"/>	
13	Did the organization have a written whistleblower policy?	<input checked="" type="checkbox"/>	
14	Did the organization have a written document retention and destruction policy?	<input checked="" type="checkbox"/>	
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		<input checked="" type="checkbox"/>
b	Other officers or key employees of the organization		<input checked="" type="checkbox"/>
	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?		<input checked="" type="checkbox"/>
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ► MD
- 18** Section 6104 requires an organization to make its Forms 1023 (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 ►
MARCO PRIOLO, 520 UPPER CHESAPEAKE DRIVE, BEL AIR, MD 21014, (443) 643-1000

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 dotted 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) MOHAN SUNTHA, MD PRESIDENT/CEO, UMMS	1.0 60.0	✓						0	2,102,885	40,902
(2) JOHN W ASHWORTH, III DIRECTOR (ENDED 11/19)	1.0 60.0	✓						0	1,717,490	37,155
(3) LYLE E SHELDON PRESIDENT/CEO	1.0 48.0	✓		✓				0	1,151,844	40,384
(4) JOSEPH E HOFFMAN, III FORMER CFO	0.0 43.0					✓		0	987,444	30,280
(5) S. MICHELLE LEE DIRECTOR	1.0 46.0	✓						0	889,963	27,792
(6) STEPHEN V WITMAN SR VP/CFO	1.0 47.0			✓				0	426,001	76,756
(7) MUHAMMAD K JOKHADAR, MD EX-OFFICIO, PHYSICIAN	1.0 43.0	✓						0	403,997	41,289
(8) ROY H PHILLIPS PHYSICIAN	40.0 0.0					✓		305,854	0	22,082
(9) OLUFUNMILAYO ONOBRAKPEYA PHYSICIAN	40.0 0.0					✓		250,113	0	30,817
(10) KAYUR R BHAVSAR PHYSICIAN	40.0 0.0					✓		266,669	0	12,203
(11) ANGELA M KAITIS PHARMACIST	40.0 0.0					✓		193,717	0	23,220
(12) DIANE C FITZGERALD EXECUTIVE DIR - ONCOLOGY SERVICE LINE	40.0 1.0					✓		175,577	0	14,841
(13) BRYAN E KELLY CHAIRMAN	1.0 6.0	✓		✓				0	0	0
(14) DENNIS KURGANSKY, MD SECRETARY	1.0 6.0	✓		✓				0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted 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) FRANKLIN J HAJEK TREASURER	1.0 5.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(16) JAMES M HARKINS VICE CHAIRMAN	1.0 8.5	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(17) ADELE A WILZACK, RN, MS DIRECTOR	1.0 7.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(18) ALBERT J. A YOUNG, ESQ DIRECTOR	1.0 5.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(19) DONALD W MATHIS DIRECTOR (ENDED 11/19)	1.0 5.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(20) JASON BIRNBAUM, MD DIRECTOR	1.0 4.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(21) LAWRENCE SCANLAN DIRECTOR	1.0 4.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(22) LISA THOMAS, MD EX-OFFICIO, PHYSICIAN	1.0 4.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(23) MELINDA L CRAIG DIRECTOR	1.0 6.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(24) MICHAEL F ALLEN DIRECTOR	1.0 3.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	0 0	0 0	0 0
(25) (SEE STATEMENT)										
1b Subtotal								1,191,930	7,679,624	397,721
c Total from continuation sheets to Part VII, Section A								0	0	0
d Total (add lines 1b and 1c)								1,191,930	7,679,624	397,721

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 **▶** 177

	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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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
NONE		

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 **▶** 0

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	963,238				
	e	Government grants (contributions)	1e	18,161,755				
	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 ▶		19,124,993				
	Program Service Revenue	2a	NET PATIENT SERVICE REVENUE	Business Code 621110	274,683,128	274,683,128	0	0
b		ENDOCRINOLOGY	621110	4,317,630	4,317,630	0	0	
c		COMP CARE CENTER/REHAB	621110	471,098	471,098	0	0	
d								
e								
f		All other program service revenue		0	0	0	0	
g		Total. Add lines 2a-2f ▶		279,471,856				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		1,409,344	0	0	1,409,344	
	4	Income from investment of tax-exempt bond proceeds ▶						
	5	Royalties ▶						
	6a	Gross rents	6a	(i) Real				
				1,775,282				
				(ii) Personal				
				0				
	b	Less: rental expenses	6b	3,278,204	0			
	c	Rental income or (loss)	6c	(1,502,922)	0			
	d	Net rental income or (loss) ▶		(1,502,922)	0	0	(1,502,922)	
	7a	Gross amount from sales of assets other than inventory	7a	(i) Securities				
				54,927,380				
				(ii) Other				
				0				
	b	Less: cost or other basis and sales expenses	7b	53,770,049	0			
c	Gain or (loss)	7c	1,157,331	0				
d	Net gain or (loss) ▶		1,157,331	0	0	1,157,331		
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
b	Less: direct expenses	8b						
c	Net income or (loss) from fundraising events . . . ▶							
9a	Gross income from gaming activities. See Part IV, line 19	9a						
b	Less: direct expenses	9b						
c	Net income or (loss) from gaming activities . . . ▶							
10a	Gross sales of inventory, less returns and allowances	10a						
b	Less: cost of goods sold	10b						
c	Net income or (loss) from sales of inventory . . . ▶							
Miscellaneous Revenue	11a	CAFETERIA/VENDING	Business Code 722514	1,148,873	0	0	1,148,873	
	b	PARKING GARAGE	812930	32,666	0	0	32,666	
	c	PURCHASE DISCOUNTS	621999	35,411	0	0	35,411	
	d	All other revenue	621999	14,936	14,936	0	0	
	e	Total. Add lines 11a-11d ▶		1,231,886				
12	Total revenue. See instructions ▶		300,892,488	279,486,792	0	2,280,703		

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

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	200,000	200,000		
2	Grants and other assistance to domestic individuals. See Part IV, line 22	0	0		
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	0	0		
4	Benefits paid to or for members	0	0		
5	Compensation of current officers, directors, trustees, and key employees				
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	115,010,748	84,318,803	30,691,945	0
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	5,420,940	3,974,300	1,446,640	0
9	Other employee benefits	3,863,304	2,832,337	1,030,967	0
10	Payroll taxes	10,677,780	7,828,291	2,849,489	0
11	Fees for services (nonemployees):				
a	Management	3,922,030	2,401,389	1,520,641	0
b	Legal				
c	Accounting				
d	Lobbying	4,176	0	4,176	0
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 Schedule O.)	7,060,878	2,196,610	4,864,268	0
12	Advertising and promotion	80,920	10,388	70,532	0
13	Office expenses	497,077	357,896	139,181	0
14	Information technology				
15	Royalties				
16	Occupancy	3,119,938	2,246,355	873,583	0
17	Travel	61,533	6,154	55,379	0
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	76,560	19,906	56,654	0
20	Interest	6,422,817	4,624,428	1,798,389	0
21	Payments to affiliates	12,603,686	604,803	11,998,883	0
22	Depreciation, depletion, and amortization	20,239,489	14,572,432	5,667,057	0
23	Insurance	3,657,712	2,633,553	1,024,159	0
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	<u>MEDICAL SUPPLIES</u>	36,278,657	36,278,657	0	0
b	<u>PURCHASED SERVICES</u>	15,510,568	4,513,169	10,997,399	0
c	<u>BAD DEBT</u>	14,903,377	14,903,377	0	0
d	<u>PHYSICIAN FEES</u>	13,104,455	13,104,455	0	0
e	All other expenses	10,362,892	7,344,060	3,018,832	0
25	Total functional expenses. Add lines 1 through 24e	283,079,537	204,971,363	78,108,174	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)				

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	13,654,953	1	50,596,451
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	28,096,947	4	31,416,071
	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	0	5	0
	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)	0	6	0
	7 Notes and loans receivable, net	33,903,898	7	78,100,317
	8 Inventories for sale or use	5,305,129	8	5,898,055
	9 Prepaid expenses and deferred charges	2,703,854	9	3,560,533
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 308,463,729		
	b Less: accumulated depreciation	10b 97,238,774	207,759,361	10c 211,224,955
	11 Investments—publicly traded securities	169,188,418	11	170,962,636
	12 Investments—other securities. See Part IV, line 11	15,112,604	12	30,000,000
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	254,247,032	15	204,046,358
16 Total assets. Add lines 1 through 15 (must equal line 33)	729,972,196	16	785,805,376	
Liabilities	17 Accounts payable and accrued expenses	34,523,816	17	34,912,892
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	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	0	22	0
	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	216,533,904	25	250,413,629
	26 Total liabilities. Add lines 17 through 25	251,057,720	26	285,326,521
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	303,937,121	27	353,818,739
	28 Net assets with donor restrictions	174,977,355	28	146,660,116
	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	478,914,476	32	500,478,855	
33 Total liabilities and net assets/fund balances	729,972,196	33	785,805,376	

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	300,892,488
2	Total expenses (must equal Part IX, column (A), line 25)	2	283,079,537
3	Revenue less expenses. Subtract line 2 from line 1	3	17,812,951
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	478,914,476
5	Net unrealized gains (losses) on investments	5	(842,534)
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	4,593,962
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	500,478,855

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		✓
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	✓	
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.	✓	
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?	✓	
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.	✓	

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 dotted line)	(C) Position (Check all that apply)						(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			
(25) R. BRYAN KILBY ----- DIRECTOR	1.0 ----- 5.0	✓						0	0	0
(26) RAJIV GOEL, ESQ ----- DIRECTOR (ENDED 06/20)	1.0 ----- 5.0	✓						0	0	0
(27) RICHARD P STREETT, JR, VMD ----- DIRECTOR	1.0 ----- 6.0	✓						0	0	0
(28) SHARON M LIPFORD ----- DIRECTOR	1.0 ----- 3.0	✓						0	0	0
(29) TOBIAS MUSSER ----- DIRECTOR	1.0 ----- 3.0	✓						0	0	0
(30) WILLIAM B ALLEN, PHD ----- DIRECTOR	1.0 ----- 6.0	✓						0	0	0
(31) WILLIAM J WARD, JR ----- DIRECTOR	1.0 ----- 5.0	✓						0	0	0

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.

▶ 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 UPPER CHESAPEAKE MEDICAL CENTER, INC.	Employer identification number 52-1253920
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vii)**. (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:
- 10 An organization that normally receives: (1) more than 33¹/₃% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

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"/>

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?	11a	
b A family member of a person described in (a) above?	11b	
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .	11c	

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? 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.	1	
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? 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.	2	

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)? 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).	1	

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?	1	
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? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).	2	
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? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.	3	

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? 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.	2a	
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? 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.	2b	
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? Provide details in Part VI .	3a	
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.	3b	

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			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).			

Schedule A (Form 990 or 990-EZ) 2019

Schedule of Contributors

2019

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**
 ▶ **Go to www.irs.gov/Form990 for the latest information.**

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER, INC.	Employer identification number 52-1253920
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Organization type (check one):

Filers of:

Section:

- Form 990 or 990-EZ 501(c)(3) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization
- Form 990-PF 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

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

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

General Rule

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33¹/₃% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

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

Name of organization UPPER CHESAPEAKE MEDICAL CENTER, INC.	Employer identification number 52-1253920
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Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	----- ----- -----	\$ 963,238	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	----- ----- -----	\$ 18,161,755	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization UPPER CHESAPEAKE MEDICAL CENTER, INC.	Employer identification number 52-1253920
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Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

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

Name of organization UPPER CHESAPEAKE MEDICAL CENTER, INC.	Employer identification number 52-1253920
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Part III *Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor.* Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ \$ _____
 Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

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 UPPER CHESAPEAKE MEDICAL CENTER, INC.	Employer identification number 52-1253920
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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. (see instructions for definition of "political campaign activities")
- 2 Political campaign activity expenditures (see instructions) ▶ \$
- 3 Volunteer hours for political campaign activities (see instructions)

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

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

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

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

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
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" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="text-align: left;">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?		<input type="checkbox"/> Yes <input type="checkbox"/> No												

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

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?		✓	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		✓	
c Media advertisements?		✓	
d Mailings to members, legislators, or the public?		✓	
e Publications, or published or broadcast statements?		✓	
f Grants to other organizations for lobbying purposes?		✓	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		✓	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		✓	
i Other activities?	✓		4,176
j Total. Add lines 1c through 1i			4,176
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		✓	
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.

SEE NEXT PAGE

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.

Return Reference - Identifier	Explanation
SCHEDULE C, PART II-B, LINE 1 - DETAILED DESCRIPTION OF THE LOBBYING ACTIVITY	THE ORGANIZATION PAYS MEMBERSHIP DUES TO THE MARYLAND HOSPITAL ASSOCIATION (MHA). MHA ENGAGES IN MANY SUPPORT ACTIVITIES INCLUDING LOBBYING AND ADVOCATING FOR THEIR MEMBER HOSPITALS. THE MHA REPORTED THAT 3.08% OF MEMBER DUES WERE USED FOR LOBBYING PURPOSES AND AS SUCH, THE ORGANIZATION HAS REPORTED THIS AMOUNT ON SCHEDULE C, PART II-B AS OTHER LOBBYING ACTIVITIES.

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: UPPER CHESAPEAKE MEDICAL CENTER, INC. Employer identification number: 52-1253920

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.

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for values, 5-6 for Yes/No questions.

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

Form for Part II with multiple questions (1-9) and a table for line 2(d) with columns for 'Held at the End of the Tax Year'.

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.

Form for Part III with questions 1a, 1b, 2, and 2a, 2b regarding art and historical treasures.

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 |
|---|--------|
| 1c Beginning balance | |
| 1d Additions during the year | |
| 1e Distributions during the year | |
| 1f Ending balance | |
- 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:

- (i)** Unrelated organizations
- (ii)** Related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

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		10,700,000		10,700,000
b Buildings		204,471,127	35,934,177	168,536,950
c Leasehold improvements		1,161,060	545,719	615,341
d Equipment		86,133,336	60,758,878	25,374,458
e Other		5,998,206	0	5,998,206
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				211,224,955

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. (Column (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)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.)		

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) UCMC FIXED ASSET FMV	55,686,000
(2) ECONOMIC INT - UC FOUNDATION	24,230,432
(3) ECONOMIC INT - UCH LEGACY FUND	122,429,683
(4) RIGHT OF USE ASSET	1,700,243
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	204,046,358

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) NOTES PAYABLE TO UMMS	157,073,899
(3) LONG TERM CAPITAL LEASE	19,002,740
(4) ADVANCES FROM THIRD PARTY PAYORS	62,754,563
(5) CURRENT PORTION OF LT LIABILITY	5,885,919
(6) OTHER CURRENT LIABILITIES	2,656,508
(7) AUDIT RJE - DEFERRED FICA	3,040,000
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	250,413,629

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 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.

Return Reference - Identifier	Explanation
<p>SCHEDULE D, PART X, LINE 2 - FIN 48 (ASC 740) FOOTNOTE</p>	<p>FIN 48 (ASC 740) FOOTNOTE THE ORGANIZATION IS A SUBSIDIARY OF THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM CORPORATION (THE CORPORATION). THE CORPORATION ADOPTED THE PROVISIONS OF ASC 740, ACCOUNTING FOR UNCERTAINTY IN THE INCOME TAXES (FIN 48) ON JULY 1, 2007. THE FOOTNOTE RELATED TO ASC 740 IN THE CORPORATION'S AUDITED FINANCIAL STATEMENTS IS AS FOLLOWS: THE CORPORATION FOLLOWS A THRESHOLD OF MORE-LIKELY-THAN-NOT FOR RECOGNITION AND DERECOGNITION OF TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. MANAGEMENT DOES NOT BELIEVE THAT THERE ARE ANY UNRECOGNIZED TAX LIABILITIES OR BENEFITS THAT SHOULD BE RECOGNIZED.</p>

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2019

Open to Public Inspection

▶ **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.**

Department of the Treasury
Internal Revenue Service

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER, INC.	Employer identification number 52 1253920
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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	✓	
b If "Yes," was it a written policy?	✓	
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 care</i> ? 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 _____%	✓	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted care</i> ? 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 _____%	✓	
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"?	✓	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	✓	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		✓
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?		
6a Did the organization prepare a community benefit report during the tax year?	✓	
b If "Yes," did the organization make it available to the public?	✓	

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)			2,829,624		2,829,624	1.06
b Medicaid (from Worksheet 3, column a)					0	0.00
c Costs of other means-tested government programs (from Worksheet 3, column b)					0	0.00
d Total. Financial Assistance and Means-Tested Government Programs	0	0	2,829,624	0	2,829,624	1.06
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,122,072	303,839	1,818,233	0.68
f Health professions education (from Worksheet 5)			833,568		833,568	0.31
g Subsidized health services (from Worksheet 6)			6,498,992	2,610,635	3,888,357	1.45
h Research (from Worksheet 7)			846,332		846,332	0.32
i Cash and in-kind contributions for community benefit (from Worksheet 8)			92,951		92,951	0.03
j Total. Other Benefits	0	0	10,393,915	2,914,474	7,479,441	2.79
k Total. Add lines 7d and 7j	0	0	13,223,539	2,914,474	10,309,065	3.84

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing					0	0.00
2 Economic development			7,046		7,046	0.00
3 Community support			10,530,133	1,358,679	9,171,454	3.42
4 Environmental improvements					0	0.00
5 Leadership development and training for community members					0	0.00
6 Coalition building			78,655		78,655	0.03
7 Community health improvement advocacy					0	0.00
8 Workforce development					0	0.00
9 Other					0	0.00
10 Total	0	0	10,615,834	1,358,679	9,257,155	3.45

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	✓
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	10,764,709
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3	0
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.		

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	108,886,494
6	Enter Medicare allowable costs of care relating to payments on line 5	6	104,619,601
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	4,266,893
8	Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	✓
9b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	✓

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

Part V Facility Information

Section A. Hospital Facilities

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

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 UPPER CHESAPEAKE MEDICAL CENTER, INC.
 500 UPPER CHESAPEAKE DRIVE, BEL AIR, MD 21014
 WWW.UMMS.ORG/UCH STATE LICENSE NO. : 12-006

2

3

4

5

6

7

8

9

10

Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
✓	✓					✓			1

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 1

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?		✓
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		✓
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	✓	
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 checked="" 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>18</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	✓	
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	✓	
6b	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	✓	
7	Did the hospital facility make its CHNA report widely available to the public?	✓	
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>https://www.umms.org/uch/community</u>		
b	<input checked="" type="checkbox"/> Other website (list url): <u>WWW.HARFORDCOUNTYHEALTH.COM</u>		
c	<input checked="" 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	✓	
9	Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>18</u>		
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	✓	
a	If "Yes," (list url): <u>https://www.umms.org/uch/community</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)?		✓
12b	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 1

		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? 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>2</u> <u>0</u> <u>0</u> % and FPG family income limit for eligibility for discounted care of <u>3</u> <u>0</u> <u>0</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 type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	✓	
15	Explained the method for applying for financial assistance? 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 type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility? 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>(SEE STATEMENT)</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>(SEE STATEMENT)</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>(SEE STATEMENT)</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)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group 1

	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?	✓	
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?		✓
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 checked="" 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?	✓	
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 1

		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	✓
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	✓

Part V, Section C

Supplemental Information. 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.

Return Reference - Identifier	Explanation
SCHEDULE H, PART V, SECTION B, LINE 3E - THE SIGNIFICANT HEALTH NEEDS OF THE COMMUNITY	THE SIGNIFICANT HEALTH NEEDS ARE A PRIORITIZED DESCRIPTION OF THE SIGNIFICANT HEALTH NEEDS OF THE COMMUNITY AND IDENTIFIED THROUGH THE CHNA.

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART V, SECTION B, LINE 5 - INPUT FROM PERSONS WHO REPRESENT BROAD INTERESTS OF COMMUNITY SERVED</p>	<p>FACILITY NAME: UPPER CHESAPEAKE MEDICAL CENTER, INC.</p> <p>DESCRIPTION: IN ORDER TO GAIN A BETTER UNDERSTANDING OF THE HARFORD COUNTY COMMUNITY, QUALITATIVE DATA WAS COLLECTED VIA THE LOCAL HEALTH IMPROVEMENT COALITION (LHIC) COMMUNITY FORUM MEETING, AS WELL AS THROUGH A SERIES OF TARGETED FOCUS GROUPS.</p> <p>AT THE OCTOBER 2017 LHIC COMMUNITY FORUM MEETING TWENTY-EIGHT STAKEHOLDER ORGANIZATIONS REPRESENTING DIVERSE COMMUNITY INTERESTS DISCUSSED HEALTH AND SOCIAL DETERMINANTS. THESE STAKEHOLDERS PROVIDED PARTICULAR INSIGHT INTO THE CHALLENGES FACING THE MEDICALLY UNDER-SERVED, LOW INCOME, MARGINALIZED, AND MINORITY POPULATIONS.</p> <p>LHIC STAKEHOLDER ORGANIZATIONS</p> <p>A.M.E. CHURCH ARS HEALTH BEL AIR VOLUNTEER FIRE COMPANY CANCER COALITION HARFORD COMMUNITY ACTION AGENCY HARFORD COUNTY COUNCIL HARFORD COUNTY DEPARTMENT OF COMMUNITY SERVICES HARFORD COUNTY DEPARTMENT OF SOCIAL SERVICES HARFORD COUNTY HEALTH DEPARTMENT HARFORD COUNTY HOUSING & COMMUNITY DEVELOPMENT HARFORD COUNTY OFFICE ON AGING HARFORD COUNTY OFFICE ON DRUG CONTROL POLICY HARFORD COUNTY OFFICE ON MENTAL HEALTH/CORE SERVICE AGENCY HARFORD COUNTY PLANNING & ZONING HARFORD COUNTY PUBLIC SCHOOLS HARFORD COUNTY SHERIFF'S OFFICE HEALTHY HARFORD/ HEALTHY CECIL INNER COUNTY OUTREACH MARYLAND DEPARTMENT OF HEALTH OFFICE OF CANCER PREVENTION ST. JAMES A.M.E. CHURCH ST. MARGARET'S PARISH HEALTH MINISTRY TOWN OF BEL AIR TOWSON UNIVERSITY UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH UNIVERSITY OF MARYLAND SCHOOL OF LAW LEGAL RESOURCE CENTER THE WARD Y IN ABINGDON Y IN CENTRAL MARYLAND</p> <p>IN ADDITION, FOUR FOCUS GROUPS WERE CONVENED TO GATHER THE INPUT OF TARGETED GROUPS. THESE FOCUS GROUPS INCLUDED MEMBERS OF FAITH-BASED ORGANIZATION, EMERGENCY MEDICAL SYSTEM (EMS) PERSONNEL, PARTICIPANTS FROM THE EPICENTER (A COMMUNITY CENTER IN AN IMPOVERISHED AND LOW-INCOME MINORITY COMMUNITY), AND RESIDENTS LIVING WITH CHRONIC DISEASE.</p> <p>AN ONLINE COMMUNITY SURVEY OF HARFORD COUNTY RESIDENTS WAS CONDUCTED BETWEEN OCTOBER 2017 AND FEBRUARY 2018. THE SURVEY WAS DESIGNED TO ASSESS HEALTH STATUS, HEALTH RISK AND BEHAVIORS, PREVENTATIVE HEALTH PRACTICES, AND HEALTH CARE ACCESS PRIMARILY RELATED TO CHRONIC DISEASE AND INJURY. A TOTAL OF 1,741 RESIDENT SURVEYS WERE COMPLETED, REPRESENTING THE GEOGRAPHICAL, GENDER, AND ETHNIC DIVERSITY OF THE COMMUNITY.</p> <p>FOLLOWING THE COMPLETION OF THE CHNA RESEARCH, THE HEALTH ISSUES WERE PRIORITIZED AND IMPLEMENTATION PLANS WERE DRAFTED WITH THE HELP OF 21 PARTNERS INCLUDING HEALTH CARE PROVIDERS, PUBLIC HEALTH EXPERTS, HEALTH AND HUMAN SERVICE AGENCIES, AND OTHER COMMUNITY REPRESENTATIVES.</p> <p>PRIORITIZATION SESSION PARTICIPANTS</p> <p>NATE ALBRIGHT, UMUH CLINICAL SERVICE LINE PATSY ASTARITA, UMUH KAUFMAN CANCER CENTER VICKIE BANDS, UMUH COMMUNITY HEALTH IMPROVEMENT ERIN BROWN, UMUH STROKE CENTER MALLORY CANAMI, HARFORD COUNTY HEALTH DEPARTMENT LESLIE CLARK, UMUH COMPREHENSIVE CARE CENTER KAREN HENSLEY, UMUH WOMEN & CHILDREN GARY HICKS, UMUH EDUCATION BARI KLEIN, HEALTHY HARFORD/HEALTHY CECIL ROD KORNRUMPF, UMUH BEHAVIORAL HEALTH MARK LEWIS, UMUH HEART & VASCULAR INSTITUTE SHARON LIPFORD, HEALTHY HARFORD/HEALTHY CECIL RUSS MOY, HARFORD COUNTY HEALTH DEPARTMENT DEBBIE OSTROWSKI, UMUH DIABETES & ENDOCRINE CHRISTINA PEDINI, UMUH REHAB SERVICES JERRY REYERSON, HARFORD COUNTY GOVERNMENT AMBER SHRODES, HARFORD COUNTY COMMUNITY SERVICES JULIE SIEJACK, UMUH COMMUNITY OUTREACH KIMBERLY THEIS, UMUH COMMUNITY BENEFIT DINA WILLARD, UMUH HEALTHY HARFORD/HEALTHY CECIL BYRON YOUNG, HARFORD COUNTY FAITH BASED COMMUNITY</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART V, SECTION B, LINE 6A - CHNA CONDUCTED WITH ONE OR MORE OTHER HOSPITAL FACILITIES</p>	<p>FACILITY NAME: UPPER CHESAPEAKE MEDICAL CENTER, INC.</p> <p>DESCRIPTION: UCMC'S CHNA WAS CONDUCTED IN CONJUNCTION WITH ITS RELATED AFFILIATE HOSPITAL, HARFORD MEMORIAL HOSPITAL.</p>
<p>SCHEDULE H, PART V, SECTION B, LINE 6B - CHNA CONDUCTED WITH ONE OR MORE ORGANIZATIONS OTHER THAN HOSPITAL FACILITIES</p>	<p>FACILITY NAME: UPPER CHESAPEAKE MEDICAL CENTER, INC.</p> <p>DESCRIPTION: THE HOSPITAL'S CHNA WAS CONDUCTED WITH ORGANIZATIONS OTHER THAN HOSPITAL FACILITIES AS FOLLOWS: HEALTHY HARFORD (A 501(C)(3) ORGANIZATION) AND HARFORD COUNTY HEALTH DEPARTMENT.</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART V, SECTION B, LINE 11 - HOW HOSPITAL FACILITY IS ADDRESSING NEEDS IDENTIFIED IN CHNA</p>	<p>FACILITY NAME: UPPER CHESAPEAKE MEDICAL CENTER, INC.</p> <p>DESCRIPTION: UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH (UMUCH) HAVE PRIORITIZED THE FOLLOWING HEALTH CONCERNS IN ORDER OF IMPORTANCE: BEHAVIORAL HEALTH, PREVENTION AND WELLNESS, AND FAMILY STABILITY AND WELLNESS.</p> <p>KEY FINDINGS REGARDING THE PRIORITIZATION OF BEHAVIORAL HEALTH, PREVENTION AND WELLNESS, AND FAMILY STABILITY AND WELLNESS BEHAVIORAL HEALTH (MENTAL HEALTH/ADDICTIONS): THE SUICIDE RATE OF A COMMUNITY IS CONSIDERED TO BE A KEY INDICATOR OF ITS MENTAL HEALTH STATUS. HARFORD COUNTY'S RATE OF 12.3 PER 100,000 POPULATION FAR EXCEEDS THE 9.2 RATE FOR THE STATE OF MARYLAND. ACCORDING TO THE MARYLAND BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM (BRFSS) FOR 2013-2015, 21% OF HARFORD COUNTY RESIDENTS HAVE BEEN DIAGNOSED WITH DEPRESSIVE DISORDER, COMPARED TO 16.1% FOR THE STATE. IN ADDITION, 18.2% OF HIGH SCHOOL STUDENTS REPORTED THAT THEY HAVE SERIOUSLY CONSIDERED ATTEMPTING SUICIDE. WHILE APPROXIMATELY 96% OF HARFORD COUNTY RESIDENTS ARE INSURED, THERE IS A NOTABLE LACK OF MENTAL HEALTH CARE PROVIDERS TO MEET COMMUNITY NEEDS. AS SUCH, THE HEALTH RESOURCES AND SERVICE ADMINISTRATION HAS DESIGNATED ALL OF HARFORD COUNTY AS A HEALTH PROFESSIONAL SHORTAGE AREA (HPSA) FOR MENTAL HEALTH SERVICES. SINCE 2007, THE NUMBER OF DRUG AND ALCOHOL RELATED INTOXICATION DEATHS HAS MORE THAN DOUBLED IN BOTH MARYLAND AND HARFORD COUNTY. THE NUMBERS OF DRUG RELATED LAW ENFORCEMENT INCIDENTS AND OVERDOSE CALLS HAVE ALSO INCREASED DRAMATICALLY SINCE 2011, BY 57% AND 95% RESPECTIVELY. ANOTHER INDICATOR OF THE SEVERITY OF THE ADDICTION PROBLEM IN HARFORD COUNTY IS THE NUMBER OF SUBSTANCE EXPOSED NEWBORNS (SEN) BORN IN THE COMMUNITY. BETWEEN 2000 AND 2016, HARFORD COUNTY HAS EXPERIENCED AN EIGHT-FOLD INCREASE IN THE RATE OF HOSPITAL ENCOUNTERS FOR NEWBORNS WITH MATERNAL DRUG/ALCOHOL EXPOSURE. THIS NOT ONLY INDICATES AN INCREASE IN SUBSTANCE ABUSE, BUT ALSO A LACK OF TREATMENT ACCESS. IN RESPONSE TO BEHAVIORAL HEALTH, THE FOLLOWING ACTIONS ARE BEING TAKEN:</p> <ul style="list-style-type: none"> *OPEN OUTPATIENT BEHAVIORAL HEALTH CLINIC *OPEN BEHAVIORAL HEALTH URGENT CARE CENTER *OPEN BEHAVIORAL HEALTH CRISIS RESIDENTIAL BEDS *WELLNESS ACTION TEAMS OF CECIL AND HARFORD COUNTY (WATCH PROGRAM) TO SCREEN PATIENTS AND THEIR FAMILIES FOR BEHAVIORAL HEALTH ISSUES AND MAKE APPROPRIATE REFERRALS. *DEVELOP CLINICAL PATHWAYS FOR PATIENTS ENTERING CRISIS CENTER *PROVIDE BEHAVIORAL HEALTH SUPPORT GROUPS AND CHRONIC PAIN SELF-MANAGEMENT CLASSES *PROVIDE EDUCATION TO INTERNAL TEAM AND ASHLEY ADDICTION TREATMENT ON LATERAL VIOLENCE (ABUSE IN WORKPLACE BY ONE EMPLOYEE TO ANOTHER, IT INCLUDES BOTH OVERT AND COVERT ACTS OF VERBAL AND NON-VERBAL AGGRESSION). *PROVIDE EDUCATION ON CO-OCCURRING BEHAVIORAL HEALTH/SUBSTANCE ABUSE ISSUES AND TRAUMA INFORMED CARE. *PROVIDE EDUCATIONAL CLASSES SPECIFIC TO BEHAVIORAL HEALTH: MENTAL HEALTH FIRST AID, QUESTION, PERSUADE, REFER (QPR) *WORK WITH THE HARFORD COUNTY SHERIFF'S OFFICE TO PROVIDE CRISIS MANAGEMENT ASSISTANCE AS PART OF THEIR CRISIS INTERVENTION AND CRISIS NEGOTIATION TEAMS. *PARTICIPATE ON THE SUBSTANCE EXPOSED NEWBORN (SEN) TASKFORCE TO DEVELOP POLICIES AND IMPLEMENTATION PLANS TO LINK PREGNANT WOMEN WITH SUBSTANCE USE DISORDER TO TREATMENT. *PROVIDE DEPRESSION SCREENINGS (PHQ-9) AT CERTAIN HEALTH EVENTS. <p>PREVENTION AND WELLNESS: AS A WHOLE, HARFORD COUNTY RESIDENTS HAVE ACCESS TO A BETTER FOOD ENVIRONMENT AND GREATER ACCESS TO EXERCISE OPPORTUNITIES WHEN COMPARED TO THE STATE AND THE NATION. DESPITE GREATER OPPORTUNITIES TO ENGAGE IN HEALTHY BEHAVIORS REGARDING NUTRITION AND EXERCISE, HARFORD COUNTY ADULTS ARE JUST AS LIKELY OR MORE LIKELY TO BE OBESE OR OVERWEIGHT (72.4%) AND PHYSICALLY INACTIVE (26.3%) AS THE REST OF THE STATE. IN ADDITION, TOBACCO USE IS HIGH AMONG BOTH ADULTS (20.7%) AND YOUTH (16.9%) WHICH CORRELATES WITH HIGH RATES OF CHRONIC OBSTRUCTIVE PULMONARY DISEASE (COPD) AND LUNG CANCER. EVEN MORE CONCERNING IS THE HIGH RATE OF STUDENTS REPORTING THEY CURRENTLY USE ELECTRONIC VAPOR PRODUCTS (24.6%), AND THE TOTAL PERCENTAGE OF STUDENTS (32.1%) USING ANY TYPE OF TOBACCO PRODUCT (BURNED, SMOKELESS, OR ELECTRONIC). OBESITY, INSUFFICIENT PHYSICAL EXERCISE, AND TOBACCO USE ARE SOME OF THE BIGGEST DRIVERS OF PREVENTABLE CHRONIC DISEASES AND INCREASED RISK FOR MANY HEALTH CONDITIONS. OBESITY, OFTEN A SYMPTOM OF DIET AND EXERCISE, CAN HAVE A TREMENDOUS IMPACT ON HEALTH AND WELLBEING. BLACK ADULTS WERE ALMOST TWICE AS LIKELY TO BE OBESE THAN WHITE ADULTS, AND ADULTS WITHOUT A HIGH SCHOOL DIPLOMA WERE ALMOST TWICE AS LIKELY TO BE OBESE THAN THEIR COLLEGE GRADUATE COUNTERPARTS. AS SUCH, MINORITY AND LOW INCOME FAMILIES ARE DISPROPORTIONATELY NEGATIVELY AFFECTED. THE TOP FIVE CAUSES OF DEATH IN HARFORD COUNTY ARE HEART DISEASE, CANCER, CHRONIC OBSTRUCTIVE PULMONARY DISEASE, STROKE, AND ACCIDENTS, WHICH ARE CONSISTENT WITH THE STATE AND THE NATION. THE ROLE OF ACCIDENTS AS THE FIFTH LEADING CAUSE OF DEATH IS A RELATIVELY NEW PHENOMENON THAT COULD LIKELY BE ATTRIBUTED TO THE GROWING OPIOID EPIDEMIC AND ACCIDENTAL OVERDOSES, AS WELL AS AN AGING POPULATION. IN RESPONSE TO PREVENTION AND WELLNESS, THE FOLLOWING ACTIONS ARE BEING TAKEN:</p> <p>GENERAL:</p> <ul style="list-style-type: none"> *COMPREHENSIVE CARE CENTER (CCC): TRANSITION NURSE NAVIGATION AND SOCIAL WORKER - TO ENSURE CONTINUITY OF CARE THROUGH EDUCATION, DISEASE MANAGEMENT, MEDICATION AND SYMPTOM REVIEW, AND COORDINATE CARE WITH APPROPRIATE COMMUNITY RESOURCES INCLUDING ARRANGEMENT OF TRANSPORTATION. CARE CENTER PATIENTS ARE ASSESSED FOR NEEDED SERVICES SUCH AS PALLIATIVE CARE, ADVANCE DIRECTIVE AND MARYLAND MEDICAL ORDERS FOR LIFE-SUSTAINING TREATMENT (MOLST) FORMS. *CARDIAC HEART FAILURE (CHF) SHOPRITE STORE TOUR-PROVIDES ENHANCED EDUCATION ON DIETARY NEEDS AND CHALLENGES TO PATIENTS WITH CHF IN OUR COMMUNITY. *PROVIDE CHRONIC DISEASE SELF-MANAGEMENT PROGRAM (CDSMP) *PROVIDE COMMUNITY HEALTH AND WELLNESS EDUCATION, HEALTH SCREENINGS, AND OUTREACH THROUGHOUT THE COUNTY. *PROJECT HEALTHY CONNECT - A MOBILE SCREENING AND CARE COORDINATION CLINIC FOR AT-RISK POPULATIONS WHO ARE SCREENED FOR DEPRESSION, STROKE, BLOOD PRESSURE AND DIABETES.

Return Reference - Identifier	Explanation
	<p>*WORK WITH LOCAL PARTNERS TO CREATE A MORE WALKABLE, BIKEABLE COMMUNITY. *CREATE AND SUSTAIN ACCESS TO COMMUNITY GARDENS.</p> <p>TOBACCO USE: *PROVIDE TOBACCO CESSATION INFORMATION TO HARFORD COUNTY RESIDENTS THROUGH MARYLAND HEALTH MATTERS, UM CH WEBSITE AND SOCIAL MEDIA, HEALTHLINK CALL CENTER, AND KAUFMAN CANCER CENTER (KCC). *KCC WILL OFFER 4 SIX-WEEK EDUCATIONAL CLASS SERIES LED BY A CERTIFIED TOBACCO CESSATION EXPERT. THESE FREE CLASSES ARE OPEN TO THE COMMUNITY AT LARGE. THE HARFORD COUNTY HEALTH DEPARTMENT WILL PROVIDE NICOTINE REPLACEMENT PRODUCTS TO PARTICIPANTS. *PROVIDE EDUCATION ON SMOKING, TOBACCO USE, AND VAPING AT HEALTH EVENTS, BUSINESS, SCHOOLS AND THE FAITH BASED COMMUNITY THROUGHOUT THE COUNTY *PROVIDE CONTINUAL EDUCATIONAL TO THE HEALTHLINK COMMUNITY OUTREACH NURSES ON EXISTING PROGRAMS, BEST PRACTICES AND EVIDENCE BASED TOBACCO PROGRAMS.</p> <p>CANCER: *OFFER NURSE NAVIGATION AND SOCIAL WORK SERVICES TO ASSIST ALL HARFORD COUNTY RESIDENTS, WITH A DIAGNOSES OF CANCER, FREE OF CHARGE WITH OBTAINING ACCESS TO CARE FOR CLINICAL SERVICES, DIAGNOSTIC PROCEDURES, TREATMENT AND DISTRESS MANAGEMENT DUE TO THEIR CANCER, REGARDLESS OF WHERE THEY PLAN TO RECEIVE THEIR TREATMENT. CANCER LIFENET SOCIAL WORKER & PROGRAM ASSISTANT COORDINATES SCHEDULING OF PATIENTS RECEIVING CARE AT THE KCC AND UMUCMC. *PROVIDE ANNUAL CANCER SCREENINGS (SKIN, ADOLESCENT MELANOMA, LUNG, COLORECTAL, AND ORAL HEAD AND NECK). *PROVIDE ACCESS TO HPV VACCINES TO LOW INCOME AND UNINSURED AGE APPROPRIATE CHILDREN (11-17) THROUGH SCHOOL VACCINE CLINICS. *PROVIDE LIMITED FUNDING FOR THOSE WHO DO NOT HAVE ACCESS TO PUBLIC TRANSPORTATION, MA TRANSPORTATION SERVICES, OR WHEN TIMELY ARRANGEMENT WITH HARFORD TRANSIT OR MA TRANSPORTATION SERVICES IS A BARRIER TO PATIENTS RECEIVING TIMELY TREATMENT. PROVIDE FREE TAXI AND HARFORD TRANSIT VOUCHERS FOR BUSES AS NEEDED FOR THOSE IN FINANCIAL NEED TO ASSURE ACCESS TO CARE. *PROVIDE COORDINATED CARE FOR PATIENTS IN OUR COMMUNITY ADMITTED TO OTHER ACUTE CARE FACILITIES AND SUB-ACUTE CARE FACILITIES TO ASSURE CONTINUATION OF CANCER TREATMENT AND MINIMIZE PATIENTS NEED FOR HOSPITALIZATION AND EMERGENCY DEPARTMENT CARE. *PROVIDE MONTHLY SUPPORT GROUP MEETINGS FOR THE PATIENT POPULATIONS LISTED BELOW. THESE PROGRAMS ARE OPEN TO COMMUNITY REGARDLESS OF WHERE THE PATIENT IS RECEIVING TREATMENT. THE PURPOSE OF THESE GROUPS ARE TO PROVIDE EXPERT SPEAKERS, EDUCATION AND SUPPORT. *BLOOD CANCER SUPPORT GROUP *BREAST CANCER SUPPORT GROUP *CLIMB-CHILDREN'S SUPPORT GROUP *HEAD & NECK CANCER SUPPORT GROUP *PROSTATE CANCER SUPPORT GROUP *LOOK GOOD, FEEL BETTER SUPPORT GROUP *HEALING THROUGH SUPPORT *SPONSOR YEARLY FREE CELEBRATORY CANCER SURVIVOR EVENT. *PROVIDE CANCER THRIVING & SURVIVING PROGRAM - A SIX-WEEK EVIDENCE BASED CHRONIC DISEASE MANAGEMENT PROGRAM FOR CANCER SURVIVORS AND THEIR CAREGIVERS.</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART V, SECTION B, LINE 11 - HOW HOSPITAL FACILITY IS ADDRESSING NEEDS IDENTIFIED IN CHNA</p>	<p>FACILITY NAME: UPPER CHESAPEAKE MEDICAL CENTER, INC.</p> <p>DESCRIPTION: *PROVIDE STAY FIT & ACTIVE PROGRAM - THE PURPOSE OF THIS PROGRAM IS TO PROVIDE A MODIFIED EXERCISE PROGRAM FOR PATIENTS UNDERGOING AND RECOVERING FROM CANCER TREATMENT. CLASS HELD 2X/WEEK OR 100 CLASSES PER YEAR. FREE AND OPEN TO ANYONE IMPACTED BY CANCER. *PROVIDE FRESH + LOCAL = HEALTH COOKING DEMONSTRATIONS WITH NUTRITION EDUCATION CLASSES - 4X PER YEAR WE WILL HAVE A HEALTHY COOKING DEMONSTRATION PROVIDED BY A MD AND REGISTERED DIETICIAN TO TEACH THE COMMUNITY NEW AND HEALTHY WAYS TO PREPARE FRESH FRUITS AND VEGETABLES TO PROMOTE HEALTHY EATING. *PROVIDE HEALTH & WELLNESS COACHING AND DELIVERY OF SURVIVORSHIP CARE PLANS - PATIENTS WILL HAVE ANY OPPORTUNITY TO RECEIVE ASSISTANCE OF HEALTH & WELLNESS COACHES. AT THE END OF CANCER TREATMENT, PATIENTS WILL ALSO RECEIVE A WRITTEN SUMMARY OF THEIR TREATMENT ALONG WITH A PLAN FOR SURVEILLANCE, FOLLOW UP AND WELLNESS SELF-CARE PLAN. *PROVIDE SERVICES TO ASSIST PATIENTS UNDERGOING CANCER TREATMENT WITH REDUCING DISTRESS AND MANAGING THEIR WELLNESS WITH THE GOAL OF OVERALL WELLBEING. *MEDITATION CLASSES *MINDFULNESS-BASED STRESS REDUCTION CLASSES *YOGA CLASSES *MASTER GARDENING CLASSES FOR RELAXATION AND WELLNESS *MASSAGE THERAPY *PROVIDE A FREE ACUPUNCTURE CLINIC IN WHICH DOCTORATE STUDENT INTERNS, UNDER THE SUPERVISION OF FACULTY FROM MUIH WILL PROVIDE FREE EVIDENCE-BASED ACUPUNCTURE CARE TO SUPPORT PATIENTS IN THEIR DISTRESS-EMOTIONALLY, SYMPTOM AND SIDE EFFECT MANAGEMENT. THIS CLINIC WILL BE OPERATIONAL 2 OR 3 DAYS PER WEEK AND PROVIDE APPROXIMATELY 15-20 TREATMENTS PER WEEK. *PROVIDE HPV EDUCATION TO PARENTS AND AGE APPROPRIATE CHILDREN REGARDING THE NEED FOR HPV VACCINATION AND THAT THE VACCINE PREVENTS SIX TYPES OF CANCER. *PROVIDE HPV EDUCATION TO AGE APPROPRIATE COLLEGE STUDENTS (18-26) AND THE IMPORTANCE OF RECEIVING THE HPV VACCINATION SERIES FOR CANCER PREVENTION. *PROVIDE PHYSICIAN PEDIATRIC, OB/GYN, AND PRIMARY CARE PHYSICIAN OFFICES WITH HPV VACCINATION INFORMATION.</p> <p>STROKE: *PROVIDE COUNTYWIDE STROKE RISK ASSESSMENTS AND BLOOD PRESSURE SCREENINGS *IMPLEMENT EVIDENCE-BASED CLINICAL GUIDELINES FROM AMERICAN HEART ASSOCIATION/AMERICAN STROKE ASSOCIATION IN CONCERT WITH STATE MIMS REQUIREMENTS AT BOTH UCMC AND HMH. *PROVIDE STROKE SURVIVORS SUPPORT GROUP "STROKE CLUB". *PROVIDE STROKE EDUCATION TO EMS PROVIDERS AT UCMC FIRST FRIDAY'S EDUCATION HOSTED BY THE EMERGENCY DEPARTMENT. *PROVIDE ON-SITE STROKE TRAINING SESSIONS WITH EMS PROVIDERS AT LOCAL HARFORD COUNTY FIRE COMPANIES. *PROVIDE COMMUNITY STROKE EDUCATION SESSIONS AT UCH.</p> <p>DIABETES: *PROVIDE CARE AND MONITORING OF GLUCOSE LEVELS TO DIABETIC PATIENTS IDENTIFIED AS HAVING UNRECOGNIZED HYPOGLYCEMIA, NOCTURNAL HYPOGLYCEMIA OR FREQUENT EPISODES OF HYPOGLYCEMIA AT NO CHARGE. *PROVIDE COUNTYWIDE DIABETES RISK ASSESSMENTS AND HBA1C SCREENINGS *PROVIDE ANNUAL DIABETES HEALTH FAIR *PROVIDE CARE MANAGEMENT TO UNINSURED DIABETIC PATIENTS TO ASSURE ACCESS TO DIABETIC MEDICATIONS AND NEEDED DIABETIC SERVICES. *PROVIDE FOLLOW-UP PHONE CALLS AFTER DISCHARGE FROM IN-PATIENT STAY, TO DIABETIC PATIENTS WHO HAVE BEEN IDENTIFIED DURING THEIR IN-PATIENT STAY AS A HIGH-RISK PATIENT IN NEED OF FURTHER EDUCATION AND SUPPORT. *PROVIDE PATIENTS AT RISK FOR UNRECOGNIZED HYPOGLYCEMIA A REFERRAL TO A CONTINUOUS GLUCOSE MONITORING COMPANY. *PROVIDE EDUCATION REGARDING SAFETY WHEN HYPOGLYCEMIA IS UNRECOGNIZED AND INFORMATION REGARDING CONTINUOUS GLUCOSE MONITORING FOR HOME USE. *PROVIDE ACCESS TO DIABETES SUPPORT GROUPS AT LOCAL SENIOR CENTERS. *PROVIDE EVIDENCE BASED CHRONIC DISEASE AND DIABETES SELF-MANAGEMENT PROGRAM TO HARFORD COUNTY RESIDENTS WITH DIABETES AND/OR PATIENTS REFERRED TO COMMUNITY OUTREACH FOR THIS PROGRAM. *PROVIDE DIABETES SUPPORT AT UM UCH DIABETES ENDOCRINE CENTER *PROVIDE CDC EVIDENCE BASED DIABETES PREVENTION PROGRAM FOR HARFORD COUNTY RESIDENTS AT RISK FOR DIABETES. *PROVIDE DIABETES EDUCATION AND DIABETES RISK ASSESSMENTS TO COMMUNITY RESIDENTS, COMMUNITY ORGANIZATIONS AND COMMUNITY PARTNERS. *PROVIDE DIABETES EDUCATION AND SURVIVAL SKILL PROGRAMS TO IDENTIFIED AT-RISK DIABETIC PATIENTS.</p> <p>HEART DISEASE: *CHF PROGRAM - INDIVIDUALS RECENTLY DIAGNOSED WITH OR RE-HOSPITALIZED FOR CONGESTIVE HEART FAILURE (CHF) ARE REFERRED TO THE CCC FOR MANAGEMENT OF THEIR DISEASE INCLUDING MEDICATION EDUCATION AND REVIEW, DISEASE PROCESS EDUCATION, APPOINTMENT COORDINATION, AND IDENTIFICATION OF OTHER NEEDED COMMUNITY SERVICES. *MONTHLY STEMI PROCESS ACTION TEAM MEETING - DISCUSSION OF TOPICS RELATED TO IMPROVEMENT OF THE PROCEDURES AND CARE FOR THE STEMI PATIENT. INCLUDES DISCUSSION OF PRE-HOSPITAL ISSUES AND INVOLVES REPRESENTATIVES FROM CECIL, HARFORD, AND BALTIMORE COUNTIES EMS, AS WELL AS REPRESENTATIVES FROM HART TO HEART, AND THE UNIVERSITY OF MARYLAND EXPRESS CARE AMBULANCE SERVICES. *PURCHASE LIFENET EKG TRANSMITTERS FOR ALL AMBULANCES IN HARFORD AND CECIL COUNTIES, FOR SENDING EKGs FROM THE SCENE TO THE ED FOR INTERPRETATION BY A PHYSICIAN AND EARLY ACTIVATION OF THE STEMI TEAM TO REDUCE DOOR TO BALLOON TIME. *PROVIDE MONITORED CARDIAC REHABILITATION PROGRAM FOR NEWLY RECOVERING HEART ATTACK PATIENTS. *PROVIDE A MAINTENANCE PROGRAM FOR CARDIAC AND PULMONARY REHAB PATIENTS TO PROVIDE A TRANSITIONAL PROGRAM AS PATIENTS MOVE FROM THEIR MORE CLOSELY MONITORED REHAB PROGRAM</p>

Return Reference - Identifier	Explanation
	<p>TO EXERCISING ON THEIR OWN TO MAINTAIN THEIR HEALTH.</p> <p>*COORDINATE UMUCH'S PARTICIPATION IN THE GREATER BALTIMORE AMERICAN HEART ASSOCIATION (AHA) HEART AND STROKE WALK, RAISING FUNDS FOR RESEARCH AND EDUCATION REGARDING REDUCING HEART DISEASE RISK AND MORTALITY.</p> <p>*HEART CLUB - MONTHLY EDUCATIONAL AND SUPPORT MEETINGS FOR CARDIAC PATIENTS.</p> <p>*LUNG RANGERS- MONTHLY EDUCATIONAL AND SUPPORT MEETINGS FOR PULMONARY PATIENTS.</p> <p>*CHECK, CHANGE, CONTROL PROGRAM- IN PARTNERSHIP WITH AMERICAN HEART AND STROKE ASSOCIATION, ASSIST COMMUNITY MEMBERS TO SIGN UP ONLINE FOR THIS PROGRAM THAT PROMOTES FOLLOWING BLOOD PRESSURE MEASUREMENTS, TO BE SURE MEMBERS KNOW WHAT THEIR BLOOD PRESSURE IS SO THAT THEY CAN DETERMINE THE NEED TO MAKE LIFESTYLE CHANGES TO IMPROVE THEIR BLOOD PRESSURE AND/OR TO SEE THEIR PHYSICIAN.</p> <p>*EVIDENCE BASED CLASSES: CDSMP</p> <p>*PROVIDE SPRING TRAUMA SYMPOSIUM FOR HARFORD AND CECIL COUNTY EMS PERSONNEL. EDUCATION IS PROVIDED ON SPECIFIC DISEASES AND/OR CLINICAL ISSUES OF INTEREST AND NEED SO EMS IS EDUCATED AND REMAIN COMPETENT AND TRAINED TO MANAGE EMERGENCIES.</p> <p>*PROVIDE AND MANAGE WEBSITE, WHICH INCLUDES THE HEARTAWARE RISK ASSESSMENT TOOL, AS WELL AS INFORMATION ON SIGNS OF A HEART ATTACK, SHOPPING GUIDE FOR HEART HEALTHY FOODS AND TIPS ON PREVENTING HEART DISEASE.</p> <p>*PROVIDE COMMUNITY HEALTH AND WELLNESS EDUCATION ADDRESSING RISK FACTORS FOR CARDIOVASCULAR DISEASE.</p> <p>*PROVIDE COMMUNITY HEALTH SCREENINGS, INCLUDING BLOOD PRESSURE, CHOLESTEROL, HBA1C, AND VASCULAR, THROUGHOUT THE COUNTY.</p> <p>RESPIRATORY DISEASES:</p> <p>*CHRONIC OBSTRUCTED PULMONARY DISEASE (COPD) DISEASE PROGRAM- INDIVIDUALS RECENTLY DIAGNOSED WITH OR RE-HOSPITALIZED FOR COPD ARE REFERRED TO THE CCC FOR DISEASE MANAGEMENT INCLUDING MEDICATION EDUCATION AND REVIEW, SYMPTOM MANAGEMENT, MDI AND NEBULIZER EDUCATION, DISEASE EDUCATION, APPOINTMENTS COORDINATION AND IDENTIFICATION OF ADDITIONAL NEEDED SERVICES IN THE COMMUNITY.</p> <p>*CREATE ASTHMA TREATMENT ALGORITHM USING METER DOSE INHALER (MDI)</p> <p>*PROVIDE PULMONARY REHABILITATION PROGRAM FOR PATIENTS WITH A DIAGNOSES OF CHRONIC LUNG DISEASE.</p> <p>*PROVIDE MDI VS. NEBULIZER EDUCATION FOR PATIENTS, FAMILIES, COMMUNITY PEDIATRICIANS, AND THE SCHOOL SYSTEM.</p> <p>*EVIDENCE BASED PROGRAM: CDSMP</p> <p>INJURY AND PREVENTION/FALLS:</p> <p>*PROVIDE COMMUNITY FALLS RISK SCREENINGS</p> <p>*PROVIDE EVIDENCE BASED FALLS PREVENTION PROGRAM: STEPPING ON PROGRAM.</p> <p>*PROVIDE FALL RISK EDUCATION DURING COMMUNITY FALL RISK SCREENINGS.</p> <p>*PHYSICAL THERAPIST IN THE EMERGENCY DEPARTMENT AT UCMC (NEW POSITION APRIL 2018)</p> <p>*DEVELOPMENT OF OSTEOPOROSIS PROGRAM TO ENHANCE FOLLOW UP FOR BONE DENSITY SCREENINGS FOR PATIENTS WITH OSTEOPENIA OR OSTEOPOROSIS.</p> <p>*INCREASE ADVERTISING FOR CAR SEAT CHECK EVENTS.</p> <p>*PROVIDE MONTHLY CAR SEAT CHECKS.</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART V, SECTION B, LINE 11 - HOW HOSPITAL FACILITY IS ADDRESSING NEEDS IDENTIFIED IN CHNA</p>	<p>FACILITY NAME: UPPER CHESAPEAKE MEDICAL CENTER, INC.</p> <p>DESCRIPTION: *IDENTIFY OPPORTUNITIES AND PROVIDE CAR SEAT SAFETY EDUCATION IN THE COMMUNITY. *EXPLORE THE POSSIBILITY OF ADDING A CAR SEAT CHECK EVENT EACH MONTH *OFFER CHILD PASSENGER TECHNICIAN TRAINING TO THOSE INTERESTED. *SUPPORT CURRENT TECHNICIANS IN MAINTAINING THEIR CERTIFICATIONS. *HOST BIKE RODEOS AND BIKE/HELMET GIVEAWAYS EVENTS. *PROVIDE ANNUAL FLU VACCINATIONS THROUGHOUT THE COUNTY AT VARIOUS LOCATIONS WITH A FOCUS ON THE SENIOR POPULATION.</p> <p>FAMILY STABILITY AND WELLNESS: WHILE THE MAJORITY OF BABIES IN HARFORD COUNTY ARE BORN INTO MARRIED FAMILIES (69.4%) TO MOTHERS OVER THE AGE OF 20 (96.5%), THERE ARE SIGNIFICANT ETHNIC AND RACIAL DISPARITIES. MOST CONCERNING IS THE SIGNIFICANTLY HIGHER NUMBER OF LOW BIRTH WEIGHT BABIES BORN TO BLACK WOMEN (12.1%) AS COMPARED TO WHITE (7.6%), AND THE 2.5 TIMES HIGHER RATE OF INFANT MORTALITY FOR BLACK BABIES (14.4 PER 1,000 BIRTHS) AS COMPARED TO WHITE (4.8 PER 1,000 BIRTHS).</p> <p>THE PERCENTAGE OF MOTHERS RECEIVING PRENATAL CARE IN THE FIRST TRIMESTER IN HARFORD COUNTY IS 71.%, HOWEVER WHEN BROKEN DOWN ALONG RACIAL AND ETHNIC LINES THE PERCENTAGE OF NON-WHITE MOTHERS RECEIVING PRENATAL CARE IN THE FIRST TRIMESTER IS SIGNIFICANTLY LOWER. ACCORDING TO 2016 MARYLAND VITAL STATISTICS, 74.8% OF WHITE WOMEN RECEIVED PRENATAL CARE IN THE FIRST TRIMESTER, WHILE ONLY 59.7% OF BLACK WOMEN AND 60.3% OF HISPANIC WOMEN DID. THE LACK OF PRENATAL CARE AND THE POTENTIALLY NEGATIVE HEALTH OUTCOMES FOR NEWBORNS CAN HAVE LONG LASTING DETRIMENTAL DEVELOPMENTAL EFFECTS, INCLUDING SCHOOL READINESS AND LONG-TERM HEALTH COMPLICATIONS.</p> <p>WHILE HARFORD COUNTY'S VIOLENT CRIME AND PROPERTY CRIME RATE ARE MUCH LOWER THAN THE STATE RATE, CRIME AND THE RESULTING INCARCERATION DISPROPORTIONALLY AFFECT LOW-INCOME AREAS. IN HARFORD COUNTY, THE CITY OF ABERDEEN, ONE OF THE COMMUNITY'S LOWEST INCOME AREAS, HAS A SIGNIFICANTLY HIGHER RATE OF OVERALL AND VIOLENT CRIME RATE THAN THE SURROUNDING MUNICIPALITIES.</p> <p>IN RESPONSE TO FAMILY HEALTH AND RESILIENCY, THE FOLLOWING ACTIONS ARE BEING TAKEN: *LINK PREGNANT PATIENTS TO NEEDED RESOURCES (I.E. TREATMENT FACILITIES, CARE COORDINATION PROGRAMS, AND DSS). *PROVIDE EDUCATION REGARDING SUBSTANCE EXPOSED NEWBORN POSTNATAL TREATMENT NEEDS AND EXPERIENCES TO TREATMENT PROVIDERS. ENGAGE HARFORD COUNTY HEALTH DEPARTMENT, PEER RECOVERY SPECIALISTS, OB PROVIDERS *INCREASED ACCESS TO CLINICAL AND PSYCHO/SOCIAL SERVICES FOR UNINSURED, HOMELESS, AND MARGINAL POPULATIONS THROUGHOUT THE COUNTY AS PARTICIPANT IN PROJECT HOMELESS CONNECT. *IMPROVE HEALTH AND WELLBEING OF HIGH RISK AND RISING RISK MEDICARE POPULATION THROUGH INTENSE CARE COORDINATION AND HOME VISITING THROUGH WATCH TEAM. *PROVIDE ACES TRAINING THROUGHOUT HARFORD COUNTY. *PROVIDE ADVANCE DIRECTIVE CLASSES, LINKAGES, EDUCATION AND ASSISTANCE. *PARTICIPATE IN CHERISH THE CHILD, TRAUMA CONFERENCE *PROVIDE COMMUNITY EDUCATIONAL PRESENTATIONS RELATED TO NUTRITION AND LIFESTYLES AND HOW THEY CAN IMPROVE FAMILY HEALTH AND RESILIENCY. *IMPROVE LINKAGES FOR APPROPRIATE HOUSING AND HOUSING RENOVATIONS THROUGH HABITAT FOR HUMANITY HOUSING PARTNERSHIP *IMPROVE TRAUMA RESPONSE FOR REDUCED ACE SCORES THROUGH HANDLE WITH CARE POLICY FOR CHILDREN WHO HAVE EXPERIENCED TRAUMA RETURN TO SCHOOL. FOR THE FULL IMPLEMENTATION STRATEGY, PLEASE VISIT HTTPS://WWW.UMMS.ORG/UCH/COMMUNITY/ASSESSMENT-AND-IMPLEMENTATION-PLAN</p> <p>DRUG EXPOSED NEWBORNS (BEHAVIORAL HEALTH) AND MENTAL HEALTH AND ADDITIONAL ARE IDENTIFIED NEEDS THAT ARE ADDRESSED COLLABORATIVELY WITH NUMEROUS COMMUNITY PARTNERS. WHILE UMUCH HAS TAKEN THE LEAD IN ADDRESSING MENTAL HEALTH AND ADDITION, NUMEROUS COUNTY ORGANIZATIONS PARTNERED WITH UMUCH TO ADDRESS THESE INITIATIVES.</p>
<p>SCHEDULE H, PART V, SECTION B, LINE 13B - ELIGIBILITY FOR DISCOUNTED CARE</p>	<p>FACILITY NAME: UPPER CHESAPEAKE MEDICAL CENTER, INC.</p> <p>DESCRIPTION: THE FINANCIAL ASSISTANCE POLICY EXPLAINS SEVERAL ELIGIBILITY CRITERIA, INCLUDING PARTICIPATION IN MEDICAID/MEDICARE PROGRAMS AS WELL AS ELIGIBILITY UNDER VARIOUS STATE REGULATIONS. IN ADDITION TO FPG, THE INCOME LEVELS DEFINED BY THE MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE (MD DHMH) ARE USED TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE. THE MD DHMH INCOME LEVELS ARE MORE GENEROUS THAN THE FPG INCOME LEVELS.</p>
<p>SCHEDULE H, PART V, SECTION B, LINE 16A - FAP AVAILABLE WEBSITE</p>	<p>https://www.umms.org/uch/community</p>
<p>SCHEDULE H, PART V, SECTION B, LINE 16B - FAP APPLICATION FORM WEBSITE</p>	<p>https://www.umms.org/uch/community</p>
<p>SCHEDULE H, PART V, SECTION B, LINE 16C - PLAIN LANGUAGE FAP SUMMARY WEBSITE</p>	<p>https://www.umms.org/uch/community</p>

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? 0

Name and address	Type of Facility (describe)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Provide the following information.

- 1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; 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 needs assessments reported in Part V, Section B.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Promotion of community health.** Provide any other information important to describing how the organization's 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.

Return Reference - Identifier	Explanation
SCHEDULE H, PART I, LINE 3C - CRITERIA FOR FREE OR DISCOUNTED CARE	<p>UCMC IS COMMITTED TO PROVIDING FINANCIAL ASSISTANCE TO PERSONS WHO HAVE HEALTH CARE NEEDS AND ARE UNINSURED, UNDERINSURED, INELIGIBLE FOR A GOVERNMENT PROGRAM, OR OTHERWISE UNABLE TO PAY, FOR MEDICALLY NECESSARY CARE BASED ON THEIR INDIVIDUAL FINANCIAL SITUATION. IN ADDITION TO FPG, THE INCOME LEVELS DEFINED BY THE MARYLAND STATE DEPARTMENT OF HEALTH AND MENTAL HYGIENE (MD DHMH) ARE USED TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE. THE MD DHMH INCOME LEVELS ARE MORE GENEROUS THAN THE FPG INCOME LEVELS.</p> <p>THE FAP ALSO USES A FINANCIAL HARDSHIP THRESHOLD WHEN DETERMINING ELIGIBILITY. A PATIENT WITH MEDICAL DEBT EXCEEDING 25% OF FAMILY ANNUAL HOUSEHOLD INCOME MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE.</p>
SCHEDULE H, PART I, LINE 6B - COMMUNITY BENEFIT REPORT	<p>THE ORGANIZATION ANNUALLY FILES A COMMUNITY BENEFIT REPORT AS REQUIRED BY THE MARYLAND HSCRC. THE REPORT CAN BE FOUND AT: HTTPS://HSCRC.STATE.MD.US/PAGES/INIT_CB.ASPX.</p>
SCHEDULE H, PART I, LINE 7 - EXPLANATION OF COSTING METHODOLOGY USED FOR CALCULATING LINE 7 TABLE	<p>MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES COST REVIEW COMMISSION, (HSCRC) DETERMINES PAYMENT THROUGH A RATE SETTING PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.</p> <p>COMMUNITY BENEFIT EXPENSES ARE EQUAL TO MEDICAID REVENUES IN MARYLAND, AS SUCH, THE NET EFFECT IS ZERO. ADDITIONALLY, NET REVENUES FOR MEDICAID SHOULD REFLECT THE FULL IMPACT ON THE HOSPITAL OF ITS SHARE OF THE MEDICAID ASSESSMENT."</p>
SCHEDULE H, PART I, LINE 7, COL (F) - BAD DEBT EXPENSE EXCLUDED FROM FINANCIAL ASSISTANCE CALCULATION	14,903,377

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART II - DESCRIBE HOW COMMUNITY BUILDING ACTIVITIES PROMOTE THE HEALTH OF THE COMMUNITY</p>	<p>THROUGH A VARIETY OF COMMUNITY BUILDING ACTIVITIES, UMUCH PROMOTES HEALTH AND WELLNESS IN THE COMMUNITIES IT SERVES. THESE ACTIVITIES INCLUDE COMMUNITY SUPPORT, COALITION BUILDING AND COMMUNITY HEALTH IMPROVEMENT ADVOCACY. UMUCH PROVIDES LEADERSHIP TO MANY COMMUNITY COALITIONS AND COLLABORATIVE PARTNERSHIPS TO IMPROVE COMMUNITY HEALTH, WHICH INCLUDE, BUT ARE NOT LIMITED TO:</p> <p>HEALTHY HARFORD - THE HEALTHY COMMUNITIES INITIATIVE OF HARFORD COUNTY, DEDICATED TO THE HEALTH AND WELLNESS OF THE NORTHERN CHESAPEAKE COMMUNITY. FOUNDED IN 1993 AS A NON-PROFIT 501C3 BY LEADERS FROM UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH, THE HARFORD COUNTY HEALTH DEPARTMENT, AND HARFORD COUNTY GOVERNMENT, HEALTHY HARFORD IS A COALITION OF LOCAL GOVERNMENT AGENCIES, BUSINESSES, NON-PROFITS, AND CITIZENS DEDICATED TO IMPROVING THE HEALTH OF HARFORD COUNTY RESIDENTS THROUGH EDUCATION, POLICY CHANGES, IMPROVEMENTS IN THE BUILT ENVIRONMENT, INCREASED ACCESS TO CARE, AND IMPROVED CARE COORDINATION FOR PEOPLE WITH CHRONIC ILLNESS. HEALTHY HARFORD'S MISSION IS TO INSPIRE AND EMPOWER HEALTHY PEOPLE, HEALTHY FAMILIES, AND HEALTHY COMMUNITIES IN MIND, BODY, AND SPIRIT, WITH A FOCUS OF IMPROVING HEALTH AND WELLNESS IN THE HARFORD COUNTY REGION BY PROMOTING HEALTHY LIFESTYLES, BUILDING COMMUNITY PARTNERSHIPS, AND PROVING CARE COORDINATION.</p> <p>THE HARFORD COUNTY LOCAL HEALTH IMPROVEMENT COALITION (LHIC) - JOINTLY LED BY THE HARFORD COUNTY HEALTH DEPARTMENT AND UMUCH. THIS COALITION BRINGS TOGETHER REPRESENTATIVES FROM THE COMMUNITY EVERY OCTOBER TO EXAM THE HEALTH OF OUR COMMUNITY AND DETERMINE A PLAN FOR MOVING FORWARD. PRIMARY HEALTH IMPROVEMENT PRIORITIES FOR THIS COALITION INCLUDE BEHAVIORAL HEALTH, CHRONIC DISEASE PREVENTION & WELLNESS AND FAMILY HEALTH & RESILIENCY. THE CHARGE FOR EACH PRIORITY IS THEN LEAD BY A COMMUNITY WORKGROUP. EACH WORKGROUP HAS STRATEGIC INITIATIVES, ACTION PLANS, AND MEASURABLE GOALS. THEY MEET EITHER MONTHLY OR QUARTERLY AND REPORT OUT AT THE ANNUAL LHIC MEETING.</p> <p>OTHER COMMUNITY COALITIONS THAT UMUCH PLAYS AN ACTIVE ROLE IN INCLUDE: HARFORD COUNTY CANCER COALITION, SUICIDE PREVENTION WORKGROUP, OVERDOSE FATALITY REVIEW TEAM, CITIZEN REVIEW BOARD FOR CHILDREN, AND HARFORD COUNTY CHILD FATALITY REVIEW BOARD. ALL OF THESE COMMITTEES AND COALITION ARE COLLABORATIVE EFFORTS TO ADDRESS HEALTH ISSUES AND ADVOCATE FOR POLICIES AND PROGRAMS THAT IMPROVE HEALTH IN THE COMMUNITIES WE SERVE.</p>
<p>SCHEDULE H, PART III, LINE 2 - METHODOLOGY USED TO ESTIMATE BAD DEBT</p>	<p>THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) STARTED SETTING HOSPITAL RATES IN 1974. AT THAT TIME, THE HSCRC APPROVED RATES APPLIED ONLY TO COMMERCIAL INSURERS. IN 1977, THE HSCRC NEGOTIATED A WAIVER FROM MEDICARE HOSPITAL PAYMENT RULES FOR MARYLAND HOSPITALS TO BRING THE FEDERAL MEDICARE PAYMENTS UNDER HSCRC CONTROL.</p> <p>IN 2014, MARYLAND'S WAIVER WITH MEDICARE WAS RENEGOTIATED AND UPDATED TO REFLECT THE CURRENT HEALTHCARE ENVIRONMENT. UNDER THIS NEW WAIVER, SEVERAL CRITERIA WERE ESTABLISHED TO MONITOR THE SUCCESS OF THE SYSTEM IN CONTROLLING HEALTHCARE COSTS AND THE CONTINUANCE OF THE WAIVER ITSELF:</p> <ol style="list-style-type: none"> 1. REVENUE GROWTH PER CAPITA 2. MEDICARE HOSPITAL REVENUE PER BENEFICIARY 3. MEDICARE ALL PROVIDER REVENUE GROWTH PER BENEFICIARY 4. MEDICARE READMISSION RATES 5. HOSPITAL ACQUIRED CONDITION RATE <p>BECAUSE OF THIS SYSTEM, THE HOSPITAL IS UNABLE TO ESTIMATE HOW MUCH OF THE AMOUNT REPORTED IN LINE 2 IS ATTRIBUTED TO PATIENTS WHO WOULD APPLY UNDER THE FAP.</p>
<p>SCHEDULE H, PART III, LINE 4 - FOOTNOTE IN ORGANIZATION'S FINANCIAL STATEMENTS DESCRIBING BAD DEBT</p>	<p>THE CORPORATION RECORDS REVENUES AND ACCOUNTS RECEIVABLE FROM PATIENTS AND THIRD-PARTY PAYORS AT THEIR ESTIMATED NET REALIZABLE VALUE. REVENUE IS REDUCED FOR ANTICIPATED DISCOUNTS UNDER CONTRACTUAL ARRANGEMENTS AND FOR CHARITY CARE. AN ESTIMATED PROVISION FOR BAD DEBTS IS RECORDED IN THE PERIOD THE RELATED SERVICES ARE PROVIDED BASED UPON ANTICIPATED UNCOMPENSATED CARE, AND IS ADJUSTED AS ADDITIONAL INFORMATION BECOMES AVAILABLE.</p> <p>THE PROVISION FOR BAD DEBTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS CONSIDERING HISTORICAL BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN HEALTHCARE COVERAGE, AND OTHER COLLECTION INDICATORS. PERIODICALLY THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON HISTORICAL WRITE-OFF EXPERIENCE BY PAYOR CATEGORY. THE RESULTS OF THIS REVIEW ARE THEN USED TO MAKE MODIFICATIONS TO THE PROVISION FOR BAD DEBTS AND TO ESTABLISH AN ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES. AFTER COLLECTION OF AMOUNTS DUE FROM INSURERS, THE CORPORATION FOLLOWS INTERNAL GUIDELINES FOR PLACING CERTAIN PAST DUE BALANCES WITH COLLECTION AGENCIES.</p> <p>FOR RECEIVABLES ASSOCIATED WITH SERVICES PROVIDED TO PATIENTS WHO HAVE THIRD-PARTY COVERAGE, THE CORPORATION ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR BAD DEBTS, ALLOWANCE FOR CONTRACTUAL ADJUSTMENTS, PROVISION FOR BAD DEBTS, AND CONTRACTUAL ADJUSTMENTS ON ACCOUNTS FOR WHICH THE THIRD-PARTY PAYOR HAS NOT YET PAID OR FOR PAYORS WHO ARE KNOWN TO BE HAVING FINANCIAL DIFFICULTIES THAT MAKE THE REALIZATION OF AMOUNTS DUE UNLIKELY. FOR RECEIVABLES ASSOCIATED WITH SELF-PAY PATIENTS OR WITH BALANCES REMAINING AFTER THE THIRD-PARTY COVERAGE HAD ALREADY PAID, THE CORPORATION RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE PERIOD OF SERVICE ON THE BASIS OF ITS HISTORICAL COLLECTIONS, WHICH INDICATES THAT MANY PATIENTS ULTIMATELY DO NOT PAY THE PORTION OF THEIR BILL FOR WHICH THEY ARE FINANCIALLY RESPONSIBLE. THE DIFFERENCE BETWEEN THE DISCOUNTED RATES AND THE AMOUNTS COLLECTED AFTER ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED IS CHARGED AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS.</p>
<p>SCHEDULE H, PART III, LINE 8 - DESCRIBE EXTENT ANY SHORTFALL FROM LINE 7 TREATED AS COMMUNITY BENEFIT AND COSTING METHOD USED</p>	<p>THE ORGANIZATION FILES ANNUALLY A COMMUNITY BENEFIT REPORT WITH THE STATE OF MARYLAND'S HEALTH SERVICES COST REVIEW COMMISSION (HSCRC). THE HSCRC, WHICH OPERATES UNDER A MEDICARE WAIVER, DOES NOT CONSIDER MEDICARE SHORTFALL AS COMMUNITY BENEFIT. THE COSTING METHODOLOGY USED BY THE ORGANIZATION IS A COST-TO-CHARGE RATIO.</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART III, LINE 9B - DID COLLECTION POLICY CONTAIN PROVISIONS ON COLLECTION PRACTICES FOR PATIENTS WHO ARE KNOWN TO QUALIFY FOR ASSISTANCE</p>	<p>THE ORGANIZATION EXPECTS PAYMENT AT THE TIME THE SERVICE IS PROVIDED. OUR POLICY IS TO COMPLY WITH ALL STATE AND FEDERAL LAW AND THIRD PARTY REGULATIONS AND TO PERFORM ALL CREDIT AND COLLECTION FUNCTIONS IN A DIGNIFIED AND RESPECTFUL MANNER. EMERGENCY SERVICES WILL BE PROVIDED TO ALL PATIENTS REGARDLESS OF ABILITY TO PAY. FINANCIAL ASSISTANCE IS AVAILABLE FOR PATIENTS BASED ON FINANCIAL NEED AS DEFINED IN THE FINANCIAL ASSISTANCE POLICY. THE ORGANIZATION DOES NOT DISCRIMINATE ON THE BASIS OF AGE, RACE, CREED, SEX OR ABILITY TO PAY.</p> <p>PATIENTS WHO ARE UNABLE TO PAY MAY REQUEST A FINANCIAL ASSISTANCE APPLICATION AT ANY TIME PRIOR TO SERVICE OR DURING THE BILLING AND COLLECTION PROCESS, EVEN IN EXCESS OF 240 DAYS FOLLOWING THE FIRST POST-DISCHARGE BILLING STATEMENT. THE ORGANIZATION MAY REQUEST THE PATIENT TO APPLY FOR MEDICAL ASSISTANCE PRIOR TO APPLYING FOR FINANCIAL ASSISTANCE. THE ACCOUNT WILL NOT BE FORWARDED FOR COLLECTION DURING THE MEDICAL ASSISTANCE APPLICATION PROCESS OR THE FINANCIAL ASSISTANCE APPLICATION PROCESS. NO EXTRAORDINARY COLLECTION ACTIONS (ECAS) WILL OCCUR EARLIER THAN 120 DAYS FROM SUBMISSION OF FIRST BILL TO THE PATIENT AND WILL BE PRECEDED BY NOTICE 30 DAYS PRIOR TO COMMENCEMENT OF THE ACTION. AVAILABILITY OF FINANCIAL ASSISTANCE WILL BE COMMUNICATED TO THE PATIENT AND A PRESUMPTIVE ELIGIBILITY REVIEW WILL OCCUR PRIOR TO ANY ACTION BEING TAKEN. IF A PATIENT IS DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE AFTER AN ECA IS INITIATED, THE ORGANIZATION WILL TAKE REASONABLE MEASURES TO REVERSE THE ECAS AGAINST THE PATIENT ACCOUNT.</p>
<p>SCHEDULE H, PART VI, LINE 2 - NEEDS ASSESSMENT</p>	<p>UMUCH ASSESSED THE HEALTH STATUS OF HARFORD COUNTY RESIDENTS, AS INDIVIDUALS AND AS POPULATION GROUPS, AND PROVIDED POPULATION COMPARISONS TO RESIDENTS OF MARYLAND AND TO THE NATION AS A WHOLE. WE EXAMINED TRENDS IN HEALTH INDICATORS OF COUNTY RESIDENTS OVER TIME, HIGHLIGHTING RACIAL AND GEOGRAPHIC DISPARITIES, AND IDENTIFIED AREAS OF POVERTY AND AT-RISK POPULATIONS WHICH PROVIDED A BASIS FOR OUR PUBLIC HEALTH PLANNING. DATA IN OUR ASSESSMENT CAME FROM A VARIETY OF NATIONAL AND STATE SOURCES, INCLUDING, BUT NOT LIMITED TO, THE UNITED STATES CENSUS BUREAU, MARYLAND STATE HEALTH IMPROVEMENT PLAN, MARYLAND VITAL STATISTICS, THE MARYLAND BEHAVIORAL RISK FACTOR SURVEILLANCE SURVEY, THE INJURIES IN MARYLAND REPORT, AND NATIONAL COUNTY HEALTH RANKINGS.</p> <p>THE CHNA INCLUDES EACH OF HARFORD COUNTY'S 21 ZIP CODES. IN KEEPING WITH THE UMUCH MISSION OF MAINTAINING AND IMPROVING THE HEALTH OF THE PEOPLE IN ITS COMMUNITIES AND PROVIDING HIGH QUALITY CARE TO ALL, THE COMMUNITY BENEFIT SERVICE AREA (CBSA) WAS IDENTIFIED AS ALL OF HARFORD COUNTY. THE ZIP CODES WHERE THE MOST VULNERABLE POPULATIONS RESIDE (21009, 21040, 21001, & 21078) WERE INCLUDED IN THE ASSESSMENT AND REPRESENT THE MOST CONCENTRATED AREAS OF POVERTY WITHIN THE COUNTY. IT IS IMPORTANT TO NOTE THAT POCKETS OF CONCENTRATED POVERTY ALSO EXIST WITHIN RURAL NORTHERN ZIP CODES IN HARFORD COUNTY. IDENTIFYING ALL OF HARFORD COUNTY AS THE CBSA PROVIDES THE OPPORTUNITY TO BETTER ADDRESS THE NEEDS OF THE VULNERABLE RESIDENTS OF HARFORD COUNTY.</p>
<p>SCHEDULE H, PART VI, LINE 3 - PATIENT EDUCATION</p>	<p>INFORMATION REGARDING THE FINANCIAL ASSISTANCE PROGRAM/POLICY AND THE NUMBER FOR OUR PATIENTS TO CONTACT SOMEONE WITH QUESTIONS OR CONCERNS ARE AS FOLLOWS:</p> <ul style="list-style-type: none"> -POSTED IN REGISTRATION AREAS (INPATIENT, EMERGENCY DEPARTMENT, KAUFMAN CANCER CENTER, FAMILY BIRTH PLACE, OUTPATIENT TESTING), WAITING AREAS AND BY CASHIER'S OFFICES -OFFERED TO ALL SELF PAY PATIENTS AT THE TIME OF REGISTRATION -PRINTED ON THE BACK OF ALL PATIENT FINANCIAL STATEMENTS -POSTED ON THE UMUCH WEBSITE -OFFERED BY BILLING DEPARTMENT WHEN PATIENTS CALL INQUIRING ABOUT THEIR HOSPITAL BILL <p>A FINANCIAL COUNSELOR IS AVAILABLE ONSITE TO ASSIST PATIENTS WITH APPLYING FOR FINANCIAL ASSISTANCE.</p> <p>A REPRESENTATIVE FROM HOSPITAL SUPPORT SERVICES CONTACTS ALL SELF-PAY ED PATIENTS AND SELF PAY INPATIENTS TO ASSIST THE PATIENT WITH APPLYING FOR MEDICAL ASSISTANCE.</p> <p>OUR FINANCIAL ASSISTANCE POLICY IS AVAILABLE IN ENGLISH AND SPANISH.</p> <p>THE FINANCIAL ASSISTANCE POLICY FOR UMUCH IS REGULARLY REVIEWED AND TO MAKE SURE IT IS AVAILABLE TO OUR PATIENTS IN A VARIETY OF FORMATS AND THAT IT IS AVAILABLE IN CULTURALLY/LINGUISTICALLY SENSITIVE MANNER AND AT A READING COMPREHENSIVE LEVEL APPROPRIATE TO THE POPULATION OF OUR COMMUNITY BENEFIT SERVICE AREA.</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART VI, LINE 4 - COMMUNITY INFORMATION</p>	<p>THE FOLLOWING IS A SUMMARY DESCRIPTION OF THE COMMUNITY THAT UMUCH SERVES AS DESCRIBED IN OUR COMMUNITY HEALTH NEEDS ASSESSMENT AND COMMUNITY BENEFIT IMPLEMENTATION PLAN. A MORE DETAILED DESCRIPTION, INCLUDING MAPS AND DATA TABLES, CAN BE FOUND IN OUR COMMUNITY HEALTH NEEDS ASSESSMENT AVAILABLE AT: HTTPS://WWW.UMMS.ORG/UCH/COMMUNITY/ASSESSMENT-AND-IMPLEMENTATION-PLAN</p> <p>IN 2017, THE TOTAL POPULATION OF HARFORD COUNTY WAS ESTIMATED TO BE 250,132, WHICH WAS AN INCREASE OF 2.16% FROM 2010 (244,826). THE COUNTY IS LOCATED IN THE NORTHEASTERN PART OF THE STATE, WITH THE TOWNS AND CITIES OF VARYING SIZES, WEALTH, AND DIVERSITY. BEL AIR IS HARFORD'S COUNTY SEAT, HOME TO ROUGHLY 10,139 RESIDENTS, OR 4% OF THE COUNTY'S POPULATION. THE CITIES OF ABERDEEN AND HAVRE DE GRACE EACH MAKE UP APPROXIMATELY 9% AND 7%, RESPECTIVELY. THE REMAINING 80% OF THE COUNTY'S POPULATION IS MOSTLY DISTRIBUTED ALONG THE ROUTE 40 CORRIDOR AND IN RURAL PARTS OF THE COUNTY.</p> <p>THE MEDIAN AGE IN HARFORD COUNTY IS 40.6 OVERALL, WITH THE AGE CATEGORY CONTAINING THE LARGEST PERCENTAGE OF THE POPULATION BEING ADULTS AGES 50-54. THE DISTRIBUTION OF THE POPULATION IS CLOSE TO THE DISTRIBUTION OF AGE AND SEX IN THE UNITED STATES, ALTHOUGH THE COUNTY HAS A SLIGHTLY LOWER PERCENTAGE OF YOUNGER PEOPLE AND A HIGHER PERCENTAGE OF MIDDLE-AGED ADULTS.</p> <p>THERE IS SUBSTANTIAL VARIATION IN THE LEVELS OF RACIAL AND ETHNIC DIVERSITY ACROSS HARFORD COUNTY. WHILE WHITES MAKE UP THE MAJORITY OF HARFORD COUNTY'S POPULATION, THE PERCENTAGES OF AFRICAN AMERICANS AND HISPANIC/LATINO RESIDENTS ARE INCREASING IN BOTH EDGEWOOD AND ABERDEEN. SINCE 2010, THE POPULATIONS OF THESE TWO ZIP CODES HAVE STARTED TO MORE CLOSELY REFLECT THE DEMOGRAPHICS FOUND ACROSS THE STATE OF MARYLAND, WHILE THE RACIAL COMPOSITION OF HAVRE DE GRACE HAS REMAINED RELATIVELY STABLE OVER TIME. SEVEN PERCENT OF HARFORD COUNTY RESIDENTS REPORTED SPEAKING A LANGUAGE OTHER THAN ENGLISH AT HOME.</p> <p>WHEN COMPARED TO THE UNITED STATES, MARYLAND IS A WEALTHY STATE, WITH A MEDIAN HOUSEHOLD INCOME (\$78,916), WELL ABOVE THE NATION'S (\$61,372). HARFORD COUNTY IS ONE OF MARYLAND'S WEALTHIER JURISDICTIONS, WITH A MEDIAN HOUSEHOLD INCOME OF \$83,445. HOWEVER, THE COUNTY'S HIGHER INCOME IS NOT DISTRIBUTED EQUALLY ACROSS THE COUNTY: THE THREE MUNICIPALITIES IN HARFORD COUNTY HAVE VASTLY DIFFERENT MEDIAN INCOMES, WITH THE CITY OF ABERDEEN HAVING THE LOWEST (\$60,489), FOLLOWED BY HAVRE DE GRACE (\$76,416) AND BEL AIR (\$85,798) (U.S. CENSUS BUREAU, 2017 AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES).</p> <p>PERCENTAGES PROVIDED IN THE 2008-2010 AMERICAN COMMUNITY SURVEY, 3-YEAR ESTIMATES (U.S. CENSUS BUREAU) INDICATE THAT THE POVERTY RATE IN HARFORD COUNTY FAMILIES HAS INCREASED, CLIMBING FROM 4% TO 5.4%, IN LINE WITH AN INCREASE IN MARYLAND'S POVERTY RATE (5.7% TO THE RECENT ESTIMATE OF 6.6%) (U.S. CENSUS BUREAU, 2017 AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES). HARFORD COUNTY POVERTY RATES FOR WHITE AND BLACK FAMILIES ARE STARKLY DIFFERENT: THE PERCENTAGE OF FAMILIES WITH A HOUSEHOLDER WHO IS WHITE HAS AN ESTIMATED POVERTY LEVEL OF 5.1% WHILE FAMILIES WITH A BLACK OR AFRICAN AMERICAN HOUSEHOLDER HAS A POVERTY LEVEL OF 14.3% (U.S. CENSUS BUREAU, 2011-2015 AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES).</p> <p>THE DISPARITY IN HOUSEHOLD INCOMES IN HARFORD COUNTY AND THE CITIES OF ABERDEEN AND HAVRE DE GRACE IS CONSISTENT WITH THE PERCENTAGE OF FAMILIES WHOSE INCOME IS BELOW THE POVERTY LEVEL. BOTH IN MARYLAND AND IN HARFORD COUNTY, POVERTY RATES ARE HIGHEST IN FAMILIES HEADED BY A FEMALE AND FOR FAMILIES WITH RELATED CHILDREN UNDER 18 YEARS OF AGE. HARFORD COUNTY HAS A SLIGHTLY HIGHER POVERTY RATE AMONG FAMILIES WITH A FEMALE HEAD WHEN COMPARED TO MARYLAND, AND A SLIGHTLY LOWER RATE FOR PEOPLE AGE 65 AND OVER. POVERTY RATES FOR FAMILIES ARE DISTRIBUTED UNEQUALLY ACROSS THE COUNTY, WITH ALMOST A THIRD OF FAMILIES WITH A FEMALE HEAD AND CLOSE TO ONE QUARTER OF RELATED CHILDREN BELOW THE POVERTY LEVEL IN ABERDEEN. THE POVERTY RATES IN HARFORD COUNTY ARE REFLECTED IN THE PERCENTAGE OF FAMILIES RECEIVING FOOD STAMPS, WITH ABERDEEN HAVING THE HIGHEST PERCENTAGE OF FAMILIES AND THE TOWN OF BEL AIR HAVING THE LOWEST.</p> <p>THE PERCENTAGE OF HOUSEHOLDS IN HARFORD COUNTY RECEIVING FOOD STAMPS HAS INCREASED BY 3% SINCE THE 2008-2010 AMERICAN COMMUNITY SURVEY; 3-YEAR ESTIMATES (U.S. CENSUS BUREAU) REPORTED THAT 5% OF HARFORD COUNTY HOUSEHOLDS WERE FOOD STAMP RECIPIENTS, CONSISTENT WITH THE INCREASE IN THE POVERTY LEVEL IN THE COUNTY.</p> <p>HARFORD COUNTY PUBLIC SCHOOL DISTRICT HAS 54 SCHOOLS, INCLUDING SEVEN TITLE I ELEMENTARY SCHOOLS, WITH THE MISSION TO ENSURE ACADEMIC ACHIEVEMENT FOR AT-RISK STUDENTS ATTENDING SCHOOLS IN HIGH POVERTY AREAS. ALL SEVEN ARE LOCATED IN THE SOUTHERN PORTION OF THE COUNTY: THREE IN ABERDEEN, AND ONE EACH IN EDGEWOOD, HAVRE DE GRACE, JOPPA, AND ABINGDON (HTTP://WWW.HCPS.ORG/SCHOOLS/).</p> <p>HARFORD COUNTY PUBLIC SCHOOLS HAD A TOTAL OF 37,780 STUDENTS IN THE 2017-2018 SCHOOL YEAR. THE HIGH SCHOOL GRADUATION RATE WAS 88.94%, SLIGHTLY HIGHER THAN MARYLAND'S RATE OF 87.12% (HTTP://REPORTCARD.MSDE.MARYLAND.GOV/). ACCORDING TO SCHOOLDIGGER, AN ORGANIZATION THAT CALCULATES SCHOOL RANKINGS BASED ON TEST SCORES RELEASED BY THE MARYLAND DEPARTMENT OF EDUCATION, HARFORD COUNTY PUBLIC SCHOOLS RANKED 11TH BEST OUT OF THE 24 PUBLIC SCHOOL SYSTEMS IN MARYLAND IN 2017. THIS WAS A DROP FROM 5TH BEST IN 2015 (HTTPS://WWW.SCHOOLDIGGER.COM/GO/MD/DISTRICTRANK.ASPX).</p> <p>IN 2017, 92.9% OF PEOPLE 25 YEARS AND OVER IN HARFORD COUNTY HAD AT LEAST GRADUATED FROM HIGH SCHOOL AND 35.2% HAD A BACHELOR'S DEGREE OR HIGHER. AN ESTIMATED 7.1% DID NOT COMPLETE HIGH SCHOOL. IN COMPARISON, IN THE TOWN WITH THE HIGHEST LEVEL OF POVERTY, ABERDEEN, AN ESTIMATED 11.9% DID NOT COMPLETE HIGH SCHOOL, AND ONLY 14.2% HAD BACHELOR'S DEGREE.</p> <p>IN HARFORD COUNTY, 64.4% OF THE POPULATION AGE 16 AND OVER WAS EMPLOYED; 31.2% WERE NOT CURRENTLY IN THE LABOR FORCE. AN ESTIMATED 74.9% OF THE PEOPLE EMPLOYED WERE PRIVATE WAGE AND SALARY WORKERS; 20.9% WERE FEDERAL, STATE, OR LOCAL GOVERNMENT WORKERS; AND 2.7% WERE SELF-EMPLOYED IN THEIR OWN (NOT INCORPORATED) BUSINESS (U.S. CENSUS BUREAU, 2013-2017</p>

Return Reference - Identifier	Explanation
	<p>AMERICAN COMMUNITY SURVEY).</p> <p>WHILE THE MEDIAN VALUE OF HOMES IN HARFORD COUNTY (\$281,400) IS ONLY SLIGHTLY LESS THAN MARYLAND'S (\$296,500), THE DIFFERENCE WHEN CONSIDERING HOUSING PRICES BY ZIP CODE IS DRAMATIC. PRICES RANGE FROM BELOW THE STATE VALUE IN THE EDGEWOOD AREA, WHERE THE MEDIAN HOME VALUE IS \$163,300, TO WELL ABOVE THE STATE IN THE MONKTON AREA, WHERE THE MEDIAN HOME COSTS \$517,400.</p> <p>TRANSPORTATION IS ALSO A CONCERN IN MANY PARTS OF THE COUNTY, ESPECIALLY FOR SENIORS, YOUTH, AND LOW-INCOME INDIVIDUALS IN THE RURAL AREAS OF NORTHERN HARFORD COUNTY. AMENITIES SUCH AS SHOPPING, ENTERTAINMENT, AND HEALTH SERVICES ARE OFTEN FAR AWAY, AND THERE ARE FEW PUBLIC TRANSPORTATION OPTIONS. THE BUS SERVICE HAS LIMITED HOURS AND ROUTES MAKING IT DIFFICULT FOR THOSE WITHOUT CARS TO ACCESS THEM. DATA SHOW THAT 1.6% OF RESIDENTS IN THE COUNTY HAVE NO ACCESS TO A VEHICLE, WITH THAT NUMBER REACHING 3.4% IN HAVRE DE GRACE.</p> <p>IN 2015, HARFORD COUNTY HAD AN ANNUAL VIOLENT CRIME RATE OF 239 PER 100,000 PEOPLE, WHICH IS MUCH LOWER THAN MARYLAND'S RATE OF 471. SIMILARLY, THE RATE OF PROPERTY CRIME IN HARFORD COUNTY WAS LOWER THAN THE STATE'S AT 1,257 PER 100,000 WHEN COMPARED TO MARYLAND'S RATE OF 2,395. WHILE THE OVERALL CRIMES RATES IN BOTH HARFORD COUNTY AND MARYLAND HAVE DECREASED SINCE 2011, IT IS IMPORTANT TO NOTE THAT THE VIOLENT CRIME RATE IN ABERDEEN (503.1) IS SIGNIFICANTLY HIGHER THAN THE COUNTY'S AS A WHOLE, ILLUSTRATING THE INEQUITY IN LIVING CONDITIONS FOR FAMILIES RESIDING IN THIS AREA.</p> <p>DESPITE THE DRAMATIC DECREASES IN BOTH VIOLENT CRIME AND PROPERTY CRIME IN HARFORD COUNTY AND THROUGHOUT THE STATE, THE NUMBER OF DRUG-RELATED INCIDENTS REPORTED BY THE HARFORD COUNTY SHERIFF'S OFFICE HAS INCREASED BY 80% FROM 2011 TO 2017. THIS GROWING TREND HAS SHIFTED THE FOCUS OF LAW ENFORCEMENT TO COMBAT THE DRUG CRISIS IN HARFORD COUNTY. IN HARFORD COUNTY, MOST RESIDENTS HAVE ACCESS TO GROCERY STORES WHERE HEALTHY FOODS ARE AVAILABLE. ACCORDING TO THE 2017 COUNTY HEALTH RANKINGS, WHICH PROVIDES A MEASURE OF "LIMITED ACCESS TO HEALTHY FOODS," 97% OF RESIDENTS LIVE CLOSE TO A GROCERY STORE, WITH ONLY 4% OR AN ESTIMATED 10,041 PEOPLE HAVING LIMITED ACCESS TO HEALTHY FOOD.</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART VI, LINE 4 - COMMUNITY INFORMATION CONT</p>	<p>THIS MEASURE IS BASED ON THE PERCENTAGE OF THE POPULATION THAT IS LOW INCOME AND DOES NOT LIVE CLOSE TO A GROCERY STORE. WHILE ACCESS TO GROCERY STORES IS NOT A PROBLEM FOR MOST HARFORD COUNTY RESIDENTS, MANY FAMILIES REQUIRE ASSISTANCE IN PURCHASING FOODS: 8.3 % OR 20,760 OF HOUSEHOLDS IN HARFORD COUNTY RECEIVED FOOD STAMPS FROM THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM IN 2017 (U.S. CENSUS, FACT FINDER). A MORE PRESSING ISSUE FOR A SMALL PERCENTAGE OF HARFORD COUNTY RESIDENTS IS HAVING AN INADEQUATE AMOUNT OF FOOD OR "FOOD INSECURITY" AT SOME TIME DURING EACH YEAR. FOOD INSECURITY IS THE USDA'S MEASURE OF LACK OF ACCESS, AT TIMES, TO ENOUGH FOOD FOR AN ACTIVE, HEALTHY LIFE FOR ALL HOUSEHOLD MEMBERS AND LIMITED OR UNCERTAIN AVAILABILITY OF NUTRITIONALLY ADEQUATE FOODS. PER THE USDA FOOD ENVIRONMENT ATLAS, HOUSEHOLDS EXPERIENCING FOOD INSECURITY EXPERIENCE THIS CONDITION, ON AVERAGE, IN SEVEN MONTHS OF THE YEAR. IT IS ESTIMATED THAT IN 2017 THE FOOD INSECURITY RATE FOR THE HARFORD COUNTY POPULATION WAS 8% OR 20,082 PEOPLE. THIS IS LESS THAN MARYLAND'S RATE OF 11%. IN HARFORD COUNTY, THE WEEKLY FOOD BUDGET SHORTFALL FOR FOOD INSECURE PEOPLE WAS \$17.38 PER PERSON, PER WEEK IN 2015. IN SUMMARY, MOST HARFORD COUNTY RESIDENTS HAVE ACCESS TO GROCERY STORES TO PURCHASE HEALTHY FOODS. HOWEVER, A NUMBER OF THESE RESIDENTS FACE FOOD INSECURITY AT SOME TIME DURING THE YEAR, WITH HEALTHY FOODS OUT OF REACH.</p> <p>ACCORDING TO THE 2014-2016 BEHAVIORAL RISK FACTOR SURVEILLANCE SURVEY (BRFSS), 17.3% OF HARFORD COUNTY ADULTS REPORTED THAT THEY CURRENTLY SMOKED CIGARETTES EVERY DAY OR SOME DAYS. ADULTS WITH ANNUAL INCOMES LESS THAN \$15,000 WERE 5.7 TIMES MORE LIKELY TO SMOKE THAN THOSE WITH INCOME AT OR ABOVE \$75,000 IN 2014. EDUCATIONAL ATTAINMENT ALSO CORRELATED TO SMOKING RATES: ADULTS WITHOUT A HIGH SCHOOL DIPLOMA WERE 9.7 TIMES MORE LIKELY TO SMOKE THAN COLLEGE GRADUATES ACCORDING TO THE 2014 BRFSS.</p> <p>SCHOOL-AGED STUDENTS WERE CONSIDERED SMOKERS IF THEY SMOKED AT LEAST 1 CIGARETTE OR CIGAR IN THE PAST 30 DAYS. THE 2016 YOUTH RISK BEHAVIOR SURVEILLANCE SYSTEM SURVEY (YRBS) FOUND THAT THE PERCENTAGE OF CURRENT SMOKERS IN HARFORD COUNTY HIGH SCHOOLS WAS 9.3% WHEN COMPARED TO 16.9% IN 2014. WHILE THIS RATE HAS DECREASED OVER TIME, THE PERCENTAGE OF STUDENTS REPORTING THAT THEY CURRENTLY USE ELECTRONIC VAPOR PRODUCTS EXCEEDED THE NUMBER OF CURRENT SMOKERS AT 14.3% ACCORDING TO THE 2016 YRBS. THE PERCENTAGE OF STUDENTS USING ANY TYPE OF TOBACCO PRODUCTS (CIGARETTE, SMOKELESS TOBACCO, CIGAR, OR ELECTRONIC VAPOR PRODUCTS) WAS 21.9% (2016 YRBS).</p> <p>SINCE 2007, THE NUMBER OF DRUG AND ALCOHOL-RELATED INTOXICATION DEATHS HAS MORE THAN DOUBLED IN BOTH MARYLAND AND HARFORD COUNTY. NOTABLY, HEROIN AND FENTANYL HAVE CAUSED THE LARGEST INCREASE IN INTOXICATION DEATHS DUE TO THE INCREASINGLY VOLATILE NATURE OF THE CHEMICALS BEING MIXED INTO THE LOCAL DRUG SUPPLY. THE NUMBERS OF DRUG-RELATED LAW ENFORCEMENT INCIDENTS INCREASED BY 79% SINCE 2011.</p> <p>IN BRFSS DATA FOR 2014-2016, 15.04% OF HARFORD COUNTY ADULTS REPORTED BINGE DRINKING IN THE PAST MONTH AND 4.0% REPORTED BEING CHRONIC DRINKERS (1-2 OR MORE DRINKS PER DAY), BOTH OF WHICH ARE CLOSE TO THE STATE PERCENTAGES. THE PERCENTAGE OF HIGH SCHOOL STUDENTS REPORTING BINGE DRINKING WAS HIGHER THAN THE ADULT'S: 15.6% OF HARFORD COUNTY HIGH SCHOOL STUDENTS REPORTED BEING BINGE DRINKERS IN 2016.</p> <p>ACCORDING TO THE 2016 BRFSS, HARFORD COUNTY'S OBESITY RATE WAS 34.9%, WHICH WAS HIGHER THAN THE STATE'S (28.6%). SEVERAL FACTORS WERE SHOWN TO INCREASE A PERSON'S CHANCE OF OBESITY INCLUDING INCOME, RACE, AND EDUCATIONAL ATTAINMENT. BLACK ADULTS WERE ALMOST TWICE AS LIKELY TO BE OBESE WHEN COMPARED TO WHITE ADULTS, A DISPARITY THAT IS MUCH MORE EVIDENT IN HARFORD COUNTY THAN THE STATE AS A WHOLE IN THE 2015 BRFSS, BUT THIS GAP HAD BEEN SIGNIFICANTLY REDUCED IN THE 2016 ASSESSMENT. IN THE 2015 BRFF ASSESSMENT, ADULTS WITHOUT A HIGH SCHOOL DIPLOMA WERE ALSO ALMOST TWICE AS LIKELY TO BE OBESE THAN THEIR COLLEGE GRADUATE COUNTERPARTS. ADULTS MAKING OVER \$75,000 ANNUALLY WERE SLIGHTLY LESS LIKELY TO BE OBESE THAN ADULTS MAKING LESS THAN \$15,000.</p> <p>DATA FROM THE MARYLAND VITAL STATISTICS ADMINISTRATION INDICATE THAT THE TOP THREE LEADING CAUSES OF DEATH IN MARYLAND INCLUDE HEART DISEASE, CANCER, AND CEREBROVASCULAR DISEASE (STROKE). THE ROLE OF ACCIDENTS AS THE FOURTH LEADING CAUSE OF DEATH IS A RELATIVELY NEW PHENOMENON THAT COULD LIKELY BE ATTRIBUTED TO THE GROWING OPIOID EPIDEMIC AND ACCIDENTAL OVERDOSES. HARFORD COUNTY'S LEADING CAUSES OF DEATH DO NOT MIRROR THE STATE'S. THE COUNTY'S THREE LEADING CAUSES OF DEATH INCLUDE HEART DISEASE, CANCER, AND CHRONIC OBSTRUCTIVE PULMONARY DISEASE (COPD). THE STATE'S THREE LEADING CAUSES OF DEATH INCLUDE HEART DISEASE, CANCER, AND CEREBROVASCULAR DISEASE. IN ADDITION, BETWEEN 2014 AND 2016 THE NUMBER OF YEARS OF POTENTIAL LIFE LOST IN HARFORD COUNTY WAS 5,800 PER 100,000 POPULATION WHEN COMPARED TO 6,500 FOR THE STATE OF MARYLAND. FOR AFRICAN AMERICANS IN HARFORD COUNTY, THAT NUMBER INCREASED TO 7,600 YEARS OF LIFE LOST.</p> <p>THE RATE FOR EMERGENCY DEPARTMENT (ED) VISITS IN MARYLAND WAS 353.2 PER 1,000 RESIDENTS IN 2016. HARFORD COUNTY'S RATE WAS SLIGHTLY LOWER AT 316.1. WHEN EACH ZIP CODE WAS EXAMINED INDIVIDUALLY, IT WAS FOUND THAT THE ZIP CODES WITH THE HIGHEST ED VISIT RATES WERE ABERDEEN (580), EDGEWOOD (502), AND HAVRE DE GRACE (460), ALL OF WHICH WERE WELL ABOVE THE STATE AND COUNTY AVERAGES.</p> <p>USING THE CENTERS FOR MEDICARE AND MEDICAID SERVICE'S DEFINITION OF CHRONIC CONDITIONS, 2016 DATA FOR HARFORD COUNTY INDICATED THAT THE THREE MOST COMMON CONDITIONS ASSOCIATED WITH ED VISITS WERE HYPERTENSION, TOBACCO USE, AND HYPERLIPIDEMIA (HIGH CONCENTRATION OF FATS OR LIPIDS IN A PATIENT'S BLOOD). HAVRE DE GRACE'S TOP THREE CHRONIC DISEASE INDICATORS WERE THE SAME AS THOSE RECORDED FOR THE COUNTY. HOWEVER, WHILE ABERDEEN AND EDGEWOOD HAD TOBACCO USE AND HYPERTENSION AS THEIR LEADING INDICATORS, THE THIRD AND FOURTH HIGHEST INDICATORS WERE DEPRESSIVE DISORDERS AND ASTHMA, RESPECTIVELY, WHICH SUGGEST THAT THESE CONDITIONS WERE NOT BEING SUCCESSFULLY TREATED ON AN OUTPATIENT BASIS.</p> <p>CANCER MORTALITY RATES ARE ALSO WORSE IN HARFORD COUNTY THAN FOR THE STATE OF MARYLAND. WHILE THE STATE'S MORTALITY RATES HAVE STEADILY DECLINED OVER TIME, HARFORD COUNTY'S RATE HAS ONLY SLIGHTLY DECREASED. HARFORD COUNTY RATES ARE THE SAME OR WORSE FOR EVERY CANCER TYPE WHEN COMPARED BOTH LOCALLY AND NATIONALLY.</p>

Return Reference - Identifier	Explanation
	<p>IN ADDITION TO HIGHER RATES OF CANCER IN THE COUNTY, RACIAL DISPARITIES AMONG WHITES AND BLACKS EXIST FOR THREE TYPES OF CANCERS: LUNG CANCER, COLORECTAL CANCER, AND PROSTATE CANCER THAT HAVE POSITIVE OUTCOMES WHEN SCREENING OCCURS REGULARLY.</p> <p>HARFORD COUNTY ADULTS HAVE BEEN SHOWN TO HAVE A HIGHER PERCENTAGE OF SEVERAL VASCULAR DISEASES WHEN COMPARED TO MARYLAND ADULTS. THE PERCENTAGE OF HARFORD COUNTY ADULTS DIAGNOSED WITH STROKE IS SLIGHTLY HIGHER THAN THE STATE'S PERCENTAGE.</p> <p>FOR OTHER CHRONIC CONDITIONS SUCH AS DIABETES, ASTHMA, CHRONIC OBSTRUCTIVE PULMONARY DISEASE (COPD), HYPERTENSION, AND HIGH CHOLESTEROL, THE PREVALENCE OF EACH OF THESE CONDITIONS IS HIGHER IN HARFORD COUNTY THAN IN THE STATE, WITH THE EXCEPTION OF DIABETES.</p> <p>A NOTIFIABLE DISEASE IS ANY CONDITION THAT, WHEN IDENTIFIED IN A PATIENT, IS REQUIRED TO BE REPORTED TO THE GOVERNMENT SO THAT ITS INCIDENCE CAN BE MONITORED FOR POTENTIAL OUTBREAKS AND CLUSTERING. IN MARYLAND, THERE ARE 86 NOTIFIABLE DISEASES THAT ARE REPORTED TO THE CENTERS FOR DISEASE CONTROL (CDC). OF THOSE DISEASES, THE HIGHEST CASE RATES IN HARFORD COUNTY WERE OBSERVED FOR CHLAMYDIA, LYME DISEASE, GONORRHEA, SALMONELLOSIS (SALMONELLA), AND ASEPTIC MENINGITIS. HARFORD COUNTY'S LYME DISEASE RATE IS MUCH HIGHER THAN THE STATE RATE. IN ADDITION, 24 HARFORD COUNTY RESIDENTS WERE DIAGNOSED WITH HIV IN 2017.</p> <p>IN 2017 THERE WERE 2,623 LIVE BIRTHS IN HARFORD COUNTY. MATERNAL CHARACTERISTICS AND BIRTH OUTCOMES IN HARFORD COUNTY VARY BY RACE, INDICATING HEALTH DISPARITIES EXIST FOR MOTHERS AND BABIES FOR RACIAL AND ETHNIC MINORITIES. THE INFANT MORTALITY RATE FOR BLACKS IN THE COUNTY IS MORE THAN THREE TIMES HIGHER THAN THE RATE FOR ALL RACES COMBINED. MOTHER'S WELL-BEING BEFORE, DURING, AND AFTER PREGNANCY CAN AFFECT THE HEALTH OF A CHILD FROM INFANCY TO ADULTHOOD. THE PERCENTAGE OF BIRTHS TO MOTHERS RECEIVING PRENATAL CARE IN THE FIRST TRIMESTER OF PREGNANCY WAS 74.9%, WHICH WAS HIGH WHEN COMPARED TO MARYLAND'S (66.2%). BIRTHS TO MOTHERS UNDER THE AGE OF 20 MADE UP ONLY 2.6% OF BIRTHS IN THE COUNTY, WHILE BIRTHS TO UNMARRIED MOTHERS MADE UP 32.0% OF BIRTHS.</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART VI, LINE 4 - COMMUNITY INFORMATION CONT</p>	<p>ACCORDING TO COUNTY HEALTH RANKINGS DATA FOR 2018, THE OVERALL DEATH RATE FROM INJURIES IN HARFORD COUNTY PER 100,000 POPULATION WAS 66, WHICH WAS SLIGHTLY HIGHER THAN THE RATE FOR MARYLAND (64). THE RATE OF MOTOR VEHICLE CRASH DEATHS WAS 10 PER 100,000 IN HARFORD COUNTY AND 9 IN MARYLAND. IN ADDITION, THE PERCENTAGE OF MOTOR VEHICLE DEATHS IN WHICH ALCOHOL-IMPAIRMENT WAS THE PRIMARY FACTOR WAS HIGHER IN MARYLAND AT 30%, THAN THE 21% FOR HARFORD COUNTY DEATHS.</p> <p>INTENTIONAL INJURIES FROM SUICIDE AND HOMICIDE ACCOUNTED FOR 1.6% OF DEATHS IN HARFORD COUNTY IN 2017 AND UNINTENTIONAL INJURY DEATHS ACCOUNTED FOR 7.4%. WHILE INJURY DEATHS FROM MOTOR VEHICLE ACCIDENTS HAVE DECREASED OVER THE PAST TEN YEARS, DEATHS FROM INTENTIONAL SELF-HARM (SUICIDE), POISONING, AND FALLS HAVE CONTINUED TO INCREASE THROUGHOUT THE STATE.</p> <p>THE MARYLAND BRFSS DATA FOR 2014-2016 INDICATES THAT 21.4% OF HARFORD COUNTY RESIDENTS HAVE BEEN DIAGNOSED WITH DEPRESSIVE DISORDER, COMPARED TO 15.6% FOR THE STATE. IN ADDITION, HOSPITAL DATA MADE AVAILABLE BY THE CHESAPEAKE REGIONAL INFORMATION SYSTEM FOR OUR PATIENTS (CRISP) REPORTING SYSTEM, WHICH SERVES AS A REGIONAL HEALTH INFORMATION EXCHANGE FOR MARYLAND, VIRGINIA, WEST VIRGINIA, AND THE DISTRICT OF COLUMBIA, INDICATES THAT THE RATES OF HOSPITALIZATIONS AND EMERGENCY DEPARTMENT VISITS FOR MENTAL HEALTH-RELATED CONDITIONS ARE SIMILAR IN HARFORD COUNTY AND THE STATE OF MARYLAND, BUT GEOGRAPHIC DISPARITIES APPEAR IN THE THREE ZIP CODES WITH THE HIGHEST NEED INDEX FOR THE COUNTY. THE NEED INDEX IS BASED ON THE COMMUNITY NEED INDEX DEVELOPED BY DIGNITY HEALTH IN 2004.</p> <p>ACCORDING TO THE 2014 AND 2016 MARYLAND YOUTH RISK BEHAVIOR SURVEY, THE PERCENTAGE OF STUDENTS WHO REPORTED FEELING SAD OR HOPELESS FOR MORE THAN TWO WEEKS IN A ROW CLIMBED 33.3% BETWEEN THE FIRST YEAR OF MIDDLE SCHOOL AND THE SENIOR YEAR OF HIGH SCHOOL. THE PERCENTAGE OF HIGH SCHOOL STUDENTS WHO SERIOUSLY CONSIDERED COMMITTING SUICIDE WAS 18.2 % WHILE 14.4% MADE A PLAN FOR HOW THEY WOULD COMMIT SUICIDE.</p> <p>ACCESS TO HEALTH INSURANCE COVERAGE HAS REMAINED STRONG IN HARFORD COUNTY WITH THE EXPANSION OF MEDICAID ELIGIBILITY AND IMPLEMENTATION OF THE MARYLAND HEALTH EXCHANGE FOR QUALIFIED HEALTH PLANS UNDER THE AFFORDABLE CARE ACT. IN 2017, THE PERCENTAGE OF UNINSURED ADULTS WAS JUST 3.9% COMPARED TO MARYLAND'S 9% ACCORDING TO THE U.S. CENSUS BUREAU. HOWEVER, THE FOLLOWING DISPARITIES ARISE BY ZIP CODE, AGE, SEX, RACE, AND EDUCATIONAL ATTAINMENT. NOTICE THAT THE FOLLOWING CHARACTERISTICS MAKE ADULTS LESS LIKELY TO HAVE HEALTH INSURANCE COVERAGE: 18 TO 24 YEARS OF AGE, MALE, HISPANIC, AND LESS THAN A HIGH SCHOOL DEGREE. POPULATIONS WITH THE HIGHEST UNINSURED RATES LIVE IN ABERDEEN (21001) AND EDGEWOOD (21040).</p> <p>IN THE 2014-2016 BRFSS, 88.5% OF HARFORD COUNTY RESIDENTS REPORTED HAVING A PERSON THAT THEY THINK OF AS THEIR PERSONAL DOCTOR OR HEALTH CARE PROVIDER, HIGHER THAN THE STATE PERCENTAGE OF 85.05%. RESPONSES TO THE 2016 BRFSS INDICATE THAT MORE HARFORD COUNTY RESIDENTS HAVE HAD ROUTINE HEALTH CHECKUPS IN THE LAST YEAR (79.05%) THAN MARYLAND RESIDENTS (75.79%). HOWEVER, IN THE 2014-2016 BRFSS, 9.1% OF HARFORD COUNTY RESIDENTS REPORTED NEEDING TO SEE A DOCTOR BUT NOT BEING ABLE TO BECAUSE OF A COST BARRIER. IN 2014 THE TWO MOST REPORTED REASONS FOR DELAYING MEDICAL CARE INCLUDED NOT BEING ABLE TO GET AN APPOINTMENT SOON ENOUGH (9.1%) AND NOT HAVING TRANSPORTATION TO REACH AN APPOINTMENT (8.3%), ACCORDING TO THE MARYLAND BRFSS. DATA BELOW SHOWS THAT HISPANICS WERE ALMOST 10 TIMES MORE LIKELY THAN WHITES TO REPORT TRANSPORTATION AS A BARRIER TO RECEIVING CARE.</p> <p>ACCORDING TO THE MARYLAND DEPARTMENT OF HEALTH'S HEALTH RESOURCES AND SERVICES ADMINISTRATION, A PORTION IN EDGEWOOD, HARFORD COUNTY IS CONSIDERED A HEALTH PROFESSIONAL SHORTAGE AREAS (HPSA) FOR PRIMARY CARE. WHILE MOST MENTAL HEALTH AND SUBSTANCE USE DISORDERS CAN BE TREATED SUCCESSFULLY, MANY WHO SUFFER FROM THESE DISEASES DO NOT RECEIVE THE CARE THEY NEED. THE HEALTH RESOURCES AND SERVICES ADMINISTRATION DESIGNATED ALL OF HARFORD COUNTY AS A HEALTH PROFESSIONAL SHORTAGE AREA (HPSA) FOR MENTAL HEALTH SERVICES. THIS DESIGNATION MEANS THAT THE NEED FOR MENTAL HEALTH SERVICES FAR OUTWEIGHS THEIR AVAILABILITY.</p> <p>THE MARYLAND DEPARTMENT OF HEALTH'S BEHAVIORAL HEALTH ADMINISTRATION COMPARES EACH MARYLAND COUNTY'S OPIOID TREATMENT PROGRAM (OTP) CAPACITY TO THE ESTIMATED NEED IN THAT COUNTY. IN 2015 HARFORD COUNTY'S ESTIMATED NEED WAS 2,570 PATIENTS. IN COMPARISON, EXISTING CAPACITY COULD ONLY SERVE 1,687 PATIENTS, LEAVING ABOUT 883 PERSONS IN NEED. IN ADDITION, DATA FROM COUNTY HEALTH RANKINGS SHOW THAT IN 2016, HARFORD COUNTY'S MENTAL HEALTH PROVIDER RATIO WAS 740:1. THIS IS MUCH HIGHER THAN MARYLAND'S RATIO OF 490:1. UNITED STATES COUNTIES IN THE 90TH PERCENTILE FOR THIS MEASURE REPORT RATIOS CLOSER TO 360:1 FOR MENTAL HEALTH PROVIDERS.</p> <p>ANOTHER INDICATOR THAT SUGGESTS LIMITED ACCESS TO SUBSTANCE ABUSE TREATMENT IS THE RATE OF SUBSTANCE-EXPOSED NEWBORNS. DATA SHOWS A 677% INCREASE IN THE RATE OF HOSPITAL ENCOUNTERS FOR NEWBORNS WITH MATERNAL DRUG/ALCOHOL EXPOSURE FOR HARFORD COUNTY AND MARYLAND BETWEEN 2000 AND 2017. ACCESS TO AFFORDABLE DENTAL CARE IS CRITICAL TO ENSURING GOOD ORAL HEALTH. THE RATIO OF DENTISTS TO POPULATION IS LOWER IN HARFORD COUNTY IN 2017 THAN FOR THE STATE AS A WHOLE: 1 DENTIST FOR EVERY 1,590 PEOPLE IN THE COUNTY AS COMPARED TO 1 TO 1,320 IN THE STATE. HARFORD COUNTY HAS A LACK OF DENTISTS IN THE SOUTHERN AREA, WHICH HAS BEEN DESIGNATED AS A HEALTH PROFESSIONAL SHORTAGE AREA (HPSA) FOR DENTAL HEALTH.</p> <p>DATA FOR 2014-2016 FROM THE MARYLAND BRFSS SHOWED THAT 70.6% OF ADULTS IN HARFORD COUNTY REPORTED VISITING THE DENTIST IN THE PAST YEAR, A FIGURE THAT WAS IN LINE WITH THE STATE (70.3%). IN ADDITION, 6.7% REPORTED THAT THEIR LAST DENTAL VISIT WAS OVER 5 YEARS AGO.</p>

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<p>SCHEDULE H, PART VI, LINE 5 - PROMOTION OF COMMUNITY HEALTH</p>	<p>UMUCH AIMS TO STRENGTHEN OUR COMMUNITY THROUGH PROMOTING HEALTH AND WELLNESS WITH OUR OUTREACH PROGRAM. COMMUNITY OUTREACH. COMMUNITY OUTREACH IS DEDICATED TO PROMOTING HEALTH AND WELLNESS OUTSIDE OF THE HOSPITAL AND TO INCREASING THE QUALITY OF LIFE IN HARFORD COUNTY. FOCUSING ON PREVENTION AND IMPROVING HEALTH OUTCOMES, WE PROVIDE AN EXPANSIVE VARIETY OF HEALTH EDUCATION, SCREENINGS, LIFESTYLE MANAGEMENT CLASSES AND INFORMATION ON REFERRALS AND LOCAL RESOURCES. WE PROMOTE OUR PROGRAMS THROUGH VARIOUS SOCIAL MEDIA OUTLETS, INCLUDING FACEBOOK, INSTAGRAM AND TWITTER. IN ADDITION, WE DISTRIBUTE A QUARTERLY PUBLICATION, "MARYLAND HEALTH MATTERS", HAVE AN UP-TO-DATE CALENDAR OF EVENTS ON OUR WEBSITE, TARGETED DIRECT MAILING AND EMAILS AND DISTRIBUTE FLYERS THROUGHOUT HARFORD COUNTY FOCUSING ON AREAS OF INTEREST SUCH AS, SENIOR CENTERS, LIBRARIES, CHURCHES, GROCERY STORES TO NAME A FEW.</p> <p>IN 2019, COMMUNITY OUTREACH HAD OVER 19,000 COMMUNITY-WIDE CONTACTS THROUGH THEIR SCREENING AND EDUCATIONAL PROGRAMS, FLU VACCINATION CLINICS, AND SUPPORT GROUPS.</p> <p>HARFORD COUNTY IS A DIVERSE COMMUNITY WITH APPROXIMATELY 25% OF THE POPULATION BEING 55 YEARS OLD OR OLDER. WITH SENIOR CITIZENS MAKING UP A QUARTER OF THE COMMUNITY AND BEING THE POPULATION THAT UTILIZES A LARGE PROPORTION OF HEALTH CARE SERVICES, OUR COMMUNITY PROGRAMS ARE CENTERED AROUND THEIR SPECIFIC NEEDS, HELPING TO ENSURE SUCCESSFUL AND HEALTHY SENIOR LIVING.</p> <p>SENIOR CENTER/SENIOR HOUSING/ASSISTED LIVING PROGRAMS</p> <p>COMMUNITY OUTREACH PROVIDED 1,663 SCREENINGS TO HARFORD COUNTY SENIORS AT FIVE SENIOR ACTIVITY CENTER LOCATIONS TO INCLUDE EDGEWOOD, FALLSTON, HAVRE DE GRACE, HIGHLAND AND BEL AIR. IN ADDITION, TO ALL SENIOR HOUSING CENTERS INCLUDING ABERDEEN COURT, ABINGDON GARDENS, FAIRBROOKE, ST. JOHNS COMMONS, ST. JOHNS TOWERS, ABERDEEN AND PERRYMAN AS WELL AS PARKVIEW AT BOX HILL, PARKVIEW AT BEL AIR AND AVONDALE ASSISTED LIVING FACILITIES.</p> <p>THROUGHOUT THE YEAR, MANY DIFFERENT HEALTH SCREENINGS WERE HELD DURING CERTAIN MONTHS AT EACH SENIOR LOCATION AND PROVIDED:</p> <ul style="list-style-type: none"> -763 BLOOD PRESSURE SCREENINGS -147 CHOLESTEROL SCREENINGS. -22 DIABETES RISK ASSESSMENTS -2 HEMOGLOBIN A1C SCREENINGS -30 OSTEOPOROSIS SCREENINGS -25 SLEEP DISORDER SCREENINGS -68 FALL RISK EDUCATION -91 SKIN ANALYZER MACHINE SCREENINGS -95 NUTRITION EDUCATION -628 FLU VACCINATIONS -STEPPING ON CLASSES - AN EVIDENCE BASED PROGRAM FOR PEOPLE 65 AND OVER WAS OFFERED AT 4 SENIOR ACTIVITY CENTERS. THE PROGRAM OFFERS OLDER PEOPLE A WAY OF REDUCING FALLS AND AT THE SAME TIME INCREASING SELF CONFIDENCE IN SITUATIONS WHERE THEY ARE AT RISK FOR FALLING. EACH CLASS HAD APPROXIMATELY 11 PARTICIPANTS FOR A TOTAL OF 30 PARTICIPANTS. -STEPPING UP YOUR NUTRITION CLASSES - A ONE-TIME 2.5-HOUR SESSION FOR PEOPLE WHO ARE INTERESTED IN IMPROVING THEIR NUTRITION AND STRENGTH. THIS SESSION IS DESIGNED TO HELP PEOPLE UNDERSTAND THE CONNECTION BETWEEN NUTRITION AND PREVENTING FALLS. THESE CLASSES TOOK PLACE BEFORE EACH OF THE 3 STEPPING ON CLASSES WITH A TOTAL OF 36 PARTICIPANTS. -DIABETES SUPPORT GROUP - MONTHLY SUPPORT GROUPS TOOK PLACE IN TWO SENIOR ACTIVITY CENTERS: EDGEWOOD AND BEL AIR WITH A TOTAL OF 61 PARTICIPANTS. <p>CHILDREN'S PROGRAMS</p> <p>SOME OF THE BEST HABITS ARE ESTABLISHED WHEN WE ARE YOUNG, MAKING CHILDHOOD A GREAT TIME TO EDUCATE KIDS ABOUT THE IMPORTANCE OF CARING FOR THEMSELVES. WE KNOW THAT GOOD HEALTH AND NUTRITION ARE IMPORTANT, BUT THEY ARE ALSO ESSENTIAL TO CHILDREN'S OVERALL DEVELOPMENT AND WELL-BEING. AT UM UPPER CHESAPEAKE HEALTH, OUR COMMUNITY OUTREACH TEAM PROVIDES MANY EDUCATIONAL PROGRAMS TO PROMOTE HEALTHY LIFESTYLES AND ENCOURAGE OUR COUNTY'S YOUNGEST POPULATION TO DEVELOP GOOD HABITS AND LIVE HEALTHIER LIVES.</p> <p>*A TOTAL OF 289 CHILDREN WERE INVOLVED WITH OUR GLO GERM PROGRAM. THIS IS A PROGRAM TEACHES CHILDREN HOW TO PREVENT THE SPREAD OF GERMS BY SHOWING THEM HOW, WHEN AND WHY IT IS SO IMPORTANT TO WASH THEIR HANDS.</p> <p>APPROXIMATELY 702 CHILDREN WERE EXPOSED TO ONE OF OUR PROGRAMS THAT TEACHES CHILDREN AND YOUNG ADULTS ABOUT THE DANGERS OF SMOKING AND SECONDHAND SMOKED. THESE PROGRAMS PROVIDE EDUCATIONAL MATERIALS, HANDS-ON EXHIBITS AND REALISTIC EXAMPLES OF HOW TOBACCO USE HARMS THEIR HEALTH. THESE PROGRAMS INCLUDE KATU (KIDS AGAINST TOBACCO USE), SMOKING OUT THE TRUTH, TOXIC SOUP, AND VAPING EDUCATION</p> <p>THERE WERE APPROXIMATELY 186 CHILDREN WHO ATTENDED OUR TEDDY BEAR CLINICS AT MANY OF THE HARFORD COUNTY ELEMENTARY PUBLIC SCHOOLS. THIS IS AN INTERACTIVE PROGRAM THAT FAMILIARIZES CHILDREN WITH THE HOSPITAL EXPERIENCE AND PRESENTS INFORMATION ON CHILD SAFETY.</p> <p>ANOTHER POPULAR PROGRAM, HOW SWEET IT IS, WAS TAKEN OUT INTO THE COMMUNITY AND OVER 240 CHILDREN AND ADULTS WERE EXPOSED TO THIS PROGRAM. THE FOCUS OF THIS PROGRAM IS TO EDUCATE CHILDREN AND ADULTS ON THE SUGAR CONTENT IN MANY OF THEIR FAVORITE DRINKS INCLUDING JUICE BOXES, SPORTS DRINKS, SODA, FLAVORED WATER, AND POPULAR COFFEE DRINKS</p> <p>A TOTAL OF 163 CHILDREN PARTICIPATED IN THE ACTIVITY WHEEL AND HEALTH WHEEL, WHICH ARE EDUCATION TOOLS DEVELOPED BY COMMUNITY OUTREACH THAT ALLOWS PARTICIPANTS TO TEST THEIR KNOWLEDGE ON HEALTH, EXERCISE AND ACTIVITY.</p> <p>VISION AND HEARING SCREENINGS WERE PROVIDED TO APPROXIMATELY 585 PRE-SCHOOL AND SCHOOL AGED CHILDREN.</p> <p>ONE OF THE MOST IMPORTANT JOBS PARENTS HAVE IS KEEPING THEIR CHILD SAFE WHILE RIDING IN A CAR. TRAGICALLY, THOUSANDS OF YOUNG CHILDREN ARE KILLED OR INJURED EVERY YEAR IN CAR ACCIDENTS. PROPER USE OF CAR SAFETY SEATS CAN HELP KEEP CHILDREN SAFE - BUT WITH SO MANY DIFFERENT CAR SEAT OPTIONS ON THE MARKET, PARENTS CAN QUICKLY BECOME OVERWHELMED.</p>

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	<p>NOT ONLY DOES THE COMMUNITY OUTREACH TEAM AT UMUCH PROVIDE EDUCATION ON CHOOSING THE CORRECT SEAT, THEY TEACH PARENTS AND CAREGIVERS HOW TO PROPERLY INSTALL THE SEAT AS WELL. UMUCH HAS FIVE TEAM MEMBERS WHO ARE NATIONALLY CERTIFIED CAR SAFETY TECHNICIANS AND ONE WHO HAS BEEN SPECIALLY TRAINED TO FIT CHILDREN WITH DISABILITIES TO THE PROPER SAFETY SEAT. AT BI-MONTHLY CAR SAFETY SEAT CHECKS, TECHNICIANS REVIEW INSTALLATION OF INFANT, CHILD AND BOOSTER SEATS. PROPER SEAT FITTING AND USE IS CRUCIAL, AND SAFETY CHECKS ARE THE BEST WAY TO ENSURE SEATS ARE BEING USED CORRECTLY. OUR TECHNICIANS ALSO SUPPORT MARYLAND'S KIDS IN SAFETY SEATS (KISS) PROGRAM AT THEIR INSTALLATION CHECKS OFFERED THROUGHOUT HARFORD COUNTY. IN FY20, UMUCH TECHNICIANS HAVE PARTICIPATED IN OVER 165 CAR SEAT SAFETY CHECKS. THE UMUCH PROGRAM CONTINUES TO GROW AND HAS BECOME ONE OF OUR BUSIEST AND MOST SOUGHT AFTER COMMUNITY OFFERINGS.</p> <p>IN ADDITION TO CAR SEAT SAFETY, OUR COMMUNITY OUTREACH TEAM ALSO MANAGES HARFORD COUNTY'S CAR SEAT ASSISTANCE PROGRAM THAT HELPS LOW-INCOME FAMILIES PURCHASE CAR SAFETY SEATS. BASED ON INCOME, FAMILIES WITH DEMONSTRATED NEED ARE ABLE TO RECEIVE A NEW CAR SAFETY SEAT FOR LITTLE TO NO MONEY. THE PROGRAM REQUIRES EACH FAMILY TO HAVE 60 MINUTES OF CAR SAFETY SEAT EDUCATION WHICH COVERS PROPER SEAT INSTALLATION AND MARYLAND CAR SEAT LAWS.</p>

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<p>SCHEDULE H, PART VI, LINE 5 - PROMOTION OF COMMUNITY HEALTH CONT</p>	<p>CHRONIC DISEASE AND WELLNESS EVIDENCE BASED PROGRAMS</p> <p>WITH THE EVER-GROWING NUMBER OF PEOPLE WHO SUFFER FROM CHRONIC DISEASES, THE SEARCH FOR MORE EFFECTIVE STRATEGIES TO BOTH PREVENT AND MANAGE THESE CONDITIONS IS ESSENTIAL. THE USE OF EVIDENCE-BASED CHRONIC DISEASE SELF-MANAGEMENT PROGRAMS (CDSMP) IS HELPING PEOPLE WITH CHRONIC CONDITIONS AND THEIR CAREGIVERS GAIN BETTER CONTROL OVER AND IMPROVE THEIR HEALTH. THESE PROGRAMS FOCUS ON OVERALL HEALTH, QUALITY OF LIFE AND WELL-BEING AND ARE DESIGNED FOR BOTH THE ILL AND HEALTHY, EMPOWERING THEM TO MANAGE THE MANY FACTORS THAT AFFECT THEIR HEALTH. FACILITATORS INTRODUCE TOOLS NEEDED FOR DAILY LIFE WHEN AN INDIVIDUAL IS BATTLING A CHRONIC CONDITION OR ILLNESS. PARTICIPANTS PRACTICE USING SELF-MANAGEMENT SKILLS, FOCUS ON GOAL SETTING AND SHARE EXPERIENCES WHICH CAN HELP PROMOTE MUTUAL SUPPORT. HIGHLY INTERACTIVE, THESE PROGRAMS SERVE AS AN ADJUNCT TO THE CARE PROVIDED BY PRIMARY CARE DOCTORS AND SPECIALISTS.</p> <p>AT UMUCH, A VARIETY OF SELF-MANAGEMENT PROGRAMS ARE OFFERED BY THE EXPERTS IN OUR COMMUNITY OUTREACH DEPARTMENT:</p> <p>*DIABETES PREVENTION PROGRAM -A LIFESTYLE CHANGE YEARLONG PROGRAM FACILITATED BY TRAINED LIFESTYLE COACHES TO HELP INDIVIDUALS LOSE WEIGHT, EAT HEALTHIER, INCREASE PHYSICAL ACTIVITY AND MANAGE STRESS. THE PROGRAM CONSISTS OF WEEKLY AND MONTHLY SESSIONS. THE GOAL OF THE PROGRAM IS TO HAVE PARTICIPANTS LOSE 5 TO 7% OF THEIR BODY WEIGHT AND INCREASE THEIR ACTIVITY TO 150 MINUTES PER WEEK. TWO CLASSES TOOK PLACE WITH APPROXIMATELY 11 ADULTS ATTENDING EACH CLASS.</p> <p>*LIVING WELL WITH CHRONIC DISEASE SELF-MANAGEMENT - ARTHRITIS, HIGH BLOOD PRESSURE, ASTHMA, DIABETES, FATIGUE AND HEART DISEASE ARE JUST SOME OF THE CHRONIC CONDITIONS MANY OF US LIVE WITH EVERY DAY. OUR FREE SIX-WEEK PROGRAM IS DESIGNED TO MOTIVATE PARTICIPANTS AND CAREGIVERS TO MAKE CHANGES THAT WILL IMPROVE QUALITY OF LIFE AND HELP BETTER MANAGE THESE CONDITIONS. TWO CLASSES TOOK PLACE IN LIBRARIES THROUGHOUT THE COUNTY TO INCLUDE BEL AIR, ABINGDON AND FALLSTON. A TOTAL OF 16 ADULTS PARTICIPATED IN THESE CLASSES.</p> <p>*LIVING WELL WITH DIABETES SELF-MANAGEMENT - DESIGNED FOR PEOPLE WITH TYPE 1, TYPE 2, OR PREDIABETES, IT IS A FREE SIX-WEEK PROGRAM THAT TEACHES INDIVIDUALS HOW TO MANAGE THEIR DIABETES, WAYS TO MAINTAIN OR INCREASE THEIR ACTIVITY LEVEL AND HOW THE FOOD THEY EAT CAN AFFECT THEIR BLOOD SUGAR. THREE CLASSES WERE PROVIDED AND INCLUDED LOCATIONS AT A LIBRARY, CHURCH AND SENIOR ACTIVITY CENTER. APPROXIMATELY 13 ADULTS PARTICIPATED IN EACH LOCATION FOR A TOTAL OF 39 PARTICIPANTS.</p> <p>*LIVING WELL WITH CHRONIC PAIN SELF-MANAGEMENT - THIS FREE SIX-WEEK PROGRAM HELPS PARTICIPANTS BETTER MANAGE THEIR CHRONIC PAIN AND HELP THEM FEEL BETTER, MOVE BETTER AND IMPROVE THEIR QUALITY OF LIFE. TWO CLASSES TOOK PLACE WITH 10 PARTICIPANTS IN EACH CLASS FOR A TOTAL OF 20 PARTICIPANTS.</p> <p>PROJECT HEALTHY CONNECT</p> <p>FOR THE SECOND YEAR, UM UPPER CHESAPEAKE HEALTH AND HEALTHY HARFORD/HEALTHY CECIL PARTNERED TO LAUNCH PROJECT HEALTHY CONNECT, AN INNOVATIVE PROGRAM DEDICATED TO REACHING PEOPLE IN OUR COMMUNITIES WHO ARE ISOLATED OR WHO ARE AT AN ELEVATED RISK FOR HEALTH ISSUES AND SOCIAL CHALLENGES. THE GOAL IS TO MOVE HEALTH CARE BEYOND THE FOUR WALLS OF A HOSPITAL OR A DOCTOR'S OFFICE AND OUT INTO THE COMMUNITY-CONNECTING WITH PEOPLE 'WHERE THEY ARE.' DESIGNED AS A ONE-STOP-SHOP OFFERING MULTIPLE SERVICES, PROJECT HEALTHY CONNECT HOSTS WELLNESS SESSIONS WITH FREE HEALTH ASSESSMENTS INCLUDING BLOOD PRESSURE CHECKS, DEPRESSION, DIABETES AND STROKE SCREENINGS AS WELL AS ASSISTANCE WITH MEDICAID ENROLLMENT. SESSIONS WERE HOSTED IN APPROXIMATELY 11 EASY TO ACCESS COMMUNITY LOCATIONS WHERE PEOPLE ALREADY GO IF THEY ARE FACING EVICTION, HAVE TEMPORARY SHELTER NEEDS OR NEED ASSISTANCE WITH ENERGY PROGRAMS AND JOB SEARCHES, THIS INCREASED OUR ABILITY TO REACH UNDERPRIVILEGED INDIVIDUALS WHO MAY REALLY BE STRUGGLING. IN ADDITION TO THE WELLNESS SESSIONS, PROJECT HEALTHY CONNECT INCLUDES A TEAM OF NURSES, SOCIAL WORKERS AND RESOURCE EXPERTS WHO TRAVEL IN THE HEALTHLINK MEDICAL MOBILE VAN TO SPECIFICALLY IDENTIFIED LOCATIONS TO CONDUCT TARGETED OUTREACH AND HEALTH ENGAGEMENT. THROUGH THE PROGRAM, WE HAVE BEEN ABLE TO PROVIDE SUPPORTIVE HEALTH AND WELLNESS ASSISTANCE TO OVER 246 PEOPLE AND CONNECTED APPROXIMATELY 11 INDIVIDUALS WITH CONCRETE RESOURCES, SUCH AS EYE-GLASSES, HEARING AIDS, DENTURES, MEDICATIONS AND MORE. PROJECT HEALTHY CONNECT IS MAKING A POSITIVE AND MEANINGFUL CONTACT WITH THOSE WHO NEED IT MOST, HELPING TO BUILD SELF-CARE SKILLS AND INSPIRE BETTER HEALTH AND WELLNESS.</p> <p>UNDERSERVED AREA PROGRAM</p> <p>UMUCH'S COMMUNITY OUTREACH IS DEDICATED TO REACHING OUT AND PROVIDING SERVICES TO OUR MOST VULNERABLE POPULATIONS. ON A MONTHLY BASIS, WE VISIT 8 SEPARATE LOCATIONS AND PROVIDE SCREENINGS, FREE FLU SHOTS AND HEALTH EDUCATION. THESE LOCATIONS INCLUDE SOUP KITCHENS AND FOOD PANTRIES. IN FY20, WE SERVED OVER 480 INDIVIDUALS.</p> <p>HEALTHLINK COMMUNITY WELLNESS CENTER</p> <p>IN FY20, THE HEALTHLINK COMMUNITY WELLNESS CENTER, WHICH OPERATES FROM THE HEALTHLINK MEDICAL MOBILE VAN HAD 25 RESIDENTS PARTICIPATE IN ONE OF THE AVAILABLE HEALTH SCREENINGS OFFERED ONCE A MONTH. HEALTH SCREENINGS OFFERED ARE BLOOD PRESSURE, BMI AND BODY FAT ANALYSIS, CHOLESTEROL AND HEART DISEASE RISK ASSESSMENT, STROKE RISK ASSESSMENT, CANCER SCREENINGS, DIABETES RISK ASSESSMENTS AND HEMOGLOBIN (A1C), OSTEOPOROSIS, SLEEP DISORDERS, VASCULAR, DEPRESSION AND VISION AND HEARING.</p> <p>FLU CLINIC PROGRAM</p> <p>UMUCH'S LONGSTANDING FLU CLINIC PROGRAM WAS OFFERED THROUGHOUT THE COUNTY FREE OF CHARGE OR FOR A NOMINAL FEE. IN FY20, COMMUNITY OUTREACH ADMINISTERED 793 VACCINES AT 32 DIFFERENT LOCATIONS.</p> <p>HEALTHLINK CALL CENTER</p> <p>THE HEALTHLINK CALL CENTER IS RESPONSIBLE FOR SUCCESSFULLY MANAGING LARGE AMOUNTS OF</p>

Return Reference - Identifier	Explanation
	<p>INBOUND AND OUTBOUND CALLS FOCUSING ON PHYSICIAN REFERRALS AND REGISTRATION FOR COMMUNITY OUTREACH EVENTS AND PROGRAMS. IN FY20, OUR CALL CENTER HANDLED APPROXIMATELY 3,160 CALLS.</p> <p>BREAST-IFUL PLUS+</p> <p>COMMUNITY OUTREACH AND THE BREAST CENTER AT UMUCH, IN PARTNERSHIP WITH THE NATIONAL COALITION OF 100 BLACK WOMEN, INC. (ANNE ARUNDEL CHAPTER), HOSTED BREAST-IFUL PLUS+, A SPECIAL EVENT IN OCTOBER EMPOWERING WOMEN OF COLOR TO TAKE CHARGE OF THEIR BREAST HEALTH AND MORE. WHILE WHITE WOMEN AND WOMEN OF COLOR ARE DIAGNOSED WITH BREAST CANCER AT ABOUT THE SAME RATE, BLACK WOMEN HAVE AS MUCH AS A 40% HIGHER RISK OF DYING FROM THE DISEASE. STUDIES HAVE ALSO SHOWN THAT WOMEN OF COLOR ARE PRONE TO BEING DIAGNOSED WITH MORE AGGRESSIVE FORMS OF BREAST CANCER OR MAY NOT BE RECEIVING A DIAGNOSIS UNTIL THE DISEASE HAS REACHED A MORE ADVANCED STAGE. THERE ARE MANY REASONS WHY BREAST CANCER RISKS CAN VARY BY RACE AND ETHNICITY: GENETICS, TYPE OF BREAST CANCER AND ACCESSIBILITY TO CARE TO NAME A FEW. BREAST CANCER AFFECTS MORE WOMEN IN THE U.S. THAN ANY OTHER TYPE OF CANCER, BUT ALL WOMEN CAN TAKE STEPS TO KEEP THEIR RISK AS LOW AS POSSIBLE. THE GOAL OF OUR BREAST CENTER TEAM IS REINFORCING THE MESSAGE THAT REGARDLESS OF RACE-IT'S IMPORTANT TO BE SCREENED FOR BREAST CANCER AS RECOMMENDED BY YOUR DOCTOR. BREAST-IFUL PLUS+ IS ONE OF THE WAYS WE SUPPORT THAT GOAL AND ADDRESS THE BREAST HEALTH NEEDS OF OUR COMMUNITY. OVER 60 WOMEN OF COLOR ATTENDED THIS EVENT.</p> <p>HEALTHY HARFORD</p> <p>HEALTHY HARFORD/HEALTHY CECIL IS THE HEALTHY COMMUNITIES' INITIATIVE OF HARFORD AND CECIL COUNTIES, DEDICATED TO THE HEALTH AND WELLNESS OF THE NORTHERN CHESAPEAKE COMMUNITY - IN MIND BODY AND SPIRIT. IT WAS FORMED BY LEADERS FROM UMUCH, THE HARFORD COUNTY HEALTH DEPARTMENT, AND HARFORD COUNTY GOVERNMENT - HEALTHY HARFORD/HEALTHY CECIL IS A COALITION OF LOCAL GOVERNMENT AGENCIES, BUSINESSES, NONPROFITS, AND CITIZENS DEDICATED TO IMPROVING THE HEALTH OF HARFORD AND CECIL COUNTY RESIDENTS THROUGH EDUCATION, POLICY CHANGES, IMPROVEMENTS IN THE BUILT ENVIRONMENT, INCREASED ACCESS TO CARE, AND IMPROVED CARE COORDINATION FOR PEOPLE WITH CHRONIC ILLNESS. HEALTHY HARFORD/HEALTHY CECIL IS FINANCIALLY SUPPORTED BY UMUCH.</p> <p>*THE KLEIN FAMILY HARFORD CRISIS CENTER - PROVIDES 24/7 CARE FOR MENTAL HEALTH AND ADDICTION ISSUES. FROM OUR HOTLINE (1-800-NEXT-STEP) AND MOBILE CRISIS TEAM TO THE URGENT CARE WALK-IN CLINIC AND RESIDENTIAL SERVICES, WE OFFER IMMEDIATE ACCESS TO SERVICES IN A SAFE AND COMFORTABLE ENVIRONMENT. THIS MODEL IS THE FIRST OF ITS KIND IN THE STATE.</p> <p>CANCER LIFENET PROGRAM</p> <p>UMUCH ALSO PROVIDES A FREE SUPPORT SYSTEM FOR ANYONE IN HARFORD COUNTY WITH CANCER, NO MATTER WHERE THEY SEEK TREATMENT WITH THE CANCER LIFENET PROGRAM.</p>

Return Reference - Identifier	Explanation
<p>SCHEDULE H, PART VI, LINE 5 - PROMOTION OF COMMUNITY HEALTH CONT</p>	<p>OFFERING NAVIGATION AND SUPPORT, CANCER LIFENET HELPS PEOPLE COPE WITH THE PHYSICAL, FINANCIAL, PSYCHOLOGICAL AND EMOTIONAL ASPECTS OF HAVING CANCER. NURSE NAVIGATORS, SOCIAL WORKERS AND OTHER SPECIALISTS WORK ALONGSIDE PEOPLE DIAGNOSED WITH CANCER TO CREATE A SAFE AND NURTURING ENVIRONMENT AND HELP THEM COPE WITH EACH STAGE OF THEIR CANCER JOURNEY. SPECIALLY TRAINED AND WITH YEARS OF EXPERIENCE, THIS INCREDIBLE GROUP OF PROFESSIONALS REALLY IS A LIFELINE TO MANY, CARING NOT ONLY FOR PATIENTS, BUT FOR THEIR FAMILIES AS WELL. THROUGH SUPPORT GROUPS, EDUCATIONAL PROGRAMS OR JUST BEING NEARBY TO TALK, LISTEN AND COMFORT, THEY HAVE SUPPORTED OVER 718 INDIVIDUALS.</p> <p>CANCER CLASSES AND THERAPIES: *YOGA - THE PRACTICE OF PHYSICAL, MENTAL AND SPIRITUAL DISCIPLINE THAT COMBINES PHYSICAL POSTURES, BREATHING TECHNIQUES AND RELAXATION. 113 INDIVIDUALS PARTICIPATED IN WEEKLY 60-MINUTE CLASSES THAT WAS OFFERED AND IS OPEN TO PATIENTS AND SURVIVORS OF ALL FITNESS LEVELS. *MEDITATION - MEDITATION AND MINDFULNESS TRAINING CAN MAKE YOU FEEL BETTER AND HAVE HOST OF WELL-DOCUMENTED HEALTH BENEFITS. 86 INDIVIDUALS ATTENDED A 30-MINUTE DROP-IN MEDITATION CLASS, WHICH IS HELD WEEKLY AND IS OPEN TO EVERYONE. *REIKI - A HEALING METHOD DURING WHICH SPECIALLY TRAINED PRACTITIONERS PLACE THEIR HANDS LIGHTLY UPON OR JUST ABOVE AN INDIVIDUAL WITH THE GOAL OF FACILITATING HIS OR HER OWN HEALING RESPONSE. 34 INDIVIDUALS ATTENDED SIX FREE SESSIONS. *FRESH + LOCAL = HEALTH - A HEALTHY COOKING DEMONSTRATION USING LOCALLY GROWN, ORGANIC AND IN-SEASON PRODUCE. HELD QUARTERLY AND OFFERED TO PATIENTS AND CAREGIVERS, THE DEMONSTRATION IS DESIGNED TO INTRODUCE NEW AND HEALTHFUL WAYS TO IMPROVE NUTRITION DURING AND AFTER CANCER TREATMENT. APPROXIMATELY 51 PARTICIPANTS ATTENDED EACH QUARTERLY SESSION. *STAY FIT & ACTIVE - EXERCISE IS A WONDERFUL WAY TO KEEP MOBILITY AND ENERGY LEVELS AT THEIR BEST WHILE DECREASING THE SIDE EFFECTS OFTEN RELATED TO CANCER TREATMENTS AND RECOVERY. TO MAINTAIN YOUR ENERGY AND COMBAT THE SIDE EFFECTS, WE OFFER STAY FIT & ACTIVE, A LOW-IMPACT FITNESS PROGRAM FOR THOSE UNDERGOING OR RECENTLY COMPLETING CANCER TREATMENT. THE PROGRAM IS TAUGHT BY AN EXERCISE SPECIALIST CERTIFIED IN ONCOLOGY AND INCLUDES GOAL PLANNING, RELAXATION TECHNIQUES AND STRETCHING EXERCISES. THESE CLASSES ARE OFFERED MONTHLY WITH APPROXIMATE 126 INDIVIDUALS PARTICIPATING IN FY20. *GARDENING CLASSES - IN PARTICIPATION WITH THE UNIVERSITY OF MARYLAND EXTENSION, HARFORD COUNTY MASTER GARDENERS OFFER GARDENING CLASSES THAT ARE FUN, EDUCATIONAL AND HANDS-ON. 51 INDIVIDUALS ATTENDED CLASSES AND LEARNED ABOUT GROWING VEGETABLES, FLOWERS, HERBS, AND PARTICIPATED IN MANY OTHER FUN AND HEALTHY GARDENING ACTIVITIES. *EXPRESSIVE ARTS AND OTHER PROGRAMS - THROUGHOUT THE YEAR, WE OFFER A VARIETY OF CLASSES AND FUN EXPERIENCES THAT ARE GEARED TOWARDS HELPING THOSE IMPACTED BY CANCER RELAX, EXPERIENCE JOY AND SHARE A SPIRIT OF WELLNESS. CLASSES INCLUDE: ZENTANGLES, LAUGH CLUB AND OUR DRUMMING CIRCLE. *ACUPUNCTURE - ACUPUNCTURE HELPS ENHANCE YOUR IMMUNE SYSTEM AND WORKS TO RESTORE YOUR BODY'S NATURAL FUNCTIONING. IT CAN BE VERY HELPFUL WITH A VARIETY OF CONDITIONS AND SYMPTOMS THAT ARE OFTEN EXPERIENCED IN THE COURSE OF CANCER TREATMENT. OFFERED THROUGH OUR PARTNERSHIP WITH MARYLAND UNIVERSITY OF INTEGRATED HEALTH (MUIH), 91 FREE ACUPUNCTURE TREATMENTS WERE PROVIDED TO INDIVIDUALS UNDERGOING OR RECOVERING FROM CANCER THERAPIES.</p> <p>CANCER SUPPORT GROUPS AND PROGRAMS: *BREAST CANCER SUPPORT GROUP- SUPPORT, INFORMATION AND UNDERSTANDING FOR WOMEN OR MEN COPING WITH BREAST CANCER. APPROXIMATELY 6 PARTICIPANTS ATTENDED EACH MONTHLY SESSION. *PROSTATE CANCER SUPPORT GROUP - MEN AND THEIR PARTNERS DISCUSS MEDICAL INFORMATION, EXPERIENCES AND COPING STRATEGIES IN THIS PROFESSIONALLY FACILITATED SUPPORT GROUP. APPROXIMATELY 11 PARTICIPANTS ATTENDED EACH MONTHLY SESSION. *BLOOD CANCER (LEUKEMIA, LYMPHOMA AND MYELOMA) SUPPORT GROUP - MONTHLY SUPPORT GROUP PROVIDED IN COLLABORATION WITH THE LEUKEMIA & LYMPHOMA SOCIETY, THIS GROUP IS OPEN TO ADULTS AND THEIR FAMILY MEMBERS AFFECTED BY LEUKEMIA, LYMPHOMA, MYELOMA AND MYELODYSPLASTIC SYNDROME. APPROXIMATELY 7 PARTICIPANTS ATTENDED EACH MONTHLY SESSION. *HEAD AND NECK CANCER SUPPORT GROUP - OFFERING THE OPPORTUNITY TO SHARE EXPERIENCES AND HEAR FROM HEALTH PROFESSIONALS SPECIALLY TRAINED IN HEAD, NECK AND/OR ORAL CANCERS. APPROXIMATELY 8 PARTICIPANTS ATTENDED EACH MONTHLY SESSION. *HEALING THROUGH SUPPORT - A SUPPORTIVE GROUP FOR INDIVIDUALS COPING WITH CANCER AND THEIR CAREGIVERS, FAMILY AND FRIENDS. LIGHT DINNER PROVIDED AND REGISTRATION IS REQUIRED. APPROXIMATELY 9 PARTICIPANTS ATTENDED EACH MONTHLY SESSION. *CLIMB™ - CHILDREN'S LIVES INCLUDE MOMENTS OF BRAVERY - A FREE SIX-WEEK SUPPORT PROGRAM FOR CHILDREN TO HELP THEM COPE WHEN A FAMILY MEMBER HAS CANCER. ONE CLASS WAS PROVIDED IN FY20 WITH 7 PARTICIPANTS. *LOOK GOOD FEEL BETTER - HELPING PEOPLE WITH CANCER COPE WITH THE APPEARANCE-RELATED SIDE EFFECTS OF THEIR TREATMENT. THIS PROGRAM WAS OFFERED BI-MONTHLY WITH A TOTAL OF 18 PARTICIPANTS. *CANCER: THRIVING AND SURVIVING - A SIX-WEEK CLASS FOR CANCER SURVIVORS WITH INFORMATION ON HOW TO EAT HEALTHY, STAY ACTIVE, MANAGE STRESS AND EMOTIONS AND MUCH MORE. ONE CLASS TOOK PLACE IN FY20 WITH 11 PARTICIPANTS. *TOBACCO CESSATION - SIX-SESSION CLASSES WERE OFFERED TWO TIMES IN FY20 AND PATCHES GIVEN AT NO CHARGE. APPROXIMATELY 13 INDIVIDUALS ATTENDED EACH CLASS.</p> <p>UM UCH OPERATES UNDER A UNIQUE REGULATORY SYSTEM THAT CAPS HOSPITAL REVENUES AND PROVIDES ADJUSTMENTS TO ALLOW FOR POPULATION HEALTH IMPROVEMENT INVESTMENTS. UNDER MARYLAND'S GLOBAL BUDGET REVENUE MODEL, UM UCH REPORTS ON A REGULAR BASIS HOW IT IS INVESTING IN EFFORTS TO IMPROVE POPULATION HEALTH. UM UCH PROVIDES ON-GOING SERVICES THAT ARE FUNDAMENTAL TO ADDRESSING THE IDENTIFIED COMMUNITY HEALTH NEEDS THAT DEMONSTRATE THE EXTENT TO WHICH OUR COMMITMENT TO SERVE OUR COMMUNITY IS INTEGRATED INTO OUR CARE DELIVERY MODEL. WE HAVE A STRONG FOCUS ON TREATING PATIENTS WITH CHRONIC CONDITIONS. UM UPPER CHESAPEAKE HEALTH WORKS TO COORDINATE CARE, ENSURE SMOOTH TRANSITIONS AND PROMOTE DISEASE SELFMANAGEMENT STRATEGIES AT EVERY STEP OF A PATIENT'S JOURNEY - WHETHER AT HOME, IN THE COMMUNITY, OR WITHIN OUR HOSPITAL. WE OPERATE SPECIALIZED CLINICS TO ENABLE ACCESS TO ROUTINE OUTPATIENT CARE. OUR TRANSITIONAL CARE SERVICES HELP PATIENTS NEWLY DIAGNOSED OR THOSE THAT HAVE HAD A RECENT</p>

Return Reference - Identifier	Explanation
	<p>HOSPITALIZATION TRANSITION SAFELY BACK TO THE COMMUNITY. TRANSITIONAL NURSE NAVIGATORS PROVIDE PATIENTS WITH DISEASE EDUCATION AND SELF-MANAGEMENT STRATEGIES, CONNECT THEM TO PRIMARY CARE PROVIDERS AND SPECIALISTS, AND HELP THEM OVERCOME ANY BARRIERS TO MAKING FOLLOW UP APPOINTMENTS. AN URGENT CARE CENTER TO ADDRESS OFF HOURS VISITS AND LOW ACUITY EMERGENCIES IS ALSO AVAILABLE. OUR COUDAMIN CLINIC PROVIDES ANTICOAGULATION MEDICATION MANAGEMENT, SPECIFICALLY MANAGING AND MONITORING WARFARIN (COUMADIN®) THERAPY UPON PHYSICIAN REFERRAL. IT ALSO PROVIDES PATIENTS WITH ONGOING MONITORING OF THEIR ANTICOAGULATION THERAPY TO ENSURE DESIRED OUTCOMES AND DECREASE ADVERSE EVENTS. UM UCH'S CONGESTIVE HEART FAILURE CLINIC PROVIDES SIMILAR DISEASE-SPECIFIC SERVICES. OUR CRISIS CENTER FOR BEHAVIORAL HEALTH WAS ESTABLISHED WITH THE KNOWLEDGE THAT MANY OF THE SERVICES ARE NOT REIMBURSABLE, BUT THAT THIS IS A CRITICAL NEED IN OUR COMMUNITIES. THIS CENTER PROVIDES A COMMUNITY ACCESS POINT FOR THOSE IN NEED OF OUTPATIENT MENTAL HEALTH SERVICES, SUBSTANCE ABUSE CARE AND RESIDENTIAL CRISIS BEDS. IT ALSO ALLOWS FOR SAFE AND WARM HANDOFFS FROM LAW ENFORCEMENT PERSONNEL. RESOURCES ARE EMBEDDED THROUGHOUT THE HOSPITAL AND IN THE COMMUNITY SO THAT EVERY PATIENT RECEIVES THE SAME LEVEL OF CARE COORDINATION. CARE MANAGERS ARE EMBEDDED WITHIN OUR EMERGENCY DEPARTMENT, COMMUNITY AND HOSPITAL, AND PROVIDE IN-HOME VISITS AS NEEDED. COMMUNITY HEALTH WORKERS REACH OUT TO PATIENTS WHO ARE IDENTIFIED AS BEING HIGH RISK FOR READMISSION OR IN NEED OF CRITICAL RESOURCES. CLOSE RELATIONSHIPS ARE MAINTAINED WITH SKILLED NURSING FACILITIES AND HOME HEALTH AGENCIES SO THAT TRANSFERS FROM THE HOSPITAL TO THESE FACILITIES ARE SMOOTH, AND THE HIGHEST QUALITY OF CARE IS CONSTANTLY DELIVERED. ADDITIONALLY, WE RECOGNIZE TRANSPORTATION ASSISTANCE IS A COMMON BARRIER FOR PATIENTS. WE ARE PROUDLY PARTNERED WITH LYFT, PROVIDING RIDES TO PATIENT FOLLOW UP APPOINTMENTS. WE ARE PROUD TO SERVE OUR COMMUNITY AND APPRECIATE OUR PARTNERS WHO ALLOW US TO FULFILL OUR MISSION. WE WILL ALWAYS DO WHAT IS RIGHT FOR THE PATIENT, NO MATTER WHERE THEY ARE IN THEIR HEALTH JOURNEY, AND WILL ALWAYS STRIVE TO HAVE OUR PATIENTS RECEIVE CARE IN THE COMMUNITY THEY RESIDE. AS A PART OF THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM (UMMS) WE ARE SHAPING A NEW PARADIGM IN CARE DELIVERY THAT WE BELIEVE SHOULD BE THE FUTURE STANDARD OF CARE.</p>
<p>SCHEDULE H, PART VI, LINE 6 - DESCRIPTION OF AFFILIATED GROUP</p>	<p>THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM CORPORATION (UMMS) IS A PRIVATE, NOT-FOR-PROFIT CORPORATION PROVIDING COMPREHENSIVE HEALTHCARE SERVICES THROUGH AN INTEGRATED REGIONAL NETWORK OF HOSPITALS AND RELATED CLINICAL ENTERPRISES. UMMS WAS CREATED IN 1984 WHEN ITS FOUNDING HOSPITAL WAS PRIVATIZED BY THE STATE OF MARYLAND. OVER ITS 30-YEAR HISTORY, UMMS EVOLVED INTO A MULTI-HOSPITAL SYSTEM WITH ACADEMIC, COMMUNITY AND SPECIALTY SERVICE MISSIONS REACHING PRIMARILY ACROSS MARYLAND. AS PART OF THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM (UMMS), UMUCH UNDERSTANDS THAT HEALTH CARE GOES BEYOND THE WALLS OF THE HOSPITAL AND INTO THE COMMUNITY IT SERVES. UMMS HOSPITALS ARE COMMITTED TO STRENGTHENING THEIR NEIGHBORING COMMUNITIES. IN DOING SO, UMUCH ASSESSES THE COMMUNITY'S HEALTH NEEDS, IDENTIFIES KEY PRIORITIES, AND RESPONDS WITH SERVICES, PROGRAMS AND INITIATIVES WHICH MAKE A POSITIVE, SUSTAINED IMPACT ON THE HEALTH OF THE COMMUNITY. WITH REPRESENTATION FROM ALL UMMS HOSPITALS, THE MEDICAL SYSTEM'S COMMUNITY HEALTH IMPROVEMENT COUNCIL COORDINATES THE EFFECTIVE AND EFFICIENT UTILIZATION AND DEPLOYMENT OF RESOURCES FOR COMMUNITY-BASED ACTIVITIES AND EVALUATES HOW SERVICES AND ACTIVITIES MEET TARGETED COMMUNITY NEEDS WITHIN DEFINED GEOGRAPHIC AREAS. UMUCH IS COMMITTED TO HEALTH EDUCATION, ADVOCACY, COMMUNITY PARTNERSHIPS, AND ENGAGING PROGRAMS WHICH FOCUS ON HEALTH AND WELLNESS WITH THE GOAL OF ELIMINATING HEALTH CARE DISPARITIES IN THE HARFORD COUNTY.</p>
<p>SCHEDULE H, PART VI, LINE 7 - STATE FILING OF COMMUNITY BENEFIT REPORT</p>	<p>MD</p>

**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

UPPER CHESAPEAKE MEDICAL CENTER, INC.

Employer identification number

52-1253920

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
(1) (SEE STATEMENT)	26-4737028	501(C)(3)	200,000				OPERATING SUBSIDY
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 1
- 3 Enter total number of other organizations listed in the line 1 table ▶ 0

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

Cat. No. 50055P

Schedule I (Form 990) (2019)

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered “Yes” on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

(SEE STATEMENT)

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Return Reference - Identifier	Explanation
<p>SCHEDULE I, PART I, LINE 2 - PROCEDURES FOR MONITORING USE OF GRANT FUNDS.</p>	<p>FOR THE CURRENT YEAR, THE FILING ORGANIZATION MADE GRANTS TO ITS RELATED ORGANIZATIONS. THERE IS NO SPECIFIC MONITORING OF THE GRANT FUNDS; HOWEVER, THE FILING ORGANIZATION HAS ADOPTED BEST PRACTICES FOR INTERNAL CONTROLS.</p> <p>WHEN GRANTS ARE MADE TO UNRELATED ORGANIZATIONS, THE FILING ORGANIZATION DOES HAVE A WRITTEN AND APPROVED CHARITABLE GIVING POLICY AND PROCEDURE. THERE IS WRITTEN CRITERIA REGARDING THE RECOMMENDATIONS FOR CONSIDERATION WHEN EVALUATING CONTRIBUTION REQUESTS SUCH AS FOLLOWS:</p> <p>(1) THAT CONTRIBUTIONS WILL BE MADE ONLY TO ORGANIZATIONS FOR PURPOSES CONSISTENT WITH UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH SYSTEM'S (PARENT ENTITY) VISION AND MISSION. (2) CONTRIBUTIONS WILL BE MADE ONLY TO NOT-FOR-PROFIT ORGANIZATIONS. (3) CONTRIBUTIONS WILL PREFERABLY BE MADE TO ORGANIZATIONS WHICH DIRECTLY SERVE THE CITIZENS OF HARFORD AND CECIL COUNTIES. (4) CONTRIBUTIONS WILL NOT BE GIVEN TO INDIVIDUALS (EXCLUDING SCHOLARSHIPS). (5) CONTRIBUTIONS WILL NOT BE MADE FOR RELIGIOUS PURPOSES; HOWEVER, THERE MAY BE CONTRIBUTIONS GIVEN FOR A SPECIFIC EFFORT OR PROGRAM WITHIN A CHURCH OR RELIGIOUS FACILITY WHICH PROVIDES HEALTH RELATED SERVICES TO THE BROADER COMMUNITY. (6) CONTRIBUTIONS WILL NOT BE MADE IN SUPPORT OF POLITICAL ADVOCACY. (7) UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH SYSTEM WILL STRIVE TO DONATE TO ORGANIZATIONS WHERE THE MAJORITY OF THE FUNDS RECEIVED ARE APPLIED DIRECTLY TO THE NEED THE ORGANIZATION IS DESIGNED TO MEET.</p> <p>*** REQUESTS FOR \$5,000 AND UNDER ARE REFERRED TO THE PRESIDENT/CEO FOR REVIEW</p> <p>*** REQUESTS FOR GREATER THAN \$5,000 ARE REFERRED TO THE COMMUNITY DEVELOPMENT COMMITTEE FOR DISCUSSION AND APPROVAL.</p>
<p>SCHEDULE I, PART II, COLUMN A - NAME AND ADDRESS OF ORGANIZATION OR GOVERNMENT</p>	<p>UPPER CHESAPEAKE RESIDENTIAL HOSPICE HOUSE, INC. 520 UPPER CHESAPEAKE DRIVE, STE. 405, BEL AIR, MD 21014</p>

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER, INC.

Compensation Information

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.

OMB No. 1545-0047

2019

Open to Public Inspection

Employer identification number

52-1253920

Part I Questions Regarding Compensation

	Yes	No
<p>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.</p> <p> <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 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) </p>		
<p>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</p>		
1b		
<p>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?</p>		
2		
<p>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.</p> <p> <input type="checkbox"/> Compensation committee <input type="checkbox"/> Written employment contract <input type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Compensation survey or study <input type="checkbox"/> Form 990 of other organizations <input type="checkbox"/> Approval by the board or compensation committee </p>		
<p>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:</p>		
<p>a Receive a severance payment or change-of-control payment?</p>		✓
4a		✓
<p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p>	✓	
4b	✓	
<p>c Participate in, or receive payment from, an equity-based compensation arrangement?</p>		✓
4c		✓
<p>If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.</p>		
<p>Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5–9.</p>		
<p>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:</p>		
<p>a The organization?</p>		✓
5a		✓
<p>b Any related organization?</p>		✓
5b		✓
<p>If "Yes" on line 5a or 5b, describe in Part III.</p>		
<p>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:</p>		
<p>a The organization?</p>		✓
6a		✓
<p>b Any related organization?</p>		✓
6b		✓
<p>If "Yes" on line 6a or 6b, describe in Part III.</p>		
<p>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</p>	✓	
7	✓	
<p>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</p>		✓
8		✓
<p>9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</p>		
9		

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 MOHAN SUNTHA, MD PRESIDENT/CEO, UMMS	(i)	0	0	0	0	0	0	0
	(ii)	1,414,919	421,551	266,415	11,200	29,702	2,143,787	0
2 JOHN W ASHWORTH, III DIRECTOR (ENDED 11/19)	(i)	0	0	0	0	0	0	0
	(ii)	899,601	664,660	153,229	11,200	25,955	1,754,645	0
3 LYLE E SHELDON PRESIDENT/CEO	(i)	0	0	0	0	0	0	0
	(ii)	669,455	193,883	288,506	11,200	29,184	1,192,228	0
4 JOSEPH E HOFFMAN, III FORMER CFO	(i)	0	0	0	0	0	0	0
	(ii)	509,025	139,023	339,396	11,200	19,080	1,017,724	0
5 S. MICHELLE LEE DIRECTOR	(i)	0	0	0	0	0	0	0
	(ii)	647,308	119,498	123,157	11,200	16,592	917,755	0
6 STEPHEN V WITMAN SR VP/CFO	(i)	0	0	0	0	0	0	0
	(ii)	330,389	79,764	15,848	50,754	26,002	502,757	0
7 MUHAMMAD K JOKHADAR, MD EX-OFFICIO, PHYSICIAN	(i)	0	0	0	0	0	0	0
	(ii)	358,056	45,426	515	14,000	27,289	445,286	0
8 ROY H PHILLIPS PHYSICIAN	(i)	237,920	65,000	2,934	10,379	11,703	327,936	0
	(ii)	0	0	0	0	0	0	0
9 OLUFUNMILAYO ONOBRAKPEYA PHYSICIAN	(i)	208,047	41,610	456	9,593	21,224	280,930	0
	(ii)	0	0	0	0	0	0	0
10 KAYUR R BHAVSAR PHYSICIAN	(i)	202,241	64,280	148	3,612	8,591	278,872	0
	(ii)	0	0	0	0	0	0	0
11 ANGELA M KAITIS PHARMACIST	(i)	175,125	12,195	6,397	11,794	11,426	216,937	0
	(ii)	0	0	0	0	0	0	0
12 DIANE C FITZGERALD EXECUTIVE DIR - ONCOLOGY SERVICE LINE	(i)	156,470	15,509	3,598	3,769	11,072	190,418	0
	(ii)	0	0	0	0	0	0	0
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(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.

Return Reference - Identifier	Explanation
<p>SCHEDULE J, PART I, LINE 3 - ARRANGEMENT USED TO ESTABLISH THE TOP MANAGEMENT OFFICIAL'S COMPENSATION</p>	<p>THIS ORGANIZATION DOES NOT HAVE A PAID CHIEF EXECUTIVE OFFICER. ALL COMPENSATION TO THE CHIEF EXECUTIVE OFFICER REPORTED ON PART VII OF THE FORM 990 WAS PAID BY A RELATED ORGANIZATION, UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH SYSTEM, INC.</p> <p>UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH SYSTEM, INC. UNDERTAKES A THOROUGH PROCESS TO ENSURE THAT THE EXECUTIVE COMPENSATION IT PAYS TO ITS TOP MANAGEMENT OFFICIALS IS REASONABLE GIVEN THE MARKET IN WHICH THE ORGANIZATION OPERATES. UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH SYSTEM, INC. CHECKS THE FOLLOWING BOXES FOR SCHEDULE J, PART I, QUESTION 3 ON ITS FORM 990:</p> <p>COMPENSATION COMMITTEE, INDEPENDENT COMPENSATION, CONSULTANT COMPENSATION SURVEY OR STUDY APPROVAL BY THE BOARD OF COMPENSATION COMMITTEE.</p>
<p>SCHEDULE J, PART I, LINE 4B - SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN</p>	<p>DURING THE FISCAL YEAR- ENDED JUNE 30, 2020, CERTAIN OFFICERS AND KEY EMPLOYEES PARTICIPATED IN THE UMMS SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN. THE INDIVIDUAL LISTED BELOW HAS NOT VESTED IN THE PLAN THEREFORE THE ACCRUED CONTRIBUTION TO THE PLAN FOR THE FISCAL YEAR IS REPORTED ON SCHEDULE J, PART II, COLUMN C, RETIREMENT AND OTHER DEFERRED COMPENSATION:</p> <p>STEPHEN WITMAN</p> <p>DURING THE FISCAL YEAR-ENDED JUNE 30, 2020, CERTAIN OFFICERS AND KEY EMPLOYEES PARTICIPATED IN THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM (UMMS) SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN. THE INDIVIDUALS LISTED BELOW HAVE VESTED IN THE PLAN IN A PRIOR YEAR, THEREFORE THE CONTRIBUTIONS TO THE PLAN FOR THE FISCAL YEAR ARE REPORTED AS TAXABLE COMPENSATION AND REPORTED ON SCHEDULE J, PART II, LINE B (III), OTHER REPORTABLE COMPENSATION:</p> <p>LYLE E. SHELDON JOHN W ASHWORTH, III S. MICHELLE LEE MOHAN SUNTHA, MD JOSEPH E. HOFFMAN, III</p>
<p>SCHEDULE J, PART I, LINE 7 - NON-FIXED PAYMENTS</p>	<p>BONUSES PAID ARE BASED ON A NUMBER OF VARIABLES INCLUDING BUT NOT LIMITED TO INDIVIDUAL GOAL ACHIEVEMENTS AS WELL AS ORGANIZATION OPERATION ACHIEVEMENTS. THE FINAL DETERMINATION OF THE BONUS AMOUNT IS DETERMINED AND APPROVED BY THE BOARD AS PART OF THE OVERALL COMPENSATION REVIEW OF THE OFFICERS AND KEY EMPLOYEES.</p>

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

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

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

UPPER CHESAPEAKE MEDICAL CENTER, INC.

Employer identification number

52-1253920

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only).

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

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

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958. ▶ \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ _____

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
			(1)									
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
Total						▶ \$ _____						

Part III Grants or Assistance Benefiting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) (SEE STATEMENT)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information.

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

Part IV**Business Transactions Involving Interested Persons** (continued)

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) MATTHEW THOMAS, MD	MATTHEW THOMAS, MD IS A FAMILY MEMBER OF LISA THOMAS, MD, A DIRECTOR OF THE FILING ORGANIZATION	\$184,023	MATTHEW THOMAS, MD WAS PAID REASONABLE COMPENSATION AS AN EMPLOYEE OF THE FILING ORGANIZATION		✓

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

Department of 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
UPPER CHESAPEAKE MEDICAL CENTER, INC.

Employer Identification Number
52-1253920

Return Reference - Identifier	Explanation
FORM 990, PART I, LINE 1 - ORGANIZATION MISSION	DEDICATION TO MAINTAINING AND IMPROVING THE HEALTH OF THE PEOPLE IN ITS COMMUNITIES THROUGH AN INTEGRATED HEALTH DELIVERY SYSTEM THAT PROVIDES HIGH QUALITY CARE TO ALL.
FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION	UPPER CHESAPEAKE MEDICAL CENTER IS DEDICATED TO MAINTAINING AND IMPROVING THE HEALTH OF THE PEOPLE IN ITS COMMUNITIES THROUGH AN INTEGRATED HEALTH DELIVERY SYSTEM THAT PROVIDES HIGH QUALITY CARE TO ALL. UCMC IS COMMITTED TO SERVICE EXCELLENCE AS IT OFFERS A BROAD RANGE OF HEALTH CARE SERVICES, TECHNOLOGY AND FACILITIES. UCMC WORKS COLLABORATIVELY WITH ITS COMMUNITIES AND OTHER HEALTH ORGANIZATIONS TO SERVE AS A RESOURCE FOR HEALTH PROMOTION AND EDUCATION.
FORM 990, PART III, LINE 4A - PROGRAM SERVICE DESCRIPTION	<p>EXCELLENCE. SO MUCH SO THAT IT HAS BECOME PART OF THE FABRIC OF THE HEALTHCARE EXPERIENCE AT UPPER CHESAPEAKE HEALTH. UPPER CHESAPEAKE HEALTH HAS OVER 2,500 PHYSICIANS AND HEALTHCARE PROFESSIONALS WHO ARE DELIVERING CARE FOR THE MIND, BODY, AND SPIRIT IN SETTINGS FROM OFFICES, TO OUTPATIENT CENTERS, TO HOSPITALS, TO SHOPPING CENTERS, TO BUSINESSES, AND TO HOMES.</p> <p>UPPER CHESAPEAKE MEDICAL CENTER IS A MEMBER OF THE UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH SYSTEM. UPPER CHESAPEAKE MEDICAL CENTER (THE MEDICAL CENTER) IS AN ACUTE CARE, NON-PROFIT FACILITY OFFERING A FULL COMPLEMENT OF MEDICAL, DIAGNOSTIC AND EMERGENCY CARE SERVICES. THE MEDICAL CENTER IS FULLY ACCREDITED BY THE JOINT COMMISSION ON THE ACCREDITATION OF HEALTHCARE ORGANIZATIONS (JCAHO). THIS PREMIER HEALTH CARE FACILITY INCORPORATES SEVERAL TRENDS THAT REFLECT HOW HEALTH CARE IS CHANGING, INCLUDING REORIENTATION TOWARDS OUTPATIENT CARE, MORE ACUTELY ILL PATIENTS IN THE HOSPITAL AND FLEXIBILITY FOR GROWTH AND CHANGE TO MEET OUR COMMUNITY'S FUTURE HEALTH CARE NEEDS. LOCATED ON THE MEDICAL CAMPUS IS THE UPPER CHESAPEAKE MEDICAL CENTER WITH 194 ACUTE CARE BEDS. ADJACENT TO THE MEDICAL CENTER IS THE AMBULATORY CARE CENTER OF HARFORD COUNTY, CONTAINING PHYSICIAN OFFICES, OUTPATIENT IMAGING AND LABORATORY PROCEDURES, OUTPATIENT PRE-ASSESSMENT TESTING AND ASSESSMENT, UPPER CHESAPEAKE CARDIOVASCULAR INSTITUTE, AND THE ADMINISTRATIVE OFFICES OF THE UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH SYSTEM. ALSO LOCATED NEXT TO THE MEDICAL CENTER, IS A PRE-EXISTING MEDICAL OFFICE BUILDING WITH PHYSICIAN OFFICES AND OTHER HEALTHCARE RELATED SERVICES, A PARKING GARAGE AND A SECOND MEDICAL OFFICE BUILDING WHICH INCLUDES OUTPATIENT SERVICES AND PHYSICIAN OFFICES.</p> <p>HARFORD MEMORIAL HOSPITAL AND UPPER CHESAPEAKE MEDICAL CENTER MAINTAIN CHARITY CARE PROGRAMS AND, IN ADDITION, CONDUCT MANY COMMUNITY OUTREACH AND COMMUNITY BUILDING ACTIVITIES INCLUDING:</p> <ul style="list-style-type: none"> - COMMUNITY HEALTH EDUCATION PROGRAMS WHICH INCLUDE NEWBORN BABY CARE, SITTER SAFETY PROGRAM, INFANT CPR, INFANT SAFETY, STOP SMOKING CLASS, KIDS SAFETY CLASS, AND PRENATAL BREAST FEEDING CLASS - SUPPORT GROUPS INCLUDING BREAST FEEDING SUPPORT, BREAST CANCER AWARENESS GROUPS, PERINATAL BEREAVEMENT, ASTHMA SUPPORT GROUP, WIDOW AND WIDOWERS SUPPORT GROUP, GRIEF SUPPORT GROUP, PROSTATE CANCER SUPPORT GROUP, AMPUTEE NETWORK, BRAIN INJURY SUPPORT GROUP, STROKE CLUB, LUPUS SUPPORT GROUP, AND OTHERS - HEALTH SCREENINGS INCLUDING SCREENINGS FOR OSTEOPOROSIS, CARDIAC PROBLEMS, BLOOD PRESSURE, AND OTHER ISSUES - FREE AND MOBILE CLINIC
FORM 990, PART IV, LINE 24A - TAX EXEMPT BONDS	PURSUANT TO A MASTER LOAN AGREEMENT DATED DECEMBER 1, 2017 (THE "MASTER LOAN AGREEMENT"), AS AMENDED, UMMS AND SEVERAL OF ITS SUBSIDIARIES HAVE ISSUED DEBT THROUGH THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE "AUTHORITY"). AS SECURITY FOR THE PERFORMANCE OF THE BOND OBLIGATION UNDER THE MASTER LOAN AGREEMENT, THE AUTHORITY MAINTAINS A SECURITY INTEREST IN THE REVENUE OF THE OBLIGORS. THE MASTER LOAN AGREEMENT CONTAINS CERTAIN RESTRICTIVE COVENANTS. THESE COVENANTS REQUIRE THAT RATES AND CHARGES BE SET AT CERTAIN LEVELS, LIMIT INCURRENCE OF ADDITIONAL DEBT, REQUIRE COMPLIANCE WITH CERTAIN OPERATING RATIOS AND RESTRICT THE DISPOSITION OF ASSETS. THE OBLIGATED GROUP UNDER THE MASTER LOAN AGREEMENT INCLUDES UMMS, ROI, MGH, UM BALTIMORE WASHINGTON, SHORE HEALTH (UM MEMORIAL AND UM DORCHESTER), UM CHESTER RIVER, UM CHARLES REGIONAL, UM ST. JOSEPH, UM UPPER CHESAPEAKE, UM HARFORD MEMORIAL, UM LAUREL, UM PRICE GEORGE'S, BOWIE HEALTH CENTER (BOWIE), AND THE UMMS FOUNDATION. EACH MEMBER OF THE OBLIGATED GROUP IS JOINTLY AND SEVERALLY LIABLE FOR THE REPAYMENT OF THE OBLIGATIONS UNDER THE MASTER LOAN AGREEMENT OF THE CORPORATION'S \$1,637,683,000 OF OUTSTANDING AUTHORITY BONDS ON JUNE 30, 2020. ALL OF THE BONDS WERE ISSUED IN THE NAME OF UMMS AND ARE REPORTED ON SCHEDULE K OF ITS FORM 990.
FORM 990, PART VI, LINE 6 - CLASSES OF MEMBERS OR STOCKHOLDERS	UNIVERSITY OF MARYLAND UPPER CHESAPEAKE HEALTH SYSTEM, INC. (UMUCHS) IS THE SOLE MEMBER OF UPPER CHESAPEAKE MEDICAL CENTER.

Return Reference - Identifier	Explanation
FORM 990, PART VI, LINE 7A - MEMBERS OR STOCKHOLDERS ELECTING MEMBERS OF GOVERNING BODY	UMUCHS MAY ELECT ONE OR MORE BOARD MEMBERS OF THE GOVERNING BODY.
FORM 990, PART VI, LINE 7B - DECISIONS REQUIRING APPROVAL BY MEMBERS OR STOCKHOLDERS	ALL DECISIONS OF THE GOVERNING BODY MUST BY APPROVED BY UMUCHS.
FORM 990, PART VI, LINE 11B - REVIEW OF FORM 990 BY GOVERNING BODY	<p>THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM ("UMMS") PREPARES THE IRS FORM 990 FOR UMMS AND ITS AFFILIATES. INFORMATION NEEDED TO COMPLETE THE RETURN IS GATHERED BY ACCOUNTING PERSONNEL IN THE FINANCE SHARED SERVICES DEPARTMENT UNDER THE SUPERVISION OF THE UMMS TAX DIRECTOR. DRAFT RETURNS ARE PREPARED USING IRS-APPROVED TAX SOFTWARE.</p> <p>ONCE A DRAFT RETURN IS PREPARED, IT UNDERGOES MULTIPLE LEVELS OF REVIEW BOTH INTERNALLY BY UMMS TAX & FINANCE PERSONNEL, AND EXTERNALLY BY ERNST & YOUNG LLP. FOLLOWING ANY NECESSARY CHANGES TO THE RETURN, A FINAL DRAFT IS REVIEWED BY EACH AFFILIATE'S VICE PRESIDENT OF FINANCE AND/OR CFO.</p> <p>PRIOR TO FILING THE IRS FORM 990, THE ORGANIZATION'S BOARD CHAIRMAN, TREASURER, GOVERNANCE COMMITTEE, FINANCE COMMITTEE OR OTHER MEMBER(S) OF THE BOARD WITH SIMILAR AUTHORITY WILL REVIEW THE IRS FORM 990. ALL BOARD MEMBERS ARE PROVIDED WITH A COPY OF THE FINAL IRS FORM 990 BEFORE FILING.</p>
FORM 990, PART VI, LINE 12C - CONFLICT OF INTEREST POLICY	<p>THE FILING ORGANIZATION FOLLOWS THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM (UMMS) CONFLICTS OF INTEREST POLICY, WHICH REQUIRES THAT ALL COVERED PERSONS DISCLOSE CONFLICTS OF INTEREST OR POTENTIAL CONFLICTS OF INTEREST BETWEEN THEIR PERSONAL INTERESTS AND THE INTERESTS OF THE ORGANIZATION, OR ANY ENTITY CONTROLLED BY OR OWNED IN SUBSTANTIAL PART BY THE ORGANIZATION. COVERED PERSONS MEANS ANY MEMBER OF THE ORGANIZATION'S BOARD OF DIRECTORS, A MEMBER OF A COMMITTEE OF THE BOARD, AN OFFICER, OR AN EMPLOYEE OF ORGANIZATION (INCLUDING SUBSIDIARIES) AT THE VP LEVEL OR ABOVE.</p> <p>THE ORGANIZATION (OR ITS SOLE MEMBER) IS RESPONSIBLE FOR ADMINISTERING AND ENFORCING THE CONFLICTS OF INTEREST POLICY (POLICY). THE GOVERNANCE COMMITTEE (OR OTHER BOARD COMMITTEE HAVING SIMILAR AUTHORITY) REVIEWS ANY AND ALL CONFLICTS, SHALL REPORT ANNUALLY TO THE FULL BOARD ON THE ADMINISTRATION, INFRACTIONS, AND ENFORCEMENT OF THE POLICY AND SHALL REPORT AT THE EARLIEST OPPORTUNITY ALL MATTERS OF CONCERN TO THE FULL BOARD IN EXECUTIVE SESSION WHILE INTERESTED PARTIES ARE RECUSED.</p> <p>THE ORGANIZATION OR ITS SOLE MEMBER'S COMPLIANCE OFFICER IS THE RESPONSIBLE ADMINISTRATIVE AUTHORITY TO ASSIST THE BOARD IN ADMINISTERING AND ENFORCING THE CONFLICTS OF INTEREST POLICY AND BRINGING CONCERNS TO THE OVERSIGHT COMMITTEE. A QUESTIONNAIRE WHICH DISCLOSES POTENTIAL CONFLICTS OF INTEREST IS DISTRIBUTED ANNUALLY TO COVERED PERSONS. THE CHIEF COMPLIANCE OFFICER OF THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM CORPORATION (UMMS) DISTRIBUTES AND COLLECTS THE RESPONSES FOR UMMS AND OTHER AFFILIATES, AND MAY BE CALLED FOR CONSULT WHEN POTENTIAL CONFLICTS ARE DISCLOSED.</p> <p>IF THE OVERSIGHT COMMITTEE DETERMINES THAT A CONFLICT OF INTEREST EXISTS, THE COMMITTEE SHALL NOTIFY THE COVERED PERSON AND THE ORGANIZATION'S BOARD CHAIR, AND FURTHER WILL NOTIFY THE FULL BOARD AT ITS NEXT MEETING. FURTHERMORE, IN THE EVENT THE COMMITTEE DETERMINES THAT AN ACTUAL OR PERCEIVED CONFLICT OF INTEREST EXISTS, THE COMMITTEE SHALL DECIDE HOW TO ADDRESS THE CONFLICT OF INTEREST. IF THE COMMITTEE DETERMINES THAT A CONFLICT OF INTEREST EXISTS BUT THAT THE ORGANIZATION MAY ENTER INTO THE SUBJECT TRANSACTION OR ARRANGEMENT, THE INTERESTED COVERED PERSON SHALL BE RECUSED FROM ALL DELIBERATIONS AND DECISIONS CONCERNING SAID TRANSACTION OR ARRANGEMENT, ANY ARRANGEMENTS WITH THAT ENTITY, AND COMPENSATION OR BENEFITS FOR OFFICERS, DIRECTORS, AND TRUSTEES. FURTHERMORE, THE CHAIR OF THE BOARD AND THE CHAIRS OF THE OVERSIGHT COMMITTEE AND THE AUDIT AND COMPLIANCE COMMITTEE SHALL NOT HAVE ANY BUSINESS TRANSACTIONS WITH UMMS, NOR SHALL THEIR FAMILY MEMBERS.</p> <p>IF THE OVERSIGHT COMMITTEE DETERMINES THAT A COVERED PERSON HAS USED THEIR POSITION TO ACCRUE EXCESS BENEFITS OR TO KNOWINGLY ASSIST OTHERS IN ACCRUING EXCESS BENEFITS IN ANY WAY AT THE EXPENSE OF THE ORGANIZATION, THE COMMITTEE SHALL RECOMMEND TO THE EXECUTIVE COMMITTEE APPROPRIATE CORRECTIVE ACTION TO BE TAKEN.</p>

Return Reference - Identifier	Explanation																				
FORM 990, PART VI, LINE 15 - PROCESS FOR DETERMINING COMPENSATION	<p>THE ORGANIZATION DID NOT COMPENSATE ITS EXECUTIVES, BUT RATHER, THE EXECUTIVES RECEIVED COMPENSATION FROM A RELATED ORGANIZATION. ACCORDINGLY, THE ORGANIZATION'S PARENT COMPANY DETERMINES THE EXECUTIVE COMPENSATION PAID TO ITS EXECUTIVES IN THE FOLLOWING MANNER PRESCRIBED IN THE IRS REGULATIONS:</p> <p>EXECUTIVE COMPENSATION PACKAGES ARE DETERMINED BY A COMMITTEE OF THE BOARD THAT IS COMPOSED ENTIRELY OF BOARD MEMBERS WHO HAVE NO CONFLICT OF INTEREST. THE COMMITTEE ACQUIRES CREDIBLE COMPARABILITY MARKET DATA CONCERNING THE COMPENSATION PACKAGES OF SIMILARLY SITUATED EXECUTIVES. THE COMMITTEE CAREFULLY REVIEWS THAT DATA, THE EXECUTIVE'S PERFORMANCE AND THE PROPOSED COMPENSATION PACKAGES DURING THE DECISION MAKING PROCESS. THE COMMITTEE MEMORIALIZES ITS DELIVERATIONS IN DETAILED MINUTES REVIEWED AND ADOPTED AT THE NEXT-FOLLOWING MEETING.</p> <p>THE COMMITTEE SEEKS AN OPINION OF COUNSEL THAT IT HAS MET THE REQUIREMENTS OF THE IRS INTERMEDIATE SANCTIONS REGULATIONS. THE PROCESS IS USED TO DETERMINE THE COMPENSATION PACKAGES FOR ALL MANAGEMENT EMPLOYEES FROM THE VICE PRESIDENT LEVEL AND UP.</p>																				
FORM 990, PART VI, LINE 19 - REQUIRED DOCUMENTS AVAILABLE TO THE PUBLIC	THE ORGANIZATION'S GOVERNING DOCUMENTS ARE MADE PUBLICLY AVAILABLE THROUGH THE STATE OF MARYLAND VIA THE SECRETARY OF STATE'S OFFICE. THE CONFLICT OF INTEREST POLICY IS GENERALLY AVAILABLE ON THE ORGANIZATION'S OR AFFILIATE'S WEBSITE. FINANCIAL STATEMENTS ARE MADE PUBLICLY AVAILABLE ON A QUARTERLY BASIS THROUGH FILINGS ON THE ELECTRONIC MUNICIPAL MARKET ACCESS ("EMMA") SYSTEM.																				
FORM 990, PART XI, LINE 9 - OTHER CHANGES IN NET ASSETS OR FUND BALANCES	<table border="1"> <thead> <tr> <th data-bbox="467 730 1304 758">(a) Description</th> <th data-bbox="1312 730 1513 758">(b) Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="467 768 1304 795">CHANGE IN FAIR VALUE OF SWAPS</td> <td data-bbox="1312 768 1513 795">- 2,745,015</td> </tr> <tr> <td data-bbox="467 806 1304 833">MALPRACTICE ASSET TRANSFERRED TO UMMS</td> <td data-bbox="1312 806 1513 833">- 4,288,340</td> </tr> <tr> <td data-bbox="467 844 1304 871">TRANSFER SHARED SERVICES VACATION BALANCE TO UMMS</td> <td data-bbox="1312 844 1513 871">173,329</td> </tr> <tr> <td data-bbox="467 882 1304 909">UMMS STRATEGIC PRIORITIES FUNDING</td> <td data-bbox="1312 882 1513 909">- 800,004</td> </tr> <tr> <td data-bbox="467 919 1304 947">UMMS ENTERPRISE - ROAD MAP</td> <td data-bbox="1312 919 1513 947">- 5,835,000</td> </tr> <tr> <td data-bbox="467 957 1304 984">UMMS DEPRECIATION ALLOCATION</td> <td data-bbox="1312 957 1513 984">3,364,817</td> </tr> <tr> <td data-bbox="467 995 1304 1022">UMMS CAPITAL CONTRIBUTION</td> <td data-bbox="1312 995 1513 1022">15,000,000</td> </tr> <tr> <td data-bbox="467 1033 1304 1060">ECONOMIC INTEREST IN LEGACY FOUNDATION</td> <td data-bbox="1312 1033 1513 1060">- 746,923</td> </tr> <tr> <td data-bbox="467 1071 1304 1098">COMP CARE CENTER & REHAB</td> <td data-bbox="1312 1071 1513 1098">471,098</td> </tr> </tbody> </table>	(a) Description	(b) Amount	CHANGE IN FAIR VALUE OF SWAPS	- 2,745,015	MALPRACTICE ASSET TRANSFERRED TO UMMS	- 4,288,340	TRANSFER SHARED SERVICES VACATION BALANCE TO UMMS	173,329	UMMS STRATEGIC PRIORITIES FUNDING	- 800,004	UMMS ENTERPRISE - ROAD MAP	- 5,835,000	UMMS DEPRECIATION ALLOCATION	3,364,817	UMMS CAPITAL CONTRIBUTION	15,000,000	ECONOMIC INTEREST IN LEGACY FOUNDATION	- 746,923	COMP CARE CENTER & REHAB	471,098
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**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

UPPER CHESAPEAKE MEDICAL CENTER, INC.

Employer identification number

52-1253920

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

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
(1) BALTIMORE WASHINGTON EMERGENCY PHYS INC (52-1756326) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	501(C)(3)	12 TYPE I	BWHS		✓
(2) BALTIMORE WASHINGTON HEALTHCARE SERVICES (52-1830243) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	501(C)(3)	12 TYPE I	UMBWMS		✓
(3) BALTIMORE WASHINGTON MEDICAL CENTER INC (52-0689917) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	501(C)(3)	3	UMBWMS		✓
(4) UM BALTIMORE WASHINGTON MEDICAL SYSTEM (52-1830242) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	501(C)(3)	12 TYPE I	UMMSC		✓
(5) NORTH ARUNDEL DEVELOPMENT CORPORATION (52-1318404) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	REAL ESTATE	MD	501(C)(2)		NCC		✓
(6) NORTH COUNTY CORPORATION (52-1591355) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	REAL ESTATE	MD	501(C)(2)		UMBWMS		✓
(7) (SEE STATEMENT)							

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	
(1) (SEE STATEMENT)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

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
(1) (SEE STATEMENT)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

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

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

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		✓
b Gift, grant, or capital contribution to related organization(s)	✓	
c Gift, grant, or capital contribution from related organization(s)	✓	
d Loans or loan guarantees to or for related organization(s)		✓
e Loans or loan guarantees by related organization(s)		✓
f Dividends from related organization(s)		✓
g Sale of assets to related organization(s)		✓
h Purchase of assets from related organization(s)		✓
i Exchange of assets with related organization(s)		✓
j Lease of facilities, equipment, or other assets to related organization(s)		✓
k Lease of facilities, equipment, or other assets from related organization(s)		✓
l Performance of services or membership or fundraising solicitations for related organization(s)		✓
m Performance of services or membership or fundraising solicitations by related organization(s)	✓	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	✓	
o Sharing of paid employees with related organization(s)		✓
p Reimbursement paid to related organization(s) for expenses		✓
q Reimbursement paid by related organization(s) for expenses	✓	
r Other transfer of cash or property to related organization(s)	✓	
s Other transfer of cash or property from related organization(s)		✓

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
UPPER CHESAPEAKE MEDICAL CENTER LAND CONDO	N	215,046	CASH OR FMV
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part II

Identification of Related Tax-Exempt Organizations (continued)

(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
(7) CHESTER RIVER HEALTH FOUNDATION INC (52-1338861) 100 BROWN STREET, CHESTERTOWN, MD 21620	FUNDRAISING	MD	501(C)(3)	8	UMSRH		✓
(8) UNIV OF MD SHORE REGIONAL HEALTH, INC (52-2046500) 100 BROWN STREET, CHESTERTOWN, MD 21620	HEALTHCARE	MD	501(C)(3)	12 TYPE I	UMMSC		✓
(9) CHESTER RIVER HOSPITAL CENTER (52-0679694) 100 BROWN STREET, CHESTERTOWN, MD 21620	HEALTHCARE	MD	501(C)(3)	3	UMSRH		✓
(10) CHESTER RIVER MANOR INC (52-6070333) 200 MORGNEC ROAD, CHESTERTOWN, MD 21620	HEALTHCARE	MD	501(C)(3)	10	UMSRH		✓
(11) MARYLAND GENERAL CLINICAL PRACTICE GROUP (52-1566211) 827 LINDEN AVENUE, BALTIMORE, MD 21201	HEALTHCARE	MD	501(C)(3)	12 TYPE II	UMMTH		✓
(12) UNIVERSITY OF MARYLAND MIDTOWN HEALTH, INC (52-1175337) 827 LINDEN AVENUE, BALTIMORE, MD 21201	HEALTHCARE	MD	501(C)(3)	12 TYPE II	UMMSC		✓
(13) MARYLAND GENERAL HOSPITAL INC (52-0591667) 827 LINDEN AVENUE, BALTIMORE, MD 21201	HEALTHCARE	MD	501(C)(3)	3	UMMTH		✓
(14) CARE HEALTH SERVICES INC (52-1510269) 219 SOUTH WASHINGTON STREET, EASTON, MD 21601	HEALTHCARE	MD	501(C)(3)	10	SHS		✓
(15) MEMORIAL HOSPITAL FOUNDATION INC (52-1282080) 219 SOUTH WASHINGTON STREET, EASTON, MD 21601	FUNDRAISING	MD	501(C)(3)	12 TYPE I	SHS		✓
(16) UNIVERSITY OF MARYLAND COMMUNITY MEDICAL (52-1874111) 22 SOUTH GREENE STREET, BALTIMORE, MD 21201	HEALTHCARE	MD	501(C)(3)	3	UMSRH		✓
(17) SHORE HEALTH SYSTEM INC (52-0160538) 219 SOUTH WASHINGTON STREET, EASTON, MD 21601	HEALTHCARE	MD	501(C)(3)	3	UMSRH		✓
(18) JAMES LAWRENCE KERNAN HOSPITAL INC (52-0591639) 2200 KERNAN DRIVE, BALTIMORE, MD 21207	HEALTHCARE	MD	501(C)(3)	3	UMMSC		✓
(19) UMMS FOUNDATION, INC (52-2238893) 22 SOUTH GREENE STREET, BALTIMORE, MD 21201	FUNDRAISING	MD	501(C)(3)	12 TYPE I	UMMSC		✓
(20) UNIVERSITY OF MARYLAND CHARLES REGIONAL (52-2155576) PO BOX 1070, LA PLATA, MD 20646	HEALTHCARE	MD	501(C)(3)	12 TYPE III-FI	UMMSC		✓
(21) UNIVERSITY OF MD MEDICAL SYSTEM CORP (52-1362793) 22 SOUTH GREENE STREET, BALTIMORE, MD 21201	HEALTHCARE	MD	501(C)(3)	3	N/A		✓
(22) CIVISTA MEDICAL CENTER, INC (52-0445374) PO BOX 1070, LA PLATA, MD 20646	HEALTHCARE	MD	501(C)(3)	3	UMCRH		✓
(23) CHARLES REGIONAL MEDICAL CENTER FOUNDATION (52-1414564) PO BOX 1070, LA PLATA, MD 20646	FUNDRAISING	MD	501(C)(3)	12 TYPE I	UMCRH		✓
(24) UNIV OF MD ST. JOSEPH FOUNDATION, INC (52-1681044) 7601 OSLER DRIVE, TOWSON, MD 21204	FUNDRAISING	MD	501(C)(3)	12 TYPE I	UMSJHS		✓
(25) HARFORD MEMORIAL HOSPITAL, INC (52-0591484) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	HEALTHCARE	MD	501(C)(3)	3	UMUCHS		✓
(26) UM UPPER CHESAPEAKE HEALTH SYSTEM, INC (52-1398513) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	HEALTHCARE	MD	501(C)(3)	12 TYPE III-O	UMMSC		✓
(27) UPPER CHESAPEAKE HEALTH FOUNDATION, INC (52-1398507) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	FUNDRAISING	MD	501(C)(3)	12 TYPE I	UMUCHS		✓
(28) UPPER CHESAPEAKE MEDICAL SERVICES, INC (52-1501734) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	HEALTHCARE	MD	501(C)(3)	10	UMUCHS		✓
(29) UPPER CHESAPEAKE PROPERTIES, INC (52-1907237) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	REAL ESTATE	MD	501(C)(2)		UMUCHS		✓

(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
(30) UPPER CHES RESIDENTIAL HOSPICE HOUSE, INC (26-0737028) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	HOSPICE	MD	501(C)(3)	10	UMUCHS		✓
(31) HARFORD CRISIS CENTER, INC. (52-1229742) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	HOME CARE	MD	501(C)(3)	12 TYPE II	UMUCHS		✓
(32) UMSJ HEALTH SYSTEM, LLC (46-2097818) 7601 OSLER DRIVE, TOWSON, MD 21204	HEALTHCARE	MD	501(C)(3)	3	UMMSC		✓
(33) DIMENSIONS HEALTH CORPORATION (52-1289729) 3001 HOSPITAL DRIVE, CHEVERLY, MD 20785	HEALTHCARE	MD	501(C)(3)	3	UMMSC		✓
(34) DIMENSIONS HEALTHCARE ASSOCIATES (52-1902711) 3001 HOSPITAL DRIVE, CHEVERLY, MD 20785	HEALTHCARE	MD	501(C)(3)	12 TYPE I	UMCAPRH		✓
(35) UM CAPITAL REGION HEALTH, INC (82-3596114) 250 W PRATT ST, STE 2400, BALTIMORE, MD 21201	HEALTHCARE	MD	501(C)(3)	12 TYPE III-FI	UMMSC		✓
(36) UCH LEGACY FUNDING CORPORATION (52-0882914) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	FUNDRAISING	MD	501(C)(3)	12 TYPE II	UMUCHS		✓

Part III

Identification of Related Organizations Taxable as a Partnership (continued)

(a) Name, address and EIN of related organization	(b) Primary Activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income related, unrelated, excluded from tax under sections 512-514	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) ARUNDEL PHYSICIANS ASSOCIATES (52-2000762) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	APA, INC	N/A	N/A	N/A		✓			✓	
(2) BALTIMORE WASHINGTON IMAGING (20-0806027) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	UMBWMS	N/A	N/A	N/A		✓			✓	
(3) UNIVERSITYCARE LLC (52-1914892) 22 SOUTH GREENE STREET, BALTIMORE, MD 21201	HEALTHCARE	MD	UMMSC	N/A	N/A	N/A		✓			✓	
(4) O'DEA MEDICAL ARTS LIMITED PAR (52-1682964) 7601 OSLER DRIVE, TOWSON, MD 21204	RENTAL	MD	SJMC PROP.	N/A	N/A	N/A		✓			✓	
(5) ADVANCED IMAGING AT ST JOSEPH (52-1958002) 7601 OSLER DRIVE, TOWSON, MD 21204	HEALTHCARE	MD	UMSJMC	N/A	N/A	N/A		✓			✓	
(6) UNIVERSITY OF MARYLAND CHARLES (30-0956382) PO BOX 1070, LAPLATA, MD 20646	HEALTHCARE	MD	UMCRCP	N/A	N/A	N/A		✓			✓	
(7) BALTIMORE ASC VENTURES, LLC (82-4133899) 7620 YORK ROAD, TOWSON, MD 21204	HEALTHCARE	DE	UMSJMC	N/A	N/A	N/A		✓			✓	
(8) UCHS/UMMS REAL ESTATE TRUST (27-6803540) 520 UPPER CHESAPEAKE DRIVE, BEL AIR, MD 21014	HOLDING CO	MD	UMMSC	N/A	N/A	N/A		✓			✓	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (continued)

(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
(1) ARUNDEL PHYSICIANS ASSOCIATES, INC (52-1992649) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(2) BALTIMORE WASHINGTON HEALTH ENTERPRISES (52-1936656) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(3) BW PROFESSIONAL SERVICES, INC (52-1655640) 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	HEALTHCARE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(4) NA EXECUTIVE BUILDING CONDO ASSN, INC 301 HOSPITAL DRIVE, GLEN BURNIE, MD 21061	REAL ESTATE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(5) UM CHARLES REGIONAL CARE PARTNERS (52-2176314) PO BOX 1070, LA PLATA, MD 20646	HEALTHCARE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(6) UNIVERSITY MIDTOWN PROF CENTER (52-1891126) 827 LINDEN AVENUE, BALTIMORE, MD 21201	REAL ESTATE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(7) UNIVERSITY OF MARYLAND HEALTH ADVANTAGE (46-1411902) 22 SOUTH GREENE STREET, BALTIMORE, MD 21201	INSURANCE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(8) UNIVERSITY OF MARYLAND HEALTH PARTNERS (45-2815803) 22 SOUTH GREENE STREET, BALTIMORE, MD 21201	INSURANCE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(9) UNIVERSITY OF MARYLAND MEDICAL SYSTEM HE (45-2815722) 22 SOUTH GREENE STREET, BALTIMORE, MD 21201	INSURANCE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(10) UPPER CHESAPEAKE HEALTH VENTURES, INC (52-2031264) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	HEALTHCARE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(11) UPPER CHESAPEAKE MEDICAL CENTER LAND CON (77-0674478) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	REAL ESTATE	MD	YES	C CORPORATION	261,927	34,123	100.00	✓	
(12) UPPER CHESAPEAKE MEDICAL OFFICE BUILDING (52-1946829) 520 UPPER CHESAPEAKE DR, BEL AIR, MD 21014	REAL ESTATE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(13) SHORE ORTHOPEDICS, INC (37-1817262) 219 S WASHINGTON STREET, EASTON, MD 21601	HEALTHCARE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(14) MADISON MANOR, INC (52-1269059) 5801 42ND AVE, HYATTSVILLE, MD 20781	HEALTHCARE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(15) AFFILIATED ENTERPRISES, INC (52-1542144) 3001 HOSPITAL DRIVE, CHEVERLY, MD 20785	HEALTHCARE	MD	N/A	C CORPORATION	N/A	N/A	N/A		✓
(16) DIMENSIONS ASSURANCE LTD (98-0348082) PO BOX 1363, GENESIS BLDG, GRAND CAYMAN, CJ	INSURANCE	CAYMAN ISLANDS	N/A	C CORPORATION	N/A	N/A	N/A		✓
(17) RIVERSIDE HEALTH OF DELAWARE, INC (46-3205820) 1966 GREENSPRING DRIVE, STE 600, TIMONIUM, MD 21093	HEALTHCARE	DE	N/A	C CORPORATION	N/A	N/A	N/A		✓
(18) RIVERSIDE HEALTH OF DC, INC (46-1411713) 1966 GREENSPRING DRIVE, STE 600, TIMONIUM, MD 21093	HEALTHCARE	DC	N/A	C CORPORATION	N/A	N/A	N/A		✓

CONSOLIDATED FINANCIAL STATEMENTS

University of Maryland Medical System Corporation and Subsidiaries
Years Ended June 30, 2020 and 2019
With Report of Independent Auditors

Ernst & Young LLP



University of Maryland Medical System Corporation and Subsidiaries

Consolidated Financial Statements

Years Ended June 30, 2020 and 2019

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Report of Independent Auditors

The Board of Directors
University of Maryland Medical System Corporation

We have audited the accompanying consolidated financial statements of the University of Maryland Medical System Corporation and Subsidiaries (the Corporation), which comprise the consolidated balance sheet as of June 30, 2020, and the related consolidated statement of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the consolidated financial position of the University of Maryland Medical System Corporation and Subsidiaries as of June 30, 2020, and the consolidated results of their operations, changes in net assets and their cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Adoption of New Accounting Pronouncement

As discussed in Note 1(y) to the consolidated financial statements, the Corporation changed its method of accounting for leases as a result of the adoption of the amendments to the Financial Accounting Standards Board Accounting Standards Codification resulting from Accounting Standards Update No. 2016-02, *Leases*, effective July 1, 2019. Our opinion is not modified with respect to this matter.

Report of Other Auditors on June 30, 2019 Financial Statements

The consolidated financial statements of the University of Maryland Medical System Corporation and Subsidiaries for the year ended June 30, 2019, were audited by other auditors who expressed an unmodified opinion on those statements on October 28, 2019.

Ernst + Young LLP

October 28, 2020

University of Maryland Medical System Corporation and Subsidiaries

Consolidated Balance Sheets (In Thousands)

	June 30	
	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 961,647	\$ 360,318
Assets limited as to use, current portion	64,026	64,910
Accounts receivable:		
Patient accounts receivable, net	472,351	458,437
Other	118,228	91,103
Inventories	105,879	70,478
Assets held for sale	149,563	116,828
Prepaid expenses and other current assets	60,178	48,055
Total current assets	1,931,872	1,210,129
Investments	927,366	885,640
Assets limited as to use, less current portion	1,113,986	1,227,384
Property and equipment, net	2,556,548	2,309,086
Investments in joint ventures	92,485	91,942
Other assets	517,654	409,188
Total assets	\$ 7,139,911	\$ 6,133,369
Liabilities and net assets		
Current liabilities:		
Trade accounts payable	\$ 302,133	\$ 288,841
Accrued payroll and benefits	282,410	281,177
Advances from third-party payors	773,947	139,163
Lines of credit	193,500	161,300
Short-term financing	150,000	150,000
Other current liabilities	129,813	127,760
Liabilities held for sale	65,461	60,830
Long-term debt subject to short-term remarketing arrangements	28,794	18,895
Current portion of long-term debt	40,468	47,621
Total current liabilities	1,966,526	1,275,587
Long-term debt, less current portion and amount subject to short-term remarketing arrangements	1,438,257	1,484,960
Other long-term liabilities	653,388	439,024
Interest rate swap liabilities	270,430	196,174
Total liabilities	4,328,601	3,395,745
Net assets:		
Without donor restrictions	2,055,346	1,973,405
With donor restrictions	755,964	764,219
Total net assets	2,811,310	2,737,624
Total liabilities and net assets	\$ 7,139,911	\$ 6,133,369

See accompanying notes to consolidated financial statements.

University of Maryland Medical System Corporation and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets
(In Thousands)

	Year Ended June 30	
	2020	2019
Operating revenue, gains, and other support:		
Net patient service revenue	\$ 3,915,931	\$ 4,017,054
State and county support	19,737	41,521
CARES Act – Provider relief funds	199,632	–
Other revenue	228,754	176,699
Total operating revenue, gains, and other support	4,364,054	4,235,274
Operating expenses:		
Salaries, wages and benefits	2,230,484	2,158,136
Expendable supplies	760,113	792,015
Purchased services	696,028	634,618
Contracted services	276,959	269,897
Depreciation and amortization	235,891	244,056
Interest expense	46,561	57,792
Total operating expenses	4,246,036	4,156,514
Income from continuing operations	118,018	78,760
Nonoperating income and expenses, net:		
Unrestricted contributions	9,293	5,607
Equity in net income of joint ventures	3,536	3,624
Investment income, net	24,635	30,632
Change in fair value of investments	(4,884)	24,421
Change in fair value of undesignated interest rate swaps	(75,811)	(47,995)
Other nonoperating losses, net	(24,376)	(33,045)
Excess of revenues over expenses from continuing operations	50,411	62,004
Gain (loss) on discontinued operations, net	19,599	(25,847)
Excess of revenues over expenses	\$ 70,010	\$ 36,157

University of Maryland Medical System Corporation and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (continued)
(In Thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
Balance at June 30, 2018	\$ 1,952,422	\$ 742,667	\$ 2,695,089
Excess of revenues over expenses from continuing operations	62,004	–	62,004
Loss on discontinued operations, net	(25,847)	–	(25,847)
Investment gains, net	–	1,666	1,666
State support for capital	–	5,565	5,565
Contributions, net	–	26,782	26,782
Net assets released from restrictions used for operations and nonoperating activities	–	(4,279)	(4,279)
Net assets released from restrictions used for purchase of property and equipment	14,130	(14,130)	–
Change in economic and beneficial interests in the net assets of related organizations	–	1,982	1,982
Change in funded status of defined benefit pension plans	(26,886)	–	(26,886)
Other	(2,418)	3,966	1,548
Increase in net assets	20,983	21,552	42,535
Balance at June 30, 2019	1,973,405	764,219	2,737,624
Excess of revenues over expenses from continuing operations	50,411	–	50,411
Gain on discontinued operations, net	19,599	–	19,599
Investment gains, net	–	1,206	1,206
State support for capital	–	20,803	20,803
Contributions, net	–	18,111	18,111
Net assets released from restrictions used for operations and nonoperating activities	–	(6,307)	(6,307)
Net assets released from restrictions used for purchase of property and equipment	18,791	(18,791)	–
Change in economic and beneficial interests in the net assets of related organizations	27,283	(27,283)	–
Change in funded status of defined benefit pension plans	(36,971)	–	(36,971)
Other	2,828	4,006	6,834
Increase (decrease) in net assets	81,941	(8,255)	73,686
Balance at June 30, 2020	\$ 2,055,346	\$ 755,964	\$ 2,811,310

See accompanying notes to consolidated financial statements.

University of Maryland Medical System Corporation and Subsidiaries

Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended June 30	
	2020	2019
Operating activities		
Increase in net assets	\$ 73,686	\$ 42,535
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	235,891	244,056
Amortization of bond premium and deferred financing costs	1,477	1,477
Net realized gains and change in fair value of investments	(3,183)	(41,626)
Equity in net income of joint ventures	(3,536)	(3,624)
Change in economic and beneficial interests in net assets of related organizations	27,281	(1,982)
Change in fair value of interest rate swaps	74,256	46,385
Change in funded status of defined benefit pension plans	36,971	26,886
Restricted contributions, grants and other support, net	(40,120)	(22,503)
Change in operating assets and liabilities:		
Patient accounts receivable	(13,027)	(26,772)
Other receivables, prepaid expenses, other current assets and other assets	(76,747)	152,963
Inventories	(35,401)	298
Trade accounts payable, accrued payroll and benefits, other current liabilities and other long-term liabilities	74,235	14,617
Advances from third-party payors	634,784	(14,704)
Net cash provided by operating activities	<u>986,567</u>	<u>418,006</u>
Investing activities		
Purchases and sales of investments and assets limited as to use, net	125,958	(98,355)
Purchases of alternative investments	(79,572)	(66,267)
Sales of alternative investments	101,417	89,948
Purchase of UM Ambulatory Care, LLC, net cash acquired	(608)	-
Purchases of property and equipment	(461,896)	(394,588)
Distributions from (contributions to) joint ventures, net	1,922	(1,238)
Net cash used in investing activities	<u>(312,779)</u>	<u>(470,500)</u>

University of Maryland Medical System Corporation and Subsidiaries

Consolidated Statements of Cash Flows (continued)
(In Thousands)

	Year Ended June 30	
	2020	2019
Financing activities		
Proceeds from long-term debt	\$ —	\$ 10,016
Repayment of long-term debt and capital leases	(45,434)	(78,394)
Draws on lines of credit, net	32,200	62,000
Restricted contributions, grants and other support	40,120	22,503
Net cash provided by financing activities	<u>26,886</u>	<u>16,125</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	700,674	(36,369)
Cash, cash equivalents and restricted cash, beginning of year	511,949	548,318
Cash, cash equivalents and restricted cash, end of year	<u>\$ 1,212,623</u>	<u>\$ 511,949</u>
Cash and cash equivalents	\$ 961,647	\$ 360,318
Restricted cash included in assets limited as to use	250,976	151,631
Cash, cash equivalents and restricted cash, end of year	<u>\$ 1,212,623</u>	<u>\$ 511,949</u>
Discontinued operations		
Operating activities	<u>\$ 19,374</u>	<u>\$ 2,150</u>
Investing activities	<u>\$ (569)</u>	<u>\$ (3,131)</u>
Financing activities	<u>\$ —</u>	<u>\$ —</u>
Supplemental disclosures of cash flow information		
Cash paid during the year for interest, net of amounts capitalized	<u>\$ 54,306</u>	<u>\$ 58,860</u>
Amount included in accounts payable for construction in progress	<u>\$ 45,415</u>	<u>\$ 35,414</u>
Supplemental disclosures of noncash information		
Capital leases	<u>\$ —</u>	<u>\$ 427</u>

See accompanying notes to consolidated financial statements.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements

(In Thousands)

June 30, 2020

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

The University of Maryland Medical System Corporation (the Corporation or UMMS) is a private, not-for-profit corporation providing comprehensive healthcare services through an integrated regional network of hospitals and related clinical enterprises. UMMS was created in 1984 when its founding hospital was privatized by the State of Maryland. Prior to that time, the founding hospital was state-owned, operated and financed as part of the University of Maryland, now a part of the University System. As part of the privatization process, the Maryland General Assembly and the University of Maryland's Board of Regents adopted legislation (the Governance Legislation) separating the major health care delivery components from the University System to UMMS. This Governance Legislation provides for certain level of oversight by the State of Maryland to ensure UMMS' founding purposes are consistently set forth in its functions and operating practices.

Over its 35-year history, UMMS evolved into a multi-hospital system with academic, community and specialty service missions reaching primarily across Maryland. In continuing partnership with the University of Maryland School of Medicine, UMMS operates healthcare programs that improve the physical and mental health of thousands of people each day.

The accompanying consolidated financial statements include the accounts of the Corporation, its wholly owned subsidiaries, and entities controlled by the Corporation. In addition, the Corporation maintains equity interests in various unconsolidated joint ventures, which are described in Note 5. The significant operating divisions of the Corporation are described in further detail below.

All material intercompany balances and transactions have been eliminated in consolidation.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

(i) Recent Acquisitions and Divestitures

During the year ended June 30, 2020, the Corporation signed a letter of intent to sell the assets and liabilities of UM Health Plans. The sale, which will include both the Medicaid Plan and Medicare Advantage Plan, is expected to be completed within the next 12 months. Based on the criteria in Accounting Standards Codification (ASC) 205, *Discontinued Operations*, it was determined that the pending sale met the criteria for discontinued operations treatment. The carrying amount of the assets and liabilities held for sale are stated at their net realizable value as of June 30, 2020 and any gain or loss on the sale is considered to be immaterial to the consolidated financial statements of the Corporation. As of June 30, 2020 and 2019, assets held for sale were approximately \$149,600 and \$116,800 and liabilities held for sale were approximately \$65,500 and \$60,800, respectively. For the years ended June 30, 2020 and 2019, operating revenues from discontinued operations were approximately \$361,618 and \$379,630, respectively. For the years ended June 30, 2020 and 2019, operating and nonoperating expenses from discontinued operations were approximately \$342,019 and \$405,477, respectively.

Effective March 1, 2020, the Corporation purchased the full interest in nine urgent care sites from ChoiceOne, which is a subsidiary of Fresenius Medical Care. Previously the urgent care sites were operated under a joint venture agreement between ChoiceOne and three affiliates: UM St. Joseph Medical Center, UM Shore Regional Health and UM Upper Chesapeake Health. Upon becoming a wholly-owned subsidiary of the Corporation, the nine sites were moved under one Company, University of Maryland Ambulatory Care, LLC (UM Ambulatory Care).

(ii) University of Maryland Medical Center (Medical Center)

The Medical Center, which is a major component of UMMS, is a 806-bed academic medical center located in Baltimore. The Medical Center has served as the teaching hospital of the School of Medicine of the University System of Maryland, Baltimore since 1823. As part of the privatization in 1984, only clinical faculty members of the School of Medicine may serve as medical staff of the Medical Center.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

The Medical Center is comprised of two operating divisions: University Hospital, which includes the Greenebaum Cancer Center, and Shock Trauma Center. University Hospital, which generates approximately 80% of the Medical Center's admissions and patient days, is a tertiary teaching hospital providing over 70 clinical services and programs. The Greenebaum Cancer Center specializes in the treatment of cancer patients and is a site for clinical cancer research. The Shock Trauma Center, which specializes in emergency treatment of patients suffering severe trauma, generates approximately 20% of admissions and patient days.

The Medical Center's operations include UniversityCARE, LLC (UCARE), a physician hospital organization of which the Corporation owns a majority ownership interest and therefore consolidates, and 36 South Paca Street, LLC, a wholly owned subsidiary of the Corporation that operates a residential apartment building.

The Corporation has certain agreements with various departments of the University of Maryland School of Medicine concerning the provision of professional and administrative services to the Corporation and its patients. Total expense under these agreements in the years ended June 30, 2020 and 2019 was approximately \$168,438 and \$159,043, respectively.

(iii) University of Maryland Rehabilitation and Orthopaedic Institute (ROI)

ROI is comprised of a medical/surgical and rehabilitation hospital in Baltimore with 137 licensed beds, which includes rehabilitation beds, chronic care beds, medical/surgical beds, and off-site physical therapy facilities.

A related corporation, The James Lawrence Kernan Endowment Fund, Inc. (Kernan Endowment), is governed by a separate, independent board of directors and is required to hold investments and income derived therefrom for the exclusive benefit of ROI. Accordingly, the accompanying consolidated financial statements reflect an economic interest in the net assets of the Kernan Endowment.

(iv) University of Maryland Medical Center Midtown Campus (Midtown)

Midtown is located in Baltimore city and is comprised of University of Maryland Midtown Hospital (UM Midtown), with 177 licensed beds, including 100 acute care beds and 77 chronic care beds and a wholly owned subsidiary providing primary care.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

(v) *University of Maryland Baltimore Washington Medical System, Inc. (Baltimore Washington)*

Baltimore Washington is located in Anne Arundel County, a suburb of Baltimore city, and is a health system comprised of University of Maryland Baltimore Washington Medical Center (UM Baltimore Washington), a 285-bed acute care hospital providing a broad range of services, and several wholly owned subsidiaries providing emergency physician and other services.

Baltimore Washington Medical Center Foundation, Inc. (BWMC Foundation) is governed by a separate, independent board of directors and is required to hold investments and income derived therefrom for the exclusive benefit of UM Baltimore Washington. Accordingly, the accompanying consolidated financial statements reflect an economic interest in the net assets of the BWMC Foundation.

(vi) *University of Maryland Shore Regional Health System (Shore Regional)*

Shore Regional is a health system located on the Eastern Shore of Maryland. Shore Regional owns and operates University of Maryland Memorial Hospital (UM Memorial), a 132-bed acute care hospital providing inpatient and outpatient services in Easton, Maryland; University of Maryland Dorchester Hospital (UM Dorchester), a 34-bed acute care hospital providing inpatient and outpatient services in Cambridge, Maryland; University of Maryland Chester River Hospital Center (UM Chester River), a 21-bed acute care hospital providing inpatient and outpatient services to the residents of Kent and Queen Anne's counties; Shore Emergency Center at Queenstown (Shore Emergency Center), a free-standing emergency center; Memorial Hospital Foundation (Memorial Foundation), a nonprofit corporation established to solicit donations for the benefit of UM Memorial; Chester River Health Foundation (Chester River Foundation), a nonprofit corporation established to solicit donations for the benefit of UM Chester River; and several other subsidiaries providing various outpatient and home care services.

Dorchester General Hospital Foundation, Inc. (Dorchester Foundation) is governed by a separate, independent board of directors to raise funds on behalf of UM Dorchester. Shore Regional does not have control over the policies or decisions of the Dorchester Foundation, and accordingly, the accompanying consolidated financial statements reflect a beneficial interest in the net assets of the Dorchester Foundation.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

(vii) University of Maryland Charles Regional Health System, Inc. (Charles Regional)

Charles Regional owns and operates University of Maryland Charles Regional Medical Center (UM Charles Regional), which is comprised of a 99-bed acute care hospital and other community healthcare resources providing inpatient and outpatient services to the residents of Charles County in Southern Maryland.

(viii) University of Maryland St. Joseph Health System, LLC (St. Joseph)

St. Joseph owns and operates University of Maryland St. Joseph Medical Center (UM St. Joseph), a 219-bed, Catholic acute care hospital located in Towson, Maryland, as well as other subsidiaries providing inpatient and outpatient services to the residents of Baltimore County.

(ix) University of Maryland Upper Chesapeake Health System (Upper Chesapeake)

Upper Chesapeake is a health system located in Harford County, Maryland. Upper Chesapeake's healthcare delivery system includes two acute care hospitals, University of Maryland Upper Chesapeake Medical Center (UM Upper Chesapeake), a 174-bed acute care hospital and University of Maryland Harford Memorial Hospital (UM Harford Memorial), an 82-bed acute care hospital; a physician practice; a land holding company; and Upper Chesapeake Health Foundation.

(x) University of Maryland Capital Region Health (Capital Region)

Capital Region is a health system located in Prince George's County. Capital Region owns and operates UM Prince George's Hospital Center (UM Prince George's), a 230-bed acute care teaching hospital providing an array of services including emergency medicine, behavioral health, cardiac surgery and a Level II Trauma Center; UM Laurel Medical Center (UM Laurel), a free standing medical facility providing emergency medicine and outpatient surgery and UM Bowie Health Center (UM Bowie) a free standing medical facility providing emergency medicine and diagnostic imaging and lab services.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

(xi) University of Maryland Medical System Foundation, Inc. (UMMS Foundation)

The UMMS Foundation, a not-for-profit foundation, was established for the purpose of soliciting contributions on behalf of the Corporation.

(xii) University of Maryland Quality Care Network (QCN)

QCN, a wholly owned subsidiary of UMMS, is a network comprised of UMMS employed physicians and independent physician practices in the UMMS service area. The participants bear shared responsibility for the care of a defined population of patients and can contract as one entity with payors.

(b) Basis of Presentation

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles.

(c) Cash and Cash Equivalents

Cash and cash equivalents, excluding amounts shown within investments and assets limited as to use, consist of cash and interest-bearing deposits with maturities of three months or less from the date of purchase. Cash and cash equivalent balances may exceed amounts insured by federal agencies and, therefore, bear a risk of loss. The Corporation has not experienced such losses on these funds.

(d) Investments and Assets Limited as to Use

The Corporation's investment portfolios are classified as trading and are reported in the consolidated balance sheets, as long-term assets, at their fair value, based on quoted market prices, at June 30, 2020 and 2019. Unrealized holding gains and losses on trading securities with readily determinable market values are included in nonoperating income. Investment income, including realized gains and losses, is included in nonoperating income in the accompanying consolidated statements of operations and changes in net assets.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

Assets limited as to use include investments set aside at the discretion of the board of directors for the replacement or acquisition of property and equipment, investments held by trustees under bond indenture agreements and self-insurance trust arrangements, and assets whose use is restricted by donors. Such investments are stated at fair value. Amounts required to meet current liabilities have been included in current assets in the consolidated balance sheets. Changes in fair values of donor-restricted investments are recorded in net assets with donor restrictions unless otherwise required by the donor or state law.

Assets limited as to use also include the Corporation's economic interests in financially interrelated organizations (Note 13).

Alternative investments, which the Corporation defines to include multi-strategy commingled funds, hedge funds, hedge fund-of-funds, and private equity investments, are recorded under the equity method of accounting. Underlying securities of these alternative investments may include certain debt and equity securities that are not readily marketable. Because certain investments are not readily marketable, their fair value is subject to additional uncertainty, and therefore, values realized upon disposition may vary significantly from current reported values.

Investments are exposed to certain risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, changes in the value of investment securities could occur in the near term, and these changes could materially differ from the amounts reported in the accompanying consolidated financial statements.

(e) Inventories

Inventories, consisting primarily of drugs and medical/surgical supplies, are carried at the lower of cost or market, on a first-in, first-out basis.

(f) Economic Interests in Financially Interrelated Organizations

The Corporation recognizes its rights to assets held by recipient organizations, which accept cash or other financial assets from a donor and agree to use those assets on behalf of or transfer those assets, the return on investment of those assets, or both, to the Corporation. Changes in the Corporation's economic interests in these financially interrelated organizations are recognized in the accompanying consolidated statements of changes in net assets.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

(g) Property and Equipment

Property and equipment are stated at cost or estimated fair value at date of contribution, less accumulated depreciation. Depreciation is provided on a straight-line basis over the estimated useful lives of the depreciable assets using the half-year convention. The estimated useful lives of the assets are as follows:

Buildings	20 to 40 years
Building and leasehold improvements	5 to 15 years
Equipment	3 to 15 years

Interest costs incurred on borrowed funds less interest income earned on the unexpended bond proceeds during the period of construction are capitalized as a component of the cost of acquiring those assets.

Gifts of long-lived assets, such as land, buildings, or equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

(h) Deferred Financing Costs

Costs incurred related to the issuance of long-term debt, which are included in long-term debt, are deferred and are amortized over the life of the related debt agreements or the related letter of credit agreements using the effective-interest method.

(i) Intangible Assets and Goodwill

Intangible assets include amounts recognized in connection with acquisitions. Intangible assets are initially valued at fair market value using generally accepted valuation methods. Amortization is recognized on a straight-line basis over the estimated useful life of the intangible assets. Intangible assets with definite and indefinite lives are reviewed for impairment if indicators of impairment arise.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. The carrying value of goodwill is evaluated at least annually for impairment.

The Corporation has one reporting unit within continuing operations.

There was no impairment loss recognized for the year ended June 30, 2020 and 2019.

The changes in the carrying amount of goodwill are as follows:

	<u>Health Care Delivery</u>
Goodwill at June 30, 2018	\$ 48,810
Acquisitions	—
Write-downs	—
Goodwill at June 30, 2019	<u>48,810</u>
Acquisitions	—
Write-downs	—
Goodwill at June 30, 2020	<u><u>\$ 48,810</u></u>

(j) Impairment of Long-Lived Assets

Long-lived assets, such as property, plant, and equipment, and purchased intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by comparing the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the consolidated balance sheets and reported at the lower of the carrying amount or fair value less costs to sell, and are no longer depreciated. The assets and liabilities of a disposed group classified as held for sale would be presented separately in the appropriate asset and liability sections of the consolidated balance sheets.

No impairment losses were recorded for the years ended June 30, 2020 or 2019.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(l) Organization and Summary of Significant Accounting Policies (continued)

(k) Investments in Joint Ventures

When the Corporation does not have a controlling interest in an entity where less than 50% of the voting common stock is owned or does not exert a significant influence over the entity, the Corporation applies the equity method of accounting.

(l) Self-Insurance

Under the Corporation's self-insurance programs (general and professional liability, workers' compensation, and employee health and long-term disability benefits), incurred claims are estimated primarily based upon actuarial methods which include incurred but not reported claims analysis and reported claims the severity of incidents and the expected timing of claim payments. These estimates are continually reviewed and adjusted as necessary based on experience. These adjustments are recorded within the current period operating income.

(m) Net Assets

The Corporation classifies net assets based on the existence or absence of donor-imposed restrictions. Net assets without donor restrictions represent contributions, gifts, and grants, which have no donor-imposed restrictions or which arise as a result of operations. Net assets with donor restrictions are subject to donor-imposed restrictions that must or will be met either by satisfying a specific purpose and/or passage of time. Generally, the donors of these assets permit the use of all or part of the income earned on related investments for specific purposes. The restrictions associated with these net assets generally pertain to patient care, specific capital projects, and funding of specific hospital operations and community outreach programs.

(n) Net Patient Service Revenue and Patient Accounts Receivable

In accordance with ASC 606, *Revenue from Contracts with Customers*, net patient service revenue, which includes hospital inpatient services, hospital outpatient services, physician services, and other patient services revenue, is recorded at the transaction price estimated by the Corporation to reflect the total consideration due from patients and third-party payors (including commercial payers and government programs) and others. Revenue is recognized over time as performance obligations are satisfied in exchange for providing goods and services in patient care. Revenue is

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

recorded as these goods and services are provided. The services provided to a patient during an inpatient stay or outpatient visit represent a bundle of goods and services that are distinct and accounted for as a single performance obligation.

The Corporation's estimate of the transaction price includes the Corporation's standard charges for the goods and services provided with a reduction recorded related to explicit price concessions for such items as contractual allowances, charity care, potential adjustments that may arise from payment and other reviews, and implicit price concessions such as uncollectible amounts. The price concessions are determined using the portfolio approach as a practical expedient to account for patient contracts as collective groups rather than individually. Based on historical experience, a significant portion of the self-pay population will be unable or unwilling to pay for services and only the amount anticipated to be collected is recognized the transactions price. Subsequent changes to the estimate of the transaction price are generally recorded as adjustment to net patient service revenue in the period of change. Subsequent changes that are determined to be the result of an adverse change in the payor's or patient's ability to pay are considered bad debt expense and recorded within operating expenses. Estimates for uncollectible amounts are based on the historical collections experience for similar payors and patients, current market conditions, and other relevant factors. The Corporation recognizes a significant amount of patient service revenue even though they do not assess the patient's ability to pay.

The standard charges for goods and services for the Medical Center, ROI, Midtown, Baltimore Washington, Shore Regional, Charles Regional, St. Joseph, Upper Chesapeake, and Capital Region reflects actual charges to patients based on rates established by the state of Maryland Health Services Cost Review Commission (HSCRC) in effect during the period in which the services are rendered. See Note 20 for further discussion on the HSCRC and regulated rates.

Patient accounts are recorded at the net realizable value based on certain assumptions determined by each payor. For third-party payors including Medicare, Medicaid, and commercial insurance, the net realizable value is based on the estimated contractual adjustments which is based on approved discounts on charges as permitted by the HSCRC. For self-pay accounts, which includes patients who are uninsured and the patient responsibility portion for patients with insurance, the net realizable value is determined using estimates of historical collection experience.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

The Corporation has elected to apply the optional exemption in ASC 606-10-50-14a as all performance obligations relate to contracts with duration of less than one year. Under this exemption, the Corporation was 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 at the end of the year are completed within days or weeks of the end of the year.

Net patient service revenue by line of business are as follows:

	Year Ended June 30	
	2020	2019
Hospital inpatient and outpatient services	\$ 3,658,694	\$ 3,734,201
Physician services	238,498	245,150
Other	18,739	37,703
Net patient service revenue	<u>\$ 3,915,931</u>	<u>\$ 4,017,054</u>

(o) Charity Care

The Corporation is committed to providing quality healthcare to all, regardless of one's ability to pay. Patients who meet the criteria of its charity care policy receive services without charge or at amounts less than its established rates. The criteria for charity care consider the household income in relation to the federal poverty guidelines. The Corporation provides services at no charge for patients with adjusted gross income equal to or less than 200% of the federal poverty guidelines. For uninsured patients with adjusted gross income greater than 200% of the federal poverty guidelines, a sliding scale discount is applied. Income and asset information obtained from patient credit reporting data are used to determine patients' ability to pay. The Corporation maintains records to identify and monitor the level of charity care it furnished under its charity care policy.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

Due to the complexity of the eligibility process, the Corporation provides eligibility services to patients free of charge to assist in the qualification process. These eligibility services include, but are not limited to, the following:

- Financial assistance brochures and other information are posted at each point of service. When patients have questions or concerns, they are encouraged to call a toll-free number to reach customer service representatives during the business day. Financial assistance programs are published on the Corporation's Web site and included on the statements provided to patients.
- The Corporation offers assistance to patients in completing the applications for Medicaid or other government payment assistance programs, or applying for care under the Corporation's charity care policy, if applicable. The Corporation also employs an external firm to assist in the eligibility process.
- Any patient, whether covered by insurance or not, may meet with a UMMS representative and receive financial counseling from UMMS' dedicated financial assistance unit.

The Corporation recognizes that a large number of uninsured and insured patients meet the charity care guidelines but do not respond to the Corporation's attempts to obtain necessary financial information. In these instances, the Corporation uses credit reporting data to properly classify these unpaid balances as charity care as opposed to bad debt expense. Utilization of income and asset information and credit reporting data indicate the vast majority of amounts reported as uncollectible (implicit price concessions) represent amounts due from patients that would otherwise qualify for charity benefits but do not respond to the Corporation's attempts to obtain the necessary financial information. In these cases, reasonable collection efforts are pursued, but yield few collections. Amounts determined to meet the criteria under the charity care policy or determined to be uncollectible from patients are reported as reductions to net patient service revenue.

The amounts reported as charity care represent the cost of rendering such services. Costs incurred are estimated based on the cost-to-charge ratio for each hospital and applied to charity care charges. The Corporation estimates the total direct and indirect costs to provide charity care were \$48,254 and \$48,821 for the years ended June 30, 2020 and 2019, respectively.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

(p) Nonoperating Income and Expenses, Net

Other activities that are only indirectly related to the Corporation's primary business of delivering healthcare services are recorded as nonoperating income and expenses, and include investment income, equity in the net income of joint ventures, general donations and fund-raising activities, inherent contributions, changes in fair value of investments, changes in fair value of undesignated interest rate swaps, and settlement payments on interest rate swaps that do not qualify for hedge accounting treatment. Settlement payments on interest rate swaps were approximately \$18,444 and \$15,124 for the years ended June 30, 2020 and 2019, respectively, and are reported within other nonoperating losses, net.

(q) Derivative Financial Instruments

The Corporation records derivative and hedging activities on the consolidated balance sheets at their respective fair values.

The Corporation utilizes derivative financial instruments to manage its interest rate risks associated with long-term tax-exempt debt. The Corporation does not hold or issue derivative financial instruments for trading purposes.

The Corporation's specific goals are to (a) manage interest rate sensitivity by modifying the reprising or maturity characteristics of some of its tax-exempt debt, and (b) lower unrealized appreciation or depreciation in the market value of the Corporation's fixed-rate tax-exempt debt when that market value is compared with the cost of the borrowed funds. The effect of this unrealized appreciation or depreciation in market value; however, will generally be offset by the income or loss on the derivative instruments that are linked to the debt.

All derivative instruments are reported as other assets or interest rate swap liabilities in the consolidated balance sheets and measured at fair value. Currently, the Corporation is accounting for its interest rate swaps as economic hedges at fair value with changes in the fair value recognized in other nonoperating income and expenses.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

(r) Excess of Revenue over Expenses from Continuing Operations

The accompanying consolidated statements of operations and changes in net assets includes a performance indicator, excess of revenues over expenses from continuing operations. Changes in net assets without donor restrictions that are excluded from the performance indicator, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions, which, by donor restrictions, were to be used for the purpose of acquiring such assets), changes in the funded status of defined benefit pension plans, and other items that are required by generally accepted accounting principles to be reported separately.

(s) Income Taxes

The Corporation and most of its subsidiaries are not-for-profit corporations formed under the laws of the State of Maryland, organized for charitable purposes and recognized by the Internal Revenue Service as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code (the Code) pursuant to Section 501(a) of the Code. The effect of the taxable status of its for-profit subsidiaries is not material to the consolidated financial statements.

The Corporation follows a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. Management does not believe that there are any unrecognized tax liabilities or benefits that should be recognized.

(t) Donor-Restricted Gifts

Unconditional promises to give cash and other assets to the Corporation 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 promise becomes unconditional. Contributions are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction is satisfied, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Such amounts are classified as other revenue or transfers and additions to property and equipment. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions on the accompanying consolidated statements of operations.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

Contributions to be received after one year are discounted at a fixed discount rate commensurate with the risks involved. An allowance for uncollectible contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contributions, and nature of fund-raising activity.

(u) Fair Value Measurements

The following methods and assumptions were used by the Corporation in estimating the fair value of its financial instruments:

Cash and cash equivalents, accounts receivable, assets limited as to use, investments, trade accounts payable, accrued payroll and benefits, other accrued expenses, and advances from third-party payors – The carrying amounts reported in the consolidated balance sheets approximate the related fair values.

Pension plan assets – The Corporation applies Accounting Standards Update (ASU) 2009-12, *Fair Value Measurements and Disclosures (Topic 820): Investments in Certain Entities That Calculate Net Asset per Share (or Its Equivalent)*, to its pension plan assets. The guidance permits, as a practical expedient, fair value of investments within its scope to be estimated using the net asset value (NAV) or its equivalent. The alternative investments classified within the fair value hierarchy have been recorded using the NAV.

The Corporation discloses its financial assets, financial liabilities, and fair value measurements of nonfinancial items according to the fair value hierarchy required by generally accepted accounting principles that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Corporation has the ability to access at the measurement date.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

- Level 2 inputs are inputs other than quoted market prices including within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability.

Assets and liabilities classified as Level 1 are valued using unadjusted quoted market prices for identical assets or liabilities in active markets. The Corporation uses techniques consistent with the market approach and the income approach for measuring fair value of its Level 2 and Level 3 assets and liabilities. The market approach is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The income approach generally converts future amounts (cash flows or earnings) to a single present value amount (discounted).

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

As of June 30, 2020, and 2019, the Level 2 assets and liabilities listed in the fair value hierarchy tables presented in Notes 3 and 11 utilize the following valuation techniques and inputs:

Cash Equivalents

The fair value of investments in cash equivalent securities, with maturities within three months of the date of purchase, is determined using techniques that are consistent with the market approach. Significant observable inputs include reported trades and observable broker-dealer quotes.

U.S. Government and Agency Securities

The fair value of investments in U.S. government, state, and municipal obligations is primarily determined using techniques consistent with the income approach. Significant observable inputs to the income approach include data points for benchmark constant maturity curves and spreads.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

Corporate Obligations

The fair value of investments in U.S. and international corporate bonds, including commingled funds that invest primarily in such bonds and foreign government bonds, is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include benchmark yields, reported trades, observable broker-dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options. The fair value of collateralized corporate obligations is primarily determined using techniques consistent with the income approach, such as a discounted cash flow model. Significant observable inputs include prepayment speeds and spreads, benchmark yield curves, volatility measures, and quotes.

Derivative Liabilities

The fair value of derivative contracts is primarily determined using techniques consistent with the market approach. Derivative contracts include interest rate, credit default, and total return swaps. Significant observable inputs to valuation models include interest rates, treasury yields, volatilities, credit spreads, maturity, and recovery rates.

(v) Commitments and Contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

(w) Going Concern

Management evaluates whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern within one year after the date the financial statements are issued. As of the date of this report, there are no conditions or events that raise substantial doubt about the Corporation's ability to continue as a going concern.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(1) Organization and Summary of Significant Accounting Policies (continued)

(x) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(y) New Accounting Pronouncements

The Corporation adopted ASU 2016-02, *Leases (ASC Topic 842)*, on July 1, 2019. ASC Topic 842 required the recognition of right-of-use assets (ROU) and lease liabilities on the accompanying consolidated balance sheet and the disclosure of qualitative and quantitative information about leasing arrangements. The guidance was adopted using a modified retrospective approach without restating prior comparative periods. The Corporation elected to utilize the transition practical expedient to not reassess whether a contract is or contains a lease, the lease classification and initial direct costs. Additionally, the Corporation also elected the practical expedient which allows the System to treat the lease and non-lease components of a contract as a single component and account for as a lease. The Corporation recognized operating ROU assets and corresponding operating lease liabilities of approximately \$99,000 in the accompanying consolidated balance sheet at July 1, 2019. See further discussion in Note 6.

Effective January 1, 2019, the Corporation adopted ASU 2016-18, *Statement of Cash Flows (Topic 320): Restricted Cash*, which requires that the statement of cash flows explain the change during the period in total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. See further discussion in Note 3.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(2) COVID-19 Pandemic and the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020

Maryland Governor Larry Hogan began preparing the State for the COVID-19 pandemic on January 29, 2020 by raising the State's emergency operations center threat to "enhanced." As a result of close monitoring of the pandemic's impact data, on March 5, 2020, Governor Hogan declared a State of Emergency in Maryland, an action that was succeeded by several others intended to limit the spread of COVID-19 in Maryland and ensure residents who required medical care were able to obtain it safely and efficiently. Notably, Governor Hogan issued an executive order on March 16, 2020 restricting elective procedures. As a result, volume in the months of March and April declined significantly and based on the State of Maryland's phased resumption of certain elective procedures in May and June, volumes increased compared to April 2020.

In response to COVID-19, the Coronavirus Aid, Relief and Economic Security (CARES) Act, was signed into law on March 27, 2020. The CARES Act authorizes funding to hospitals and other healthcare providers to be distributed through the Public Health and Social Services Emergency Fund (Relief Fund). Payments from the Relief Fund are to be used to prevent, prepare for, and respond to coronavirus, and shall reimburse the recipient for health care related expenses or lost revenues attributable to coronavirus and not required to be repaid, provided the recipients attest to and comply with the terms and conditions.

The U.S. Department of Health and Human Services' distributions from the Relief Fund include general distribution and targeted distributions to support hospitals in high impact areas and rural providers. For the year ended June 30, 2020, the Corporation received and recognized as other operating revenue, approximately \$199,600 in relief funding. Amounts recognized as revenue could change in the future based on evolving compliance guidance provided by HHS, among other factors, as discussed further in Note 21.

In April 2020, the Corporation requested Medicare advanced payments under the Centers for Medicare and Medicaid Services' Accelerated and Advanced Payment Program designed to increase cash flow to Medicare providers and suppliers impacted by COVID-19. The Medicare advanced payment program allows eligible health care facilities to request up to six months of advance Medicare payments for acute care hospitals or up to three months of advance Medicare payments for other health care providers. The Corporation received approximately \$641,300 of advanced payments with repayment to occur based upon the terms and conditions of the program. Amounts received represent contract liabilities under Topic 606 and are recorded in advances from third party payors within the accompanying consolidated balance sheet as of June 30, 2020.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(2) COVID-19 Pandemic and the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 (continued)

The CARES Act provided for deferred payment of the employer portion of social security taxes through December 31, 2020, with 50% of the deferred amount to December 31, 2021 and the remaining 50% due December 31, 2022. As of June 30, 2020, the Corporation deferred \$26,971, which is recorded in other long-term liabilities in the accompanying consolidated balance sheet.

(3) Investments and Assets Limited as to Use

The carrying values of assets limited as to use were as follows:

	June 30	
	2020	2019
Investments held for collateral	\$ 166,507	\$ 113,586
Debt service and reserve funds	37,696	86,157
Construction funds – held by trustee	204,366	279,205
Construction funds – held by the Corporation	174,675	183,917
Board designated funds	116,811	140,689
Self-insurance trust funds	215,162	212,384
Funds restricted by donors	91,975	78,255
Economic and beneficial interests in the net assets of related organizations (Note 13)	170,820	198,101
Total assets limited as to use	<u>1,178,012</u>	1,292,294
Less amounts available for current liabilities	<u>(64,026)</u>	(64,910)
Total assets limited as to use, less current portion	<u><u>\$ 1,113,986</u></u>	<u>\$ 1,227,384</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(3) Investments and Assets Limited as to Use (continued)

The carrying values of assets limited as to use were as follows:

	Investments Held for Collateral	Debt Service and Reserve Funds	Construction Funds	Board Designated Funds	Self- Insurance Trust Funds	Funds Restricted by Donors	Economic and Beneficial Interests	Total
June 30, 2020								
Cash and cash equivalents	\$ 136,101	\$ 15,851	\$ 260,606	\$ 37,409	\$ 591	\$ 13,093	\$ -	\$ 463,651
Corporate obligations	-	-	-	365	12,381	974	-	13,720
Fixed income funds	-	-	-	18,350	394	16,106	-	34,850
U.S. government and agency securities	30,406	21,845	118,435	169	2,782	449	-	174,086
Common stocks, including mutual funds	-	-	-	43,630	5,799	29,569	-	78,998
Alternative investments	-	-	-	16,888	10,830	31,784	-	59,502
Assets held by other organizations	-	-	-	-	182,385	-	170,820	353,205
Total assets limited as to use	<u>\$ 166,507</u>	<u>\$ 37,696</u>	<u>\$ 379,041</u>	<u>\$ 116,811</u>	<u>\$ 215,162</u>	<u>\$ 91,975</u>	<u>\$ 170,820</u>	<u>\$ 1,178,012</u>
June 30, 2019								
Cash and cash equivalents	\$ 31,394	\$ 25,070	\$ 265,160	\$ 19,216	\$ 8,473	\$ 13,924	\$ -	\$ 363,237
Corporate obligations	-	-	-	293	3,015	772	-	4,080
Fixed income funds	-	-	-	26,842	2,944	12,727	-	42,513
U.S. government and agency securities	82,192	61,087	197,962	153	11,151	402	-	352,947
Common stocks, including mutual funds	-	-	-	48,283	7,046	23,074	-	78,403
Alternative investments	-	-	-	45,902	-	27,356	-	73,258
Assets held by other organizations	-	-	-	-	179,755	-	198,101	377,856
Total assets limited as to use	<u>\$ 113,586</u>	<u>\$ 86,157</u>	<u>\$ 463,122</u>	<u>\$ 140,689</u>	<u>\$ 212,384</u>	<u>\$ 78,255</u>	<u>\$ 198,101</u>	<u>\$ 1,292,294</u>

Self-insurance trust funds include amounts held by the Maryland Medicine Comprehensive Insurance Program (MMCIP) for payment of malpractice claims. These assets consist primarily of cash, stocks and fixed-income and corporate obligations. MMCIP is a funding mechanism for the Corporation's malpractice insurance program. As MMCIP is not an insurance provider, transactions with MMCIP are recorded under the deposit method of accounting. Accordingly, the Corporation accounts for its participation in MMCIP by carrying limited-use assets representing the amount of funds contributed to MMCIP and recording a liability for claims, which is included in other current and other long-term liabilities in the accompanying consolidated balance sheets. These assets include the Corporation's portion of the investment pool shared with University of Maryland Faculty Physician, Inc., which is part of the University of Maryland School of Medicine.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(3) Investments and Assets Limited as to Use (continued)

The related restricted cash and cash equivalents included in Investments Held for Collateral, Debt Service and Reserve Funds, Construction Funds (held by trustee), and Funds Restricted by Donors are included in the accompanying Consolidated Statements of Cash Flows for the years ended June 30, 2020 and 2019.

The carrying values of investments were as follows:

	June 30	
	2020	2019
Cash and cash equivalents	\$ 54,553	\$ 61,004
Corporate obligations	56,424	55,023
Fixed income funds	91,095	83,822
U.S. government and agency securities	26,062	23,304
Common stocks	235,673	213,139
Alternative investments:		
Hedge funds/private equity	193,250	137,693
Commingled funds	270,309	311,655
	<u>\$ 927,366</u>	<u>\$ 885,640</u>

Alternative investments include hedge fund, private equity, and commingled investment funds, which are valued using the equity method of accounting. As of June 30, 2020, the majority of these alternative investments are subject to 30 day or less notice requirements and are available to be redeemed on at least a monthly basis. Approximately \$137,700 of the alternative investments were subject to 31–60-day notice requirements and can only be redeemed monthly, quarterly, or annually. Other funds, totaling approximately \$72,500, are subject to over 60-day notice requirements and can only be redeemed monthly, quarterly, or annually. Of the funds with over 60-day notice requirements, approximately \$14,200 are subject to lockup restrictions and are not available to be redeemed until certain time restrictions are met, which range from one to three years. In addition, there are approximately \$5,700 of other funds that are subject to lockup restrictions and are not available to be redeemed until certain time restrictions are met, which range from one to three years. The Corporation had \$5,240 of unfunded commitments in alternative investments as of June 30, 2020.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(3) Investments and Assets Limited as to Use (continued)

As of June 30, 2019, the majority of these alternative investments are subject to 30 day or less notice requirements and are available to be redeemed on at least a monthly basis. Approximately \$140,600 of the alternative investments were subject to 31–60 day notice requirements and can only be redeemed monthly, quarterly, or annually. Other funds, totaling approximately \$72,000, are subject to over 60-day notice requirements and can only be redeemed monthly, quarterly, or annually. Of the funds with over 60-day notice requirements, approximately \$15,000 are subject to lockup restrictions and are not available to be redeemed until certain time restrictions are met, which range from one to three years. In addition, there are approximately \$5,700 of other funds that are subject to lockup restrictions and are not available to be redeemed until certain time restrictions are met, which range from one to three years.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(3) Investments and Assets Limited as to Use (continued)

The following table presents investments and assets limited as to use that are measured at fair value on a recurring basis excluding alternative investments in the amount of \$463,559 and \$148,346 (\$88,844 of which is included within investments held by other organizations*), respectively, which are accounted for under the equity method at June 30, 2020:

	Level 1	Level 2	Level 3	Total
Assets				
Investments:				
Cash and cash equivalents	\$ 54,553	\$ –	\$ –	\$ 54,553
Corporate obligations	–	56,424	–	56,424
Fixed income funds	91,095	–	–	91,095
U.S. government and agency securities	7,586	18,476	–	26,062
Common and preferred stocks, including mutual funds	235,673	–	–	235,673
	388,907	74,900	–	463,807
Assets limited as to use:				
Cash and cash equivalents	463,651	–	–	463,651
Corporate obligations	–	13,720	–	13,720
Fixed income funds	34,850	–	–	34,850
U.S. government and agency securities	170,795	3,291	–	174,086
Common and preferred stocks, including mutual funds	78,998	–	–	78,998
Investments held by other organizations	–	264,361	–	264,361
	748,294	281,372	–	1,029,666
	\$ 1,137,201	\$ 356,272	\$ –	\$ 1,493,473

*“Investments held by other organizations” includes assets of the MMCIP Self-insurance Trust, which holds alternative investments within its portfolios. Alternative investments include hedge fund, private equity, and commingled investment funds, which are valued using the equity method of accounting. As of June 30, 2020, the majority of these alternative investments are subject to 30 day or less notice requirements and are available to be redeemed on at least a monthly basis.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(3) Investments and Assets Limited as to Use (continued)

The following table presents investments and assets limited as to use that are measured at fair value on a recurring basis excluding alternative investments in the amount of \$449,348 and \$73,258, respectively, which are accounted for under the equity method at June 30, 2019:

	Level 1	Level 2	Level 3	Total
Assets				
Investments:				
Cash and cash equivalents	\$ 61,004	\$ –	\$ –	\$ 61,004
Corporate obligations	–	55,023	–	55,023
Fixed income funds	83,822	–	–	83,822
U.S. government and agency securities	15,581	7,723	–	23,304
Common and preferred stocks, including mutual funds	213,139	–	–	213,139
	<u>373,546</u>	<u>62,746</u>	<u>–</u>	<u>436,292</u>
Assets limited as to use:				
Cash and cash equivalents	363,237	–	–	363,237
Corporate obligations	–	4,080	–	4,080
Fixed income funds	42,513	–	–	42,513
U.S. government and agency securities	352,630	317	–	352,947
Common and preferred stocks, including mutual funds	78,403	–	–	78,403
Investments held by other organizations	–	377,856	–	377,856
	<u>836,783</u>	<u>382,253</u>	<u>–</u>	<u>1,219,036</u>
	<u>\$ 1,210,329</u>	<u>\$ 444,999</u>	<u>\$ –</u>	<u>\$ 1,655,328</u>

Changes to Level 1 and Level 2 securities between June 30, 2020 and 2019 were the result of strategic investments and reinvestments, interest income earnings, and changes in the fair value of investments.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(3) Investments and Assets Limited as to Use (continued)

The Corporation's total return on its investments and assets limited as to use was as follows:

	Year Ended June 30	
	2020	2019
Dividends and interest, net of fees	\$ 17,775	\$ 18,059
Net realized gains	7,551	14,276
Change in fair value of trading securities	(4,368)	24,384
Total investment return	\$ 20,958	\$ 56,719

Total investment return is classified in the accompanying consolidated statements of operations as follows:

	Year Ended June 30	
	2020	2019
Nonoperating investment income, net	\$ 24,635	\$ 30,632
Change in fair value of unrestricted investments	(4,884)	24,421
Investment gains on net assets with donor restrictions	1,207	1,666
Total investment return	\$ 20,958	\$ 56,719

Investment return does not include the returns on the economic interests in the net assets of related organizations, the returns on the self-insurance trust funds, returns on undesignated interest rates swaps, or the returns on certain construction funds where amounts have been capitalized.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(4) Property and Equipment

The following is a summary of property and equipment:

	June 30	
	2020	2019
Land	\$ 203,544	\$ 196,004
Buildings	1,495,471	1,496,177
Building and leasehold improvements	1,080,875	1,048,608
Equipment	1,986,526	1,814,503
Construction in progress	635,895	321,660
	<u>5,402,311</u>	<u>4,876,952</u>
Less accumulated depreciation and amortization	<u>(2,845,763)</u>	<u>(2,567,866)</u>
	<u>\$ 2,556,548</u>	<u>\$ 2,309,086</u>

Interest cost capitalized was \$380 and \$0 for years ended June 30, 2020 and 2019, respectively.

Remaining contractual commitments on construction projects were approximately \$172,900 at June 30, 2020, of which approximately \$60,700 relates to Capital Region.

Construction in progress includes building and renovation costs for assets that have not yet been placed into service. These costs relate to major construction projects as well as routine renovations under way at the Corporation's facilities.

(5) Investments in Joint Ventures

The Corporation has equity method investments of \$92,485 and \$91,942 at June 30, 2020 and 2019, respectively, in the following unconsolidated joint ventures:

	Ownership %	2020	2019
Mt. Washington Pediatric Hospital, Inc. (Mt. Washington)	50%	\$ 69,025	\$ 67,002
Terrapin Insurance	50%	975	975
Other investments	10-51%	22,485	23,965
		<u>\$ 92,485</u>	<u>\$ 91,942</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(5) Investments in Joint Ventures (continued)

The Corporation recorded equity in net income of \$3,536 and \$3,624 related to these joint ventures for the years ended June 30, 2020 and 2019, respectively.

The following is a summary of the Corporation's joint ventures' combined unaudited condensed financial information as of and for the years ended June 30:

	2020			
	Mt. Washington	Terrapin	Others	Total
Current assets	\$ 36,255	\$ 23,194	\$ 36,993	\$ 96,442
Noncurrent assets	107,664	294,881	46,096	448,641
Total assets	<u>\$ 143,919</u>	<u>\$ 318,075</u>	<u>\$ 83,089</u>	<u>\$ 545,083</u>
Current liabilities	\$ 13,560	\$ 705	\$ 18,914	\$ 33,179
Noncurrent liabilities	7,746	315,420	12,979	336,145
Net assets	122,613	1,950	51,196	175,759
Total liabilities and net assets	<u>\$ 143,919</u>	<u>\$ 318,075</u>	<u>\$ 83,089</u>	<u>\$ 545,083</u>
Total operating revenue	\$ 61,670	\$ 36,445	\$ 102,477	\$ 200,592
Total operating expenses	(61,533)	(38,494)	(87,599)	(187,626)
Total nonoperating gains (losses), net	2,320	2,049	(80)	4,289
Contributions from (to) owners	-	-	(10,400)	(10,400)
Other changes in net assets, net	3,780	-	(288)	3,492
Increase (decrease) in net assets	<u>\$ 6,237</u>	<u>\$ -</u>	<u>\$ 4,110</u>	<u>\$ 10,347</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(5) Investments in Joint Ventures (continued)

	2019			
	Mt. Washington	Terrapin	Others	Total
Current assets	\$ 31,609	\$ 52,058	\$ 35,045	\$ 118,709
Noncurrent assets	104,354	242,783	50,079	397,216
Total assets	<u>\$ 135,963</u>	<u>\$ 294,841</u>	<u>\$ 85,121</u>	<u>\$ 515,925</u>
Current liabilities	\$ 14,565	\$ 4,878	\$ 18,850	\$ 38,293
Noncurrent liabilities	6,452	288,013	11,526	305,991
Net assets	114,946	1,950	54,745	171,641
Total liabilities and net assets	<u>\$ 135,963</u>	<u>\$ 294,841</u>	<u>\$ 85,121</u>	<u>\$ 515,925</u>
Total operating revenue	\$ 64,668	\$ 44,898	\$ 105,786	\$ 215,352
Total operating expenses	(61,835)	(49,435)	(96,071)	(207,341)
Total nonoperating gains (losses), net	2,157	4,536	1,446	8,139
Contributions from (to) owners	2,986	–	(9,525)	(6,539)
Other changes in net assets, net	–	–	2,469	2,469
Increase (decrease) in net assets	<u>\$ 7,976</u>	<u>\$ (1)</u>	<u>\$ 4,105</u>	<u>\$ 12,080</u>

(6) Leases

The Corporation determines if an arrangement is a lease at inception. Operating leases are included in other assets, other current liabilities, and other long-term liabilities on the consolidated balance sheet. Finance leases are included in property, plant and equipment, other current liabilities, and other long-term liabilities on the accompanying consolidated balance sheet.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(6) Leases (continued)

The Corporation's leases primarily consist of real estate leases for medical and administrative office buildings and the Corporation determines if an arrangement is a lease at inception of the contract. Operating leases are included in other assets, other current liabilities, and other long-term liabilities on the consolidated balance sheet. Finance leases are included in property, plant and equipment, other current liabilities, and other long-term liabilities on the accompanying consolidated balance sheet.

Lease liabilities are recognized based on the present value, net of the future minimum lease payments over the lease term using the Corporation's incremental borrowing rate based on the information available at commencement. The ROU asset is derived from the lease liability and also includes any lease payments made and excludes lease incentives and initial direct costs incurred. Certain lease agreements for real estate include payments based on actual common area maintenance expenses and others include rental payments adjusted periodically for inflation. These variable lease payments are recognized in other operating expenses, net, but are not included in the right-of-use asset or liability balances. Lease agreements may include one or more renewal options which are at the Corporation's sole discretion. The Corporation does not consider the renewal options to be reasonably likely to be exercised, therefore they are not included in ROU assets and lease liabilities. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term for operating leases.

In accordance with ASC 842, the Corporation has elected to not recognize ROU assets and lease liabilities for short-term leases with a lease term of 12 months or less. The Corporation recognizes the lease payments associated with its short-term leases as an expense on a straight-line basis over the lease term. Variable lease payments associated with these leases are recognized and presented in the same manner as all other leases.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(6) Leases (continued)

The following table summarizes the components of operating and finance lease assets and liabilities classified as current and noncurrent on the accompanying consolidated balance sheet as of June 30, 2020:

Operating leases	Balance sheet classification	
Operating lease ROU asset	Other assets	\$ 92,333
Operating lease obligation – current	Other current liabilities	(12,724)
Operating lease obligation- long-term	Other long-term liabilities	(81,951)
Finance leases		
Finance lease ROU asset	Property and equipment, net	\$ 47,598
Current finance lease liabilities	Other current liabilities	(760)
Long-term finance lease liabilities	Other long-term liabilities	(55,310)

The components of lease expense for the year ended June 30, 2020, were as follows:

Finance lease expense:	
Amortization of ROU assets	\$ 1,518
Interest on lease liabilities	1,992
Total finance lease expense	<u>3,510</u>
Operating lease expense	16,159
Short-term/variable lease expense	12,848
Total lease expense	<u>\$ 32,517</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(6) Leases (continued)

Commitments related to noncancelable operating and finance leases for each of the next five years and thereafter as of June 30, 2020, are as follows:

	<u>Operating</u>	<u>Finance</u>
2021	\$ 15,896	\$ 2,833
2022	14,425	2,866
2023	12,496	2,900
2024	11,959	2,936
2025	10,621	2,973
Thereafter	49,504	61,586
Total	<u>114,901</u>	<u>76,094</u>
Less: Present value discount	<u>(20,226)</u>	<u>(20,024)</u>
Lease liabilities	<u>\$ 94,675</u>	<u>\$ 56,070</u>

Other information for the year ended June 30, 2020 is as follows:

Weighted average remaining lease terms (in years):	
Finance leases	11.17
Operating leases	10.25
Weighted average discount rate:	
Finance leases	3.72%
Operating leases	3.58%

Because the Corporation elected to use the modified retrospective transition approach, the Corporation is required to include the disclosures required prior the adoption of ASU 2016-02 for 2019.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(6) Leases (continued)

The following is a summary of all property and equipment under capital leases at June 30, 2019:

Land	\$ 3,770
Buildings	29,230
Equipment	<u>28,571</u>
	61,571
Less accumulated amortization	<u>(26,261)</u>
	<u>\$ 35,310</u>

Rent expense under operating leases for the year ended June 30, 2019 amounted to \$35,912.

The future noncancelable minimum lease payments under operating leases are as follows for the years ending June 30:

2020	\$ 9,464
2021	7,076
2022	6,768
2023	6,522
2024	6,158
Thereafter	<u>13,791</u>
	<u>\$ 49,779</u>

The Corporation rents property used for administration under a 99-year lease. As of June 30, 2019, the lease was recorded as a capital lease and recorded \$38,093. The lease includes an option for the Corporation to purchase the property. Management exercised the option on October 21, 2019 to purchase the property for \$40,000 in January 2031. The Corporation accounted for the option to purchase the underlying asset as a lease modification as a part of the existing contract and remeasured the finance lease liability and corresponding finance asset.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(6) Leases (continued)

Future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, are as follows as of June 30, 2019:

2020	\$ 2,811
2021	1,862
2022	1,145
2023	891
2024	891
Thereafter	<u>52,083</u>
Total minimum lease payments	59,683
Less amounts representing interest	<u>(7,156)</u>
Present value of net minimum lease payments	<u><u>\$ 52,527</u></u>

(7) Line of Credit

For the fiscal years ended June 30, 2020 and 2019, the Corporation had a \$250,000 revolving line of credit outstanding with a syndicate of banking partners. The line of credit is annually renewing and the current expiration date is August 25, 2021. Interest is calculated based on an optional base rate or percentage of 1-month LIBOR plus a credit spread. As of June 30, 2020 and 2019, the amount outstanding on the line of credit was \$193,500 and \$161,300, respectively. The calculated interest rates as of June 30, 2020 and 2019 was a range from 0.89% to 3.25%.

For the fiscal year ended June 30, 2020, the Corporation had \$225,000 in additional lines of credit consisting of separate agreements with three banking partners. The borrowing facilities were put in place to provide additional access to liquidity in the event it would be needed during the COVID-19 pandemic, and each of the facilities expires no later than May 2021. All three borrowing facilities call for interest to be calculated on the drawn amount based on a percentage of one-month LIBOR, subject to a percentage floor, plus a credit spread. As of June 30, 2020, there were \$0 outstanding on these lines of credit, and the calculated interest rate on that date would have been within a range of 1.69% to 2.25% across the three facilities.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(8) Long-Term Debt and Other Borrowings

Long-term debt consists of the following:

	Interest Rate	Payable in Fiscal Year(s)	June 30	
			2020	2019
MHHEFA project revenue bonds:				
Corporation issue, payments due annually UCHS Term Loan:				
Series 2017D/E Bonds	4.00%–4.17%	2045–2049	\$ 189,965	\$ 189,965
Series 2017B/C Bonds	2.23%–5.00%	2018–2040	256,455	260,835
Series 2017A Bonds	Variable rate	2017–2043 ⁽¹⁾	42,840	44,010
Series 2016A–F Bonds	Variable rate	2017–2042 ⁽¹⁾	309,500	314,270
Series 2015 Bonds	3.63%–5.00%	2016–2042	73,630	75,060
Series 2013 Bonds	4.00%–5.00%	2014–2044	335,545	339,465
Series 2010 Bonds	4.75%–5.25%	2011–2032	41,510	50,210
Series 2008D/E Bonds	Variable rate	2025–2042	105,000	105,000
Series 2008F Bonds	4.50%–5.25%	2009–2024	20,630	27,555
Series 2007A Bonds	Variable rate	2008–2035	76,425	79,440
MHHEFA Pooled Loan Program	Variable rate	2017–2035	16,149	17,099
Other long-term debt:				
UCHS Term Loan	Variable rate	2021	150,000	150,000
Term loans	1.86%–4.44%	2009–2022	7,356	9,377
Other loans, mortgages and notes payable	3.25%–6.73%	Monthly, 1991–2025	12,678	17,893
Total debt			1,637,683	1,680,179
Less current portion of long-term debt			40,468	47,621
Less short-term financing			150,000	150,000
Less long-term debt subject to short-term remarketing agreements			28,794	18,895
			1,418,421	1,463,663
Plus unamortized premiums and discounts, net			28,713	30,762
Plus unamortized deferred financing costs			(8,877)	(9,465)
			\$ 1,438,257	\$ 1,484,960

⁽¹⁾Mandatory purchase options are due in the following (fiscal years), unless the bondholding bank and the Obligated Group agree to an extension: Series 2016A (2024), 2016B (2022), 2016C&D (2024), 2016E&F (2027), and 2017A (2022).

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(8) Long-Term Debt and Other Borrowings (continued)

Pursuant to an Amended and Restated Master Loan Agreement dated December 1, 2017 (UMMS Master Loan Agreement), the Corporation and several of its subsidiaries have issued debt through Maryland Health and Higher Educational Facilities Authority (MHHEFA or the Authority). As security for the performance of the bond obligation under the Master Loan Agreement, the Authority maintains a security interest in the revenue of the obligors. The UMMS Master Loan Agreement contains certain restrictive covenants. These covenants require that rates and charges be set at certain levels, limit incurrence of additional debt, require compliance with certain operating ratios and restrict the disposition of assets.

The Obligated Group under the UMMS Master Loan Agreement includes the Medical Center, ROI, UM Midtown, UM Baltimore Washington, Shore Health (UM Memorial and UM Dorchester), UM Chester River, UM Charles Regional, UM St. Joseph, UM Upper Chesapeake, UM Harford Memorial, UM Laurel, UM Prince George's, Bowie Health Center (Bowie), and the UMMS Foundation. Each member of the Obligated Group is jointly and severally liable for the repayment of the obligations under the UMMS Master Loan Agreement.

Under the terms of the UMMS Master Loan Agreement and other loan agreements, certain funds are required to be maintained on deposit with the Master Trustee to provide for repayment of the obligations of the Obligated Group (Note 3).

The Corporation has a term loan in the amount of \$150,000 related to the acquisition of Upper Chesapeake, which expires on March 1, 2021. The Corporation intends to obtain long term financing prior to its maturity date, and has classified this obligation as a short-term financing at June 30, 2020 and 2019, in the consolidated balance sheets. See further discussion in Subsequent Events (Note 21).

In December 2018, MHHEFA issued \$145,265 of tax-exempt Revenue Bonds, Series 2017D, and \$44,700 taxable Revenue Bonds, Series 2017E. These proceeds are to be used for the purpose of financing a portion of the costs of acquisition, construction and equipping of certain capital projects related to Capital Region, including (a) construction of a new regional medical center and an adjacent new ambulatory care center and (b) construction of a new freestanding medical facility.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(8) Long-Term Debt and Other Borrowings (continued)

The aggregate annual future maturities of long-term debt according to the original terms of the Master Loan Agreement and all other loan agreements are as follows for the years ending June 30:

2021	\$ 219,262
2022	260,771
2023	71,073
2024	196,073
2025	39,036
Thereafter	851,468
	<u>\$ 1,637,683</u>

The Corporation's Series 2007A and 2008D-E Bonds are variable rate demand bonds requiring remarketing agents to purchase and remarket any bonds tendered before the stated maturity date. The reimbursement obligations with respect to the letters of credit are evidenced and secured by the respective bonds. To provide liquidity support for the timely payment of any bonds that are not successfully remarketed, the Corporation has entered into letter-of-credit agreements with three banking institutions. These agreements have terms that expire in 2021 through 2022. If the bonds are not successfully remarketed, the Corporation is required to pay an interest rate specified in the letter-of-credit agreement, and the principal repayment of bonds may be accelerated to require repayment in periods ranging from 20 to 60 months from the date of the failed remarketing. The Corporation has reflected the amount of its long-term debt that is subject to these short-term remarketing arrangements as a separate component of current liabilities in its consolidated balance sheets. In the event that bonds are not remarketed, the Corporation maintains available letters of credit and has the ability to access other sources to obtain the necessary liquidity to comply with accelerated repayment terms. All variable rate demand bonds were successfully remarketed as of June 30, 2020 and 2019.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(8) Long-Term Debt and Other Borrowings (continued)

The approximate interest rates on outstanding debt bearing interest at variable rates were as follows:

	June 30	
	2020	2019
Series 2008D Bonds	0.11%	1.92%
Series 2008E Bonds	0.12	1.85
Series 2007A Bonds	0.09	1.85
Series 2016A Bonds	1.13	2.74
Series 2016B Bonds	1.01	2.62
Series 2016C Bonds	0.75	2.54
Series 2016D Bonds	0.98	2.63
Series 2016E Bonds	0.87	2.66
Series 2016F Bonds	0.84	2.63
Series 2017A Bonds	0.67	2.46
Series 1985 Pooled Loan Program (MHHEFA)	1.00	2.40
UCHS Term Loan	0.89	3.10

(9) Interest Rate Risk Management

The Corporation uses a combination of fixed and variable rate debt to finance capital needs. The Corporation maintains an interest rate risk-management strategy that uses interest rate swaps to minimize significant, unanticipated earnings fluctuations that may arise from volatility in interest rates.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(9) Interest Rate Risk Management (continued)

At June 30, 2020 and 2019, the Corporation's notional values of outstanding interest rate swaps were \$735,015 and \$746,348, respectively, the details of which were as follows:

	Notional Amount	Pay Rate	Receive Rate	Maturity Date	Mark to Market
June 30, 2020					
Swap #1	\$ 79,800	3.59%	70% 1-month LIBOR	7/1/2031	\$ (15,036)
Swap #2	84,000	3.93	68% 1-month LIBOR	7/1/2041	(45,040)
Swap #3	21,000	4.24	68% 1-month LIBOR	7/1/2041	(12,364)
Swap #4	32,025	3.99	67% 1-month LIBOR	7/1/2034	(8,987)
Swap #5	24,770	3.54	70% 1-month LIBOR	7/1/2031	(4,606)
Swap #6	196,000	3.93	68% 1-month LIBOR	7/1/2041	(105,113)
Swap #7	49,000	4.24	68% 1-month LIBOR	7/1/2041	(28,855)
Swap #8	74,700	4.00	67% 1-month LIBOR	7/1/2034	(21,020)
Swap #9	2,465	3.63	67% 1-month LIBOR	7/1/2032	(307)
Swap #10	95,475	3.92	67% 1-month LIBOR	1/1/2043	(38,240)
Swap #11	75,780	0.51	67% 1-month LIBOR + 0.5133%	1/1/2038	2,351
	<u>735,015</u>				<u>(277,217)</u>
Valuation adjustments		-			6,787
Total	<u>\$ 735,015</u>				<u>\$ (270,430)</u>
June 30, 2019					
Swap #1	\$ 80,998	3.59%	70% 1-month LIBOR	7/1/2031	\$ (11,813)
Swap #2	84,000	3.93	68% 1-month LIBOR	7/1/2041	(31,398)
Swap #3	21,000	4.24	68% 1-month LIBOR	7/1/2041	(8,869)
Swap #4	33,200	3.99	67% 1-month LIBOR	7/1/2034	(7,048)
Swap #5	25,160	3.54	70% 1-month LIBOR	7/1/2031	(3,589)
Swap #6	196,000	3.93	68% 1-month LIBOR	7/1/2041	(73,275)
Swap #7	49,000	4.24	68% 1-month LIBOR	7/1/2041	(20,698)
Swap #8	77,450	4.00	67% 1-month LIBOR	7/1/2034	(16,496)
Swap #9	2,850	3.63	67% 1-month LIBOR	7/1/2032	(269)
Swap #10	98,425	3.92	67% 1-month LIBOR	1/1/2043	(27,914)
Swap #11	78,265	0.51	67% 1-month LIBOR + 0.5133%	1/1/2038	2,299
	<u>746,348</u>				<u>(199,070)</u>
Valuation adjustments		-			2,896
Total	<u>\$ 746,348</u>				<u>\$ (196,174)</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(9) Interest Rate Risk Management (continued)

The mark-to-market values of the Corporation's interest rate swaps include a valuation adjustment representing the creditworthiness of the counterparties to the swaps.

The Corporation recorded a net nonoperating loss on changes in the fair value of nonqualifying interest rate swaps of \$75,811 and \$47,995 for the years ended June 30, 2020 and 2019, respectively.

The swap agreements are included in the consolidated balance sheets at their fair value of \$270,430 and \$196,174 as of June 30, 2020 and 2019, respectively, an amount that is based on observable inputs other than quoted market prices in active markets for identical liabilities (Level 2 in the fair value hierarchy).

The Corporation is subject to a collateral posting requirement with two of its swap counterparties. Collateral posting requirements are based on the Corporation's long-term debt credit ratings, as well as the net liability position of total interest rate swap agreements outstanding with that counterparty. The amount of such posted collateral was \$165,848 and \$109,934 at June 30, 2020 and 2019, respectively. As of June 30, 2020 and 2019, the Corporation met its collateral posting requirement through the use of collateralized investments and cash equivalents, which were selected and purchased by the Corporation and subsequently transferred to the custody of the swap counterparty. The amount of posted investments that is required to meet the collateral requirement is computed daily and is accounted for as a component of the Corporation's assets limited as to use on the accompanying consolidated balance sheets as of that date. Any excess investment value is considered a component of the Corporation's unrestricted investment portfolio and is included in investments on the accompanying consolidated balance sheets as of that date.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(10) Other Liabilities

Other liabilities consist of the following:

	June 30	
	2020	2019
Professional and general malpractice liabilities	\$ 351,441	\$ 313,136
Accrued pension obligations	130,903	108,533
Lease obligations – Operating	94,675	–
Lease obligations – Finance (capital in prior year)	56,070	52,527
Deferred payroll taxes	26,971	–
Accrued interest payable	22,200	21,922
Other miscellaneous	100,941	70,666
Total other liabilities	<u>783,201</u>	566,784
Less current portion	<u>(129,813)</u>	<u>(127,760)</u>
Other long-term liabilities	<u>\$ 653,388</u>	<u>\$ 439,024</u>

Other miscellaneous liabilities consist of patient credit balances, unearned revenue and other current and long-term liabilities.

(11) Retirement Plans

Employees of the Corporation are included in various retirement plans established by the Corporation, the Medical Center, ROI, Midtown, Baltimore Washington, Shore Regional, Charles Regional, St. Joseph, Upper Chesapeake, and Capital Region. Participation by employees in their specific plan(s) has evolved based upon the organization by which they were first employed and the elections that they made at the times when their original employers became part of the Corporation. The following is a brief description of each of the retirement plans in which employees of the Corporation participate:

(a) Defined Benefit Plans

University of Maryland Medical Center Midtown Campus Retirement Plan for Non-Union Employees (Midtown Plan) – A noncontributory defined benefit plan covering substantially all nonunion employees. The benefits are based on years of service and compensation. Contributions

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(11) Retirement Plans (continued)

to this plan are made to satisfy the minimum funding requirements of ERISA. In 2006, Midtown froze the defined benefit pension plan.

Baltimore Washington Medical Center Pension Plan (Baltimore Washington Plan) – A noncontributory defined benefit pension plan covering full-time employees who have been employed for at least one year and have reached 21 years of age. In 2018, Baltimore Washington closed the defined benefit pension plan to new hires.

Baltimore Washington Medical Center Supplemental Executive Retirement Plan – A noncontributory defined benefit pension plan for senior management level employees. In 2018, Baltimore Washington terminated the defined benefit pension plan and liquidation of its remaining benefit obligation using its plan assets was completed on December 29, 2017.

On June 30, 2015, the Corporation amended the Baltimore Washington Medical Center Pension Plan to provide for the merger of the Midtown Plan and the Charles Regional Plan into the Baltimore Washington Plan and to change the name of the newly consolidated plan to the University of Maryland Medical System Corporate Pension Plan (the Corporate Plan). All provisions of the respective previous plans shall continue to apply to the respective applicable participants. All of the assets of the three formerly separate plans are now available to pay benefits for all participants under the newly consolidated Corporate Plan.

Chester River Health System, Inc. Pension Plan and Trust – A noncontributory defined benefit pension plan covering substantially all CRHC employees as well as employees of a subsidiary. The benefits are paid to retirees based upon age at retirement, years of service, and average compensation. Chester River's funding policy is to satisfy the minimum funding requirements of ERISA. Effective June 30, 2008, Chester River froze the defined-benefit pension plan. On March 31, 2018, Chester River terminated the defined benefit pension plan and liquidation of its remaining benefit obligation using its plan assets was completed as of June 30, 2019.

Civista Health Inc. Retirement Plan and Trust (Charles Regional Plan) – A noncontributory defined benefit pension plan covering employees that have worked at least one thousand hours per year during three or more plan years. Plan benefits are accumulated based upon a combination of years of service and percent of annual compensation. Charles Regional makes annual contributions to the plan based upon amounts required to be funded under provisions of ERISA.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(11) Retirement Plans (continued)

Upper Chesapeake Health System, Inc. Pension Plan and Trust – A noncontributory defined benefit pension plan covering substantially all employees of the various affiliates of Upper Chesapeake who have completed six months of employment and attained the age of twenty and a half years. Upper Chesapeake makes annual contributions to the plan equal to the minimum funding requirements pursuant to ERISA regulations. On December 31, 2005, Upper Chesapeake froze the defined benefit pension plan. On June 30, 2015, Upper Chesapeake terminated the defined benefit pension plan and liquidation of its remaining benefit obligation using its plan assets was completed by September 30, 2017.

Dimensions Health Corporation Pension Plan (Capital Region Pension Plan) – A noncontributory defined benefit pension plan covering substantially all employees. For employees not covered under collective-bargaining agreements and employees who are represented by the 1199 SEIU Health Care Workers East – Health Care Workers union (formerly District 1199E-DC, SEIU union and formerly Local No. 63 union), the Plan operates as a cash balance plan. The annual contribution by the Corporation is allocated to individual employee accounts based on years of service and the individual's retirement account. For employees represented by the 1199 SEIU Health Care Workers East – Registered Nurses Chapter union (formerly Professional Staff Nurses Association union), benefits are based on years of service and average final compensation. On December 31, 2007, the Capital Region Pension Plan was frozen. No further benefit accruals will be made to the Plan. The Plan freeze substantially reduces annual funding obligations beginning with Plan year 2008. The Corporation's funding policy is to contribute such actuarially determined amounts as necessary to provide assets sufficient to meet the benefits to be paid to the Plan participants and to meet the funding requirements of the Employees Retirement Income Security Act of 1974 (ERISA).

Dimensions Health Corporation Post Retirement Benefit Plans (Capital Region Post Retirement Benefit Plans) – A postretirement health care plan is provided to both salaried and non-salaried employees who have retired and certain other employees who were eligible to retire prior to July 1, 1995. The plan is contributory for those who retired prior to July 1, 1995, with retiree contributions adjusted annually. Employees who retired on July 1, 1995 and later are eligible to participate in the plan by paying 100% of the premiums without corporate contributions. The Corporation's policy has been to fund this plan on an as needed basis.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(11) Retirement Plans (continued)

A defined postretirement life insurance plan is a noncontributory plan for all eligible retirees prior to July 1, 2001. For employees represented by the 1199 SEIU Health Care Workers East – Registered Nurses Chapter union, the plan was no longer offered to new retirees as of July 1, 1999. Effective July 1, 2001, the plan was modified to become contributory for the nonunion employees and employees represented by the 1199 SEIU Health Care Workers East – Health Care Workers union who retired prior to July 1, 2001 and for the employees represented by the 1199 SEIU Health Care Workers East – Registered Nurses Chapter union who retired prior to July 1, 1999. The Corporation's policy has been to fund its share of these benefits as they are incurred.

The Corporation recognizes the funded status (i.e., the difference between the fair value of plan assets and projected benefit obligations) of its defined benefit pension plans as an asset or liability in its consolidated balance sheets. The Corporation recognizes changes in the funded status in the year in which the changes occur as changes in unrestricted net assets. All defined benefit pension plans use a June 30 measurement date.

The following tables set forth the combined benefit obligations and assets of the defined benefit plans:

	June 30	
	2020	2019
Change in projected benefit obligations:		
Benefit obligations at beginning of year	\$ 425,709	\$ 431,340
Settlements	–	(37,686)
Service cost	3,337	3,093
Interest cost	15,299	17,812
Actuarial loss	30,743	30,783
Benefit payments	(26,091)	(19,633)
Projected benefit obligations at end of year	<u>\$ 448,997</u>	<u>\$ 425,709</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 317,176	\$ 340,130
Actual return on plan assets	9,529	16,354
Settlements	–	(38,544)
Employer contributions	17,480	18,869
Benefit payments	(26,091)	(19,633)
Fair value of plan assets at end of year	<u>\$ 318,094</u>	<u>\$ 317,176</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(11) Retirement Plans (continued)

The funded status of the plans and amounts recognized as accrued payroll and benefits and other long-term liabilities in the accompanying consolidated balance sheets are as follows:

	June 30	
	2020	2019
Funded status, end of period:		
Fair value of plan assets	\$ 318,094	\$ 317,176
Projected benefit obligations	448,997	425,709
Net funded status	(130,903)	(108,533)
Accumulated benefit obligation at end of year	446,100	423,017
Amounts recognized in consolidated balance sheets at June 30:		
Accrued pension obligation	(130,903)	(108,533)
	(130,903)	(108,533)
Amounts recognized in net assets without donor restrictions at June 30:		
Net actuarial gain (loss)	(108,221)	(71,177)
Prior service cost	(86)	(159)
	\$ (108,307)	\$ (71,336)

The accrued pension obligation includes \$98,365 and \$82,694 as of June 30, 2020 and 2019, respectively, related to the Capital Region Pension Plan described above.

The estimated amounts that will be amortized from net assets without donor restrictions into net periodic pension cost in fiscal year 2020 are as follows:

Net actuarial loss	\$ 7,829
Prior service cost	72
	\$ 7,901

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(11) Retirement Plans (continued)

The components of net periodic pension cost are as follows:

	Year Ended June 30	
	2020	2019
Service cost	\$ 3,337	\$ 3,093
Interest cost	15,299	17,812
Expected return on plan assets	(19,782)	(19,849)
Prior service cost recognized	72	76
Recognized gains or losses	3,953	8,173
Net periodic pension cost	<u>\$ 2,879</u>	<u>\$ 9,305</u>

Components of net benefit cost other than the service cost of \$3,337 in 2020 and \$3,093 in 2019 were recorded in other nonoperating losses, net in the accompanying consolidated statement of operations and changes in net assets for the years ended June 30, 2020 and 2019. Service cost is included as a component of fringe benefits, which is recorded as salaries, wages, and benefits in the accompanying consolidated statements of operations.

The following table presents the weighted average assumptions used to determine benefit obligations for the plans:

	June 30	
	2020	2019
Discount rate	2.34– 3.03 %	3.25%–3.70%
Rate of compensation increase (for nonfrozen plan)	3.00	3.00

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(11) Retirement Plans (continued)

The following table presents the weighted average assumptions used to determine net periodic benefit cost for the plans:

	Year Ended June 30	
	2020	2019
Discount rate	3.25%–3.70%	4.22%–4.69%
Expected long-term return on plan assets	6.00–6.50	6.25–6.50
Rate of compensation increase (for nonfrozen plan)	3.00	3.00

The investment policies of the Corporation’s pension plans incorporate asset allocation and investment strategies designed to earn superior returns on plan assets consistent with reasonable and prudent levels of risk. Investments are diversified across classes, sectors, and manager style to minimize the risk of loss. The Corporation uses investment managers specializing in each asset category, and regularly monitors performance and compliance with investment guidelines. In developing the expected long-term rate of return on assets assumption, the Corporation considers the current level of expected returns on risk-free investments, the historical level of the risk premium associated with the other asset classes in which the portfolio is invested, and the expectations for future returns of each asset class. The expected return for each asset class is then weighted based on the target allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

The Corporation’s pension plans’ target allocation and weighted average asset allocations at the measurement date of June 30, 2020 and 2019, by asset category, are as follows:

Asset Category	Target Allocation	Percentage of Plan Assets as of June 30	
		2020	2019
Cash and cash equivalents	0–10%	8%	4%
Fixed income securities	20–40	29	28
Equity securities	30–50	38	41
Global assets allocation	10–20	16	17
Hedge funds	5–15	9	10
		100%	100%

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(11) Retirement Plans (continued)

Equity and fixed income securities include investments in hedge fund of funds that are categorized in accordance with each fund's respective investment holdings.

The table below presents the Corporation's combined investable assets of the defined benefit pension plans aggregated by the fair value hierarchy as described in Note 1(u):

	Level 1	Level 2	Level 3	Investments Reported at NAV*	Total
June 30, 2020					
Cash and cash equivalents	\$ 13,728	\$ 11,120	\$ –	\$ –	\$ 24,848
Corporate obligations	–	21,447	–	–	21,447
Government and agency bonds	7,565	9,993	–	–	17,558
Fixed income funds	–	–	–	12,639	12,639
Common and preferred stocks	25,047	–	–	–	25,047
Equity mutual funds	36,973	12,749	–	10,084	59,806
Other mutual funds	22,405	–	–	–	22,405
Alternative investments	–	–	–	134,344	134,344
	\$ 105,718	\$ 55,309	\$ –	\$ 157,067	\$ 318,094
June 30, 2019					
Cash and cash equivalents	\$ 7,324	\$ 4,589	\$ –	\$ –	\$ 11,913
Corporate obligations	–	19,531	–	–	19,531
Government and agency bonds	16,509	–	–	–	16,509
Fixed income funds	12,430	–	–	–	12,430
Common and preferred stocks	21,840	–	–	–	21,840
Equity mutual funds	45,633	15,096	–	–	60,729
Other mutual funds	26,582	–	–	–	26,582
Alternative investments	–	–	–	147,642	147,642
	\$ 130,318	\$ 39,216	\$ –	\$ 147,642	\$ 317,176

*Fund investments reported at NAV as practical expedient.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(11) Retirement Plans (continued)

Alternative investments include hedge funds and commingled investment funds. The majority of these alternative investments held as of June 30, 2020 are subject to notice requirements of 30 days or less and are available to be redeemed on at least a monthly basis. There are funds, totaling \$30,000, which are subject to notice requirements of 30-60 days and are available to be redeemed on a monthly or quarterly basis. Funds totaling \$13,000 are subject to notice requirements of 90 days and can be redeemed monthly or quarterly. Of these funds, one fund totaling \$1,900 is subject to a lock-up restriction of three years. The Corporation had no unfunded commitments as of June 30, 2020.

Alternative investments include hedge funds and commingled investment funds. The majority of these alternative investments held as of June 30, 2019 are subject to notice requirements of 30 days or less and are available to be redeemed on at least a monthly basis. There are funds, totaling \$33,000, which are subject to notice requirements of 30-60 days and are available to be redeemed on a monthly or quarterly basis. Funds totaling \$14,500 are subject to notice requirements of 90 days and can be redeemed monthly or quarterly. Of these funds, one fund totaling \$2,100 is subject to a lock-up restriction of three years. In addition, one fund totaling \$13 is subject to lockup restrictions and is not available to be redeemed until certain time restrictions are met, which range from one to three years. The Corporation had no unfunded commitments as of June 30, 2019.

The Corporation expects to contribute \$18,820 to its defined benefit pension plans for the fiscal year ended June 30, 2021.

The following benefit payments, which reflect expected future employee service, as appropriate, are expected to be paid from plan assets in the following years ending June 30:

2021	\$	24,353
2022		24,555
2023		25,262
2024		25,758
2025		25,386
2026–2030		124,468

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(11) Retirement Plans (continued)

The expected benefits to be paid are based on the same assumptions used to measure the Corporation's benefit obligation at June 30, 2020.

(b) Defined Contribution Plans

The Corporation offers a number of defined contribution benefits through 403(b) and 401(k) programs that were established by its affiliate hospitals. These plans allow for deferral of compensation or employer matching of compensation subject to vesting requirements.

Total annual retirement costs incurred by the Corporation for the previously discussed defined contribution plans were \$50,456 and \$48,972 for the years ended June 30, 2020 and 2019, respectively. Such amounts are included in salaries, wages and benefits in the accompanying consolidated statements of operations.

(12) Net Assets with Donor Restrictions

Net assets are restricted primarily for the following purposes:

	June 30	
	2020	2019
Facility construction and renovations, research, education, and other:		
Capital Region	\$ 424,034	\$ 424,034
All others	161,110	142,084
Economic and beneficial interests in the net assets of related organizations	170,820	198,101
	<u>\$ 755,964</u>	<u>\$ 764,219</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(12) Net Assets with Donor Restrictions (continued)

Net assets were released from donor restrictions by expending funds satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	Year Ended June 30	
	2020	2019
Purchases of equipment and construction costs	\$ 18,791	\$ 14,130
Research, education, uncompensated care, and other	6,307	4,279
	<u>\$ 25,098</u>	<u>\$ 18,409</u>

The Corporation's endowments consist of donor-restricted funds established for a variety of purposes. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

(a) Interpretation of Relevant Law

The Corporation has interpreted the Maryland Uniform Prudent Management of Institutional Funds Act (MUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Corporation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund are classified in net assets with donor restrictions until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by MUPMIFA. In accordance with MUPMIFA, the Corporation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Corporation and the donor-restricted endowment fund
3. General economic conditions

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(12) Net Assets with Donor Restrictions (continued)

4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Corporation
7. The investment policies of the Corporation.

Endowment net assets are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
June 30, 2020			
Donor-restricted endowment funds	\$ 43	\$ 67,165	\$ 67,208
June 30, 2019			
Donor-restricted endowment funds	\$ 39	\$ 65,433	\$ 65,472

Donor restricted endowment funds within net assets with donor restrictions whose use is restricted in perpetuity were \$50,243 and \$48,826 as of June 30, 2020 and 2019, respectively.

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or MUPMIFA requires the Corporation to retain as a fund of perpetual duration. The Corporation does not have any donor-restricted endowment funds that are below the level that the donor or MUPMIFA requires.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(12) Net Assets with Donor Restrictions (continued)

Investment Strategies

The Corporation has adopted policies for corporate investments, including endowment assets that seek to maximize risk-adjusted returns with preservation of principal. Endowment assets include those assets of donor-restricted funds that the Corporation must hold in perpetuity or for a donor-specified period(s). The endowment assets are invested in a manner that is intended to hold a mix of investment assets designed to meet the objectives of the account. The Corporation expects its endowment funds, over time, to provide an average rate of return that generates earnings to achieve the endowment purpose.

To satisfy its long-term rate-of-return objectives, the Corporation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Corporation employs a diversified asset allocation structure to achieve its long-term return objectives within prudent risk constraints.

The Corporation monitors the endowment funds' returns and appropriates average returns for use. In establishing this practice, the Corporation considered the long-term expected return on its endowment. This is consistent with the Corporation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

(13) Economic and Beneficial Interests in the Net Assets of Related Organizations

The Corporation is supported by several related organizations that were formed to raise funds on behalf of the Corporation and certain of its subsidiaries. These interests are accounted for as either economic or beneficial interests in the net assets of such organizations.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

**(13) Economic and Beneficial Interests in the Net Assets of Related Organizations
(continued)**

The following is a summary of economic and beneficial interests in the net assets of financially interrelated organizations:

	June 30	
	2020	2019
Economic interests in:		
UCH Legacy Funding Corporation	\$ 122,430	\$ 150,000
The James Lawrence Kernan Hospital Endowment Fund, Incorporated	34,766	33,099
Baltimore Washington Medical Center Foundation, Inc.	9,213	10,337
Total economic interests	<u>166,409</u>	<u>193,436</u>
Beneficial interest in the net assets of:		
Dorchester General Hospital Foundation, Inc.	3,082	3,709
Prince George's Hospital Center Foundation, Inc.	1,267	894
Laurel Regional Hospital Auxiliary, Inc.	62	62
	<u>\$ 170,820</u>	<u>\$ 198,101</u>

The UCH Legacy Funding Corporation was formed in December 2013 to hold funds restricted for the benefit of Upper Chesapeake.

At the discretion of its board of trustees, the Kernan Endowment Fund may pledge securities to satisfy various collateral requirements on behalf of ROI and may provide funding to ROI to support various clinical programs or capital needs.

BWMC Foundation was formed in July 2000 and supports the activities of UM Baltimore Washington by soliciting charitable contributions on its behalf.

Shore Regional maintains a beneficial interest in the net assets of Dorchester Foundation, a nonprofit corporation organized to raise funds on behalf of Dorchester Hospital. Shore Regional does not have control over the policies or decisions of the Dorchester Foundation.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

**(13) Economic and Beneficial Interests in the Net Assets of Related Organizations
(continued)**

The Prince George’s Hospital Center Foundation, Inc. the Laurel Regional Hospital Auxiliary, Inc. and the Laurel Regional Hospital Foundation, Inc. were established to solicit contributions from the general public solely for the funding of capital acquisitions and operations of the associated Capital Region hospitals. Capital Region does not have control over the policies or decisions of these entities. In the current year the Prince George’s Hospital Center Foundation, Inc. changed its name to University of Maryland Capital Region Health Foundation, Inc. and the Laurel Regional Hospital Foundation, Inc. was closed, and its assets were transferred into the new University of Maryland Capital Region Health Foundation, Inc.

A summary of the combined unaudited condensed financial information of the financially interrelated organizations in which the Corporation holds an economic or beneficial interest is as follows:

	June 30	
	2020	2019
Current assets	\$ 4,086	\$ 4,447
Noncurrent assets	166,835	193,756
Total assets	<u>\$ 170,921</u>	<u>\$ 198,203</u>
Current liabilities	\$ 101	\$ 102
Net assets	170,820	198,101
Total liabilities and net assets	<u>\$ 170,921</u>	<u>\$ 198,203</u>
Total operating revenue	\$ 1,897	\$ 4,481
Total operating expense	(1,380)	(2,505)
Other changes in net assets	(27,800)	5
Total (decrease) increase in net assets	<u>\$ (27,283)</u>	<u>\$ 1,981</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued) (In Thousands)

(14) State and County Support

The Corporation received \$3,400 and \$3,300 in support for the Shock Trauma Center operations from the state of Maryland for the years ended June 30, 2020 and 2019, respectively.

In support of Capital Region operations, the Corporation received the following:

	Year Ended June 30	
	2020	2019
State of Maryland	\$ 15,000	\$ 27,000
Prince George's County government	295	10,178
Magruder Memorial Hospital Trust	1,042	1,042
	<u>\$ 16,337</u>	<u>\$ 38,220</u>

The State of Maryland appropriates funds for construction costs incurred, equipment purchases made, and other capital support. The Corporation recognizes this support as the funds are expended for the intended projects. The Corporation expended and recorded \$20,803 and \$5,565 during the years ended June 30, 2020 and 2019, respectively.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(15) Functional Expenses

The Corporation provides healthcare services to residents within its geographic location. Expenses related to providing these services, based on management's estimates of expense allocations, are as follows:

	Healthcare Service				Corporate Services, Other and	Total
	Hospital & Ambulatory	Retail Pharmacy	Physician Practices	Risk Taking	Eliminations	
Year ended June 30, 2020						
Operating expenses:						
Salaries, wages and benefits	\$ 1,682,480	\$ 5,928	\$ 272,804	\$ 4,887	\$ 264,385	\$ 2,230,484
Expendable supplies	626,029	90,169	34,401	16	9,498	760,113
Purchased services:						
Purchased services	884,976	14,488	70,665	2,978	(277,079)	696,028
Contracted services	291,951	–	28,243	–	(43,235)	276,959
Depreciation and amortization	236,360	–	2,022	–	(2,491)	235,891
Interest expense	47,426	–	–	696	(1,561)	46,561
Total operating expenses	<u>\$ 3,769,222</u>	<u>\$ 110,585</u>	<u>\$ 408,135</u>	<u>\$ 8,577</u>	<u>\$ (50,483)</u>	<u>\$ 4,246,036</u>
Year ended June 30, 2019						
Operating expenses:						
Salaries, wages and benefits	\$ 1,646,025	\$ 5,177	\$ 268,023	\$ 3,886	\$ 235,025	\$ 2,158,136
Expendable supplies	678,620	71,514	34,480	42	7,359	792,015
Purchased services:						
Purchased services	826,688	9,150	65,400	4,480	(271,100)	634,618
Contracted services	274,221	–	30,169	–	(34,493)	269,897
Depreciation and amortization	232,436	–	2,484	–	9,136	244,056
Interest expense	54,698	–	–	1,492	1,602	57,792
Total operating expenses	<u>\$ 3,712,688</u>	<u>\$ 85,841</u>	<u>\$ 400,556</u>	<u>\$ 9,900</u>	<u>\$ (52,471)</u>	<u>\$ 4,156,514</u>

Corporate services are allocated primarily using percentage of net patient service revenue.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(16) Liquidity and Availability of Resources

The Corporation had financial assets available to management for general expenditure within one year of the financial reporting date, or June 30, 2020 and 2019, as follows:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 961,647	\$ 360,318
Receivables, net	590,579	549,540
Current investments and assets whose use is limited	64,026	64,910
Long-term investments and assets whose use is limited	2,041,352	2,113,024
Total financial assets available within one year	<u>3,657,604</u>	<u>3,087,792</u>
Less:		
Amounts unavailable for general expenditures within one year due to:		
Restricted by donors with purpose restrictions	91,975	78,255
Restricted for swap collateral	166,507	113,586
Debt service and reserve funds	37,696	86,157
Self-insurance trust funds	215,162	212,384
Construction funds – held by trustee	204,366	279,205
Economic and beneficial interests in the net assets of related organizations	170,820	198,101
Alternative investments subject to lockup restrictions	19,900	20,700
Total amounts unavailable for general expenditures within one year	<u>906,426</u>	<u>988,388</u>
Total financial assets available to management for general expenditure within one year	<u>\$ 2,751,178</u>	<u>\$ 2,099,404</u>

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(17) Insurance

The Corporation maintains self-insurance programs for professional and general liability risks, employee health, employee long-term disability, and workers' compensation. The accrued liabilities for these programs were as follows:

	June 30	
	2020	2019
Professional and general malpractice liabilities	\$ 351,441	\$ 313,136
Employee health	27,201	33,556
Employee long-term disability	4,751	5,577
Workers' compensation	23,430	20,977
Total self-insured liabilities	406,823	373,246
Less current portion	(64,550)	(70,368)
	\$ 342,273	\$ 302,878

The Corporation provides for and funds the present value of the costs for professional and general liability claims and insurance coverage related to the projected liability from asserted and unasserted incidents, which the Corporation believes may ultimately result in a loss. In management's opinion, these accruals provide an adequate and appropriate loss reserve. The professional and general malpractice liabilities presented above include \$243,143 and \$202,779 as of June 30, 2020 and 2019, respectively, for which related insurance receivables have been recorded within other assets on the accompanying consolidated balance sheets.

The Corporation and each of its affiliates are self-insured for professional and general liability claims up to the limits of \$1,000 on individual claims and \$3,000 in the aggregate on an annual basis. For amounts in excess of these limits, the risk of loss has been transferred to Terrapin, an unconsolidated joint venture. Terrapin provides insurance for claims in excess of \$1,000 individually and \$3,000 in the aggregate up to \$155,000 individually and \$160,000 in the aggregate under claims made policies between the Corporation and Terrapin. For claims in excess of Terrapin's coverage limits, if any, the Corporation retains the risk of loss.

As discussed in Note 5, Terrapin is a joint venture corporation in which a 50% equity interest is owned by the Corporation and a 50% equity interest is owned by Faculty Physicians, Inc.

Total malpractice insurance expense for the Corporation during the years ended June 30, 2020 and 2019 was approximately \$69,374 and \$60,654, respectively.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)
(In Thousands)

(18) Business and Credit Concentrations

The Corporation provides healthcare services through its inpatient and outpatient care facilities located in the State of Maryland. The Corporation generally does not require collateral or other security in extending credit; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits receivable under their health insurance programs, plans, or policies (e.g., Medicare, Medicaid, Blue Cross, workers' compensation, health maintenance organizations (HMOs), and commercial insurance policies).

The Corporation maintains cash accounts with highly rated financial institutions, which generally exceed federally insured limits. The Corporation has not experienced any losses from maintaining cash accounts in excess of federally insured limits, and as such, management does not believe the Corporation is subject to any significant credit risks related to this practice.

The Corporation had receivables from patients and third-party payors as follows at June 30, 2020:

Medicare	27%
Medicaid	32
Commercial insurance and HMOs	20
Blue Cross	14
Self-pay and others	7
	100%

The Corporation recorded net patient service revenues from patients and third-party payors as follows:

	Year Ended June 30	
	2020	2019
Medicare	37%	37%
Medicaid	24	24
Commercial insurance and HMOs	24	24
Blue Cross	10	10
Self-pay and others	5	5
	100%	100%

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(19) Certain Significant Risks and Uncertainties

The Corporation provides general acute healthcare services in the state of Maryland. The Corporation and other healthcare providers in Maryland are subject to certain inherent risks, including the following:

- Dependence on revenues derived from reimbursement by the federal Medicare and state Medicaid programs;
- Regulation of hospital rates by the State of Maryland Health Services Cost Review Commission;
- Government regulation, government budgetary constraints, and proposed legislative and regulatory changes; and
- Lawsuits alleging malpractice and related claims.

Such inherent risks require the use of certain management estimates in the preparation of the Corporation's consolidated financial statements, and it is reasonably possible that a change in such estimates may occur.

The Medicare and state Medicaid reimbursement programs represent a substantial portion of the Corporation's revenues, and the Corporation's operations are subject to a variety of other federal, state, and local regulatory requirements. Failure to maintain required regulatory approvals and licenses and/or changes in such regulatory requirements could have a significant adverse effect on the Corporation.

Changes in federal and state reimbursement funding mechanisms and related government budgetary constraints could have a significant adverse effect on the Corporation.

The healthcare industry is subject to numerous laws and regulations from federal, state, and local governments. The Corporation's compliance with these laws and regulations can be subject to periodic governmental review and interpretation, which can result in regulatory action unknown or unasserted at this time. Management is aware of certain asserted and unasserted legal claims and regulatory matters arising in the ordinary course of business, none of which, in the opinion of management, are expected to result in losses in excess of insurance limits or have a materially adverse effect on the Corporation's financial position.

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(19) Certain Significant Risks and Uncertainties (continued)

The federal government and many states have aggressively increased enforcement under Medicare and Medicaid antifraud and abuse laws and physician self-referral laws (STARK law and regulation). Recent federal initiatives have prompted a national review of federally funded healthcare programs. In addition, the federal government and many states have implemented programs to audit and recover potential overpayments to providers from the Medicare and Medicaid programs. The Corporation has implemented a compliance program to monitor conformance with applicable laws and regulations, but the possibility of future government review and enforcement action exists.

(20) Maryland Health Services Cost Review Commission

Effective July 1, 2013, the Health System and the Health Services Cost Review Commission (HSCRC) agreed to implement the Global Budget Revenue (GBR) methodology for the following hospitals: Medical Center, ROI, UM Midtown, UM Baltimore Washington, UM Charles Regional, UM St. Joseph, UM Memorial, UM Dorchester, UM Chester River, Shore Emergency Center, UM Upper Chesapeake, UM Harford Memorial, UM Prince George's, and UM Laurel. The agreements will continue each year and on July 1 of each year thereafter; the agreements will renew for a one-year period unless it is canceled by the HSCRC or by the Corporation. The agreements were in place for the years ended June 30, 2020 and 2019. The GBR model is a revenue constraint and quality improvement system designed by the HSCRC to provide hospitals with strong financial incentives to manage their resources efficiently and effectively in order to slow the rate of increase in healthcare costs and improve healthcare delivery processes and outcomes. The GBR model is consistent with the Corporation's mission to provide the highest value of care possible to its patients and the communities it serves.

The GBR agreements establish a prospective, fixed revenue base "GBR cap" for the upcoming year. This includes both inpatient and outpatient regulated services. Under GBR, a hospital's revenue for all HSCRC regulated services is predetermined for the upcoming year, regardless of changes in volume, service mix intensity, or mix of inpatient or outpatient services that occurred during the year. The GBR agreement allows the Corporation to adjust unit rates, within certain limits, to achieve the overall revenue base for the Corporation at year-end. Any overcharge or undercharge versus the GBR cap is prospectively subtracted from the subsequent year's GBR cap. Although the GBR cap is fixed each year, it does not adjust for changes in volume or service mix. The GBR cap is also adjusted annually for inflation, and for changes in payor mix and uncompensated care. The Corporation will receive an annual adjustment to its cap for the change

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(20) Maryland Health Services Cost Review Commission (continued)

in population in the Corporation's service areas. GBR is designed to encourage hospitals to operate efficiently by reducing excess utilization and managing patients in the appropriate care delivery setting. The HSCRC also may impose various other revenue adjustments, which could be significant in the future.

(21) Subsequent Events

The Corporation evaluated all events and transactions that occurred after June 30, 2020 and through October 28, 2020, the date the consolidated financial statements were issued. Other than described below, the Corporation did not have any material subsequent events during the period.

During the month of July 2020, the Corporation issued \$752.7 million in debt in the form of Maryland Health and Higher Educational Facilities Authority (MHHEFA) Revenue Bonds – Series 2020B/D. The proceeds were used to advance refund \$13,500 of UMMS' Series 2008F Revenue Bonds, \$31,500 of UMMS Series 2010 Revenue Bonds, and \$218,200 of UMMS Series 2013A Revenue Bonds. In addition, \$150,000 of the proceeds were used to refund a term loan. The remaining proceeds of \$339,500 will be used for various capital projects.

During the month of July and August 2020, the Corporation received additional CARES Act Relief Funds of approximately \$109,000 and \$8,800 respectively. These funds were not recognized as Other Revenue for the year ended June 30, 2020.

On October 1, 2020, a new law was signed that included modifications to the CMS Accelerated and Advance Payment Program. These modifications included an extension to the previous terms discussed within Note 2. The changes in payments terms are considered a non-recognized subsequent event in accordance with ASC 855.

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 Corporation 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

University of Maryland Medical System Corporation and Subsidiaries

Notes to Consolidated Financial Statements (continued)

(In Thousands)

(21) Subsequent Events (continued)

statements were issued. The Corporation 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.

The Corporation completed the sale of both University of Maryland Health Partners, Inc. which provides managed care services to approximately 48,000 Medicaid recipients and University of Maryland Health Advantage, Inc. which provides Medicare Advantage coverage to approximately 6,000 members. The transaction with CareFirst BlueCross Blue Shield was effective on October 10, 2020 after receiving regulatory approval.

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