

Return of Organization Exempt From Income Tax

2009

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2009 calendar year, or tax year beginning, 2009, and ending, 20

B Check if applicable: C Name of organization UPPER CHESAPEAKE MEDICAL CENTER D Employer identification number 52-1253920 E Telephone number (410) 877-3700 G Gross receipts \$ 203,993,708. H(a) Is this a group return for affiliates? H(b) Are all affiliates included? I Tax-exempt status: J Website: WWW.UCHS.ORG K Form of organization: L Year of formation: 1997 M State of legal domicile: MD

Part I Summary

Table with 3 columns: Line number, Description, and Amount. Rows include: 1 Briefly describe the organization's mission or most significant activities: ACUTE HOSPITAL CARE; 2-7a Governance and Revenue; 7b Net unrelated business taxable income; 8-12 Revenue; 13-19 Expenses; 20-22 Net Assets or Fund Balances.

Part II Signature Block

Sign Here: Signature of officer, Date, Type or print name and title. Preparer's Use Only: Preparer's signature, Date, Firm's name (GRANT THORNTON LLP), EIN (36-6055558), Phone no. (215-561-4200).

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. * Form 990 (2009)

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

ACUTE HOSPITAL CARE

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 exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: _____) (Expenses \$ 138,580,412. including grants of \$ 82,083.) (Revenue \$ 200,218,598.)

ATTACHMENT 2

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

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

4d Other program services. (Describe in Schedule O.)

(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ▶ 138,580,412.

Part IV Checklist of Required Schedules

Table with 3 main columns: Question, Yes, No. Rows 1-20 contain various questions about organizational activities and reporting requirements. Row 12A includes a sub-table with Yes/No columns.

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24 a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to question 25</i>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25 a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Form 990-EO with questions 1a through 12b regarding tax compliance, including sections on prohibited tax shelter transactions, deductible contributions, and sponsoring organizations.

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body (15), 1b Enter the number of voting members that are independent (10), 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? (X), 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? (X), 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? (X), 5 Did the organization become aware during the year of a material diversion of the organization's assets? (X), 6 Does the organization have members or stockholders? (X), 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? (X), 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? (X), 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? (X), b Each committee with authority to act on behalf of the governing body? (X), 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (X).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters, branches, or affiliates? (X), 10b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?, 11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? (X), 11A Describe in Schedule O the process, if any, used by the organization to review this Form 990., 12a Does the organization have a written conflict of interest policy? If "No," go to line 13 (X), 12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (X), 12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done (X), 13 Does the organization have a written whistleblower policy? (X), 14 Does the organization have a written document retention and destruction policy? (X), 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? a The organization's CEO, Executive Director, or top management official (X), b Other officers or key employees of the organization (X), 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? (X), 16b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? (X).

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MD,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [] Own website [] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: MR. JOSEPH E. HOFFMAN, III 520 UPPER CHESAPEAKE DRIVE, BEL AIR, MD 21014 443-643-3340

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

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. Use Schedule J-2 if additional space is needed.

- 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. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

Check this box if the organization did not compensate any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week	(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			
H WILLIAM ACKER TREASURER/DIRECTOR	5.00	X		X			0.	0.	0.	
JOHN H CAIN DIRECTOR	1.00	X					0.	0.	0.	
DIANE K FORD DIRECTOR	1.00	X					0.	0.	0.	
ROBERT F HOOFNAGLE, JR, MD DIRECTOR	1.00	X					34,167.	0.	0.	
M SCOT KAUFMAN SECRETARY/DIRECTOR	5.00	X		X			0.	0.	0.	
ANDREW KLEIN DIRECTOR	1.00	X					0.	0.	0.	
JAMES LAMBDIN DIRECTOR	1.00	X					0.	0.	0.	
PETER J LOPRESTI DO DIRECTOR	1.00	X					14,825.	0.	0.	
ANTHONY J MEOLI DIRECTOR	1.00	X					0.	0.	0.	
ROGER E SCHNEIDER MD CHAIRMAN/DIRECTOR	5.00	X		X			0.	0.	0.	
LYLE E SHELDON PRESIDENT & CEO/DIRECTOR	5.00	X		X			0.	788,265.	209,979.	
RICHARD P STREETT JR VMD DIRECTOR	1.00	X					0.	0.	0.	
ADELE A WILZACK, RN, MS DIRECTOR	1.00	X					0.	0.	0.	
ALBERT J A YOUNG DIRECTOR	1.00	X					0.	0.	0.	
FAHEEM YOUNUS, MD DIRECTOR	1.00	X					152,242.	0.	0.	
JOYCE FOX VP - PATIENT SVCS/CNO	20.00				X		0.	201,950.	32,323.	

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

(A) Name and title	(B) Average hours per week	(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			
JOSEPH E HOFFMAN III SR VP/CFO	5.00				X			0.	390,203.	92,929.
KENNETH D KOZEL SR VP/COO	5.00				X			0.	391,188.	84,148.
DEAN C KASTER SR VP - CORP STRATEGY/PLANNING	5.00				X			0.	274,512.	76,801.
MARGARET M VAUGHAN SR VP - CHIEF MEDICAL OFFICER	5.00				X			0.	403,662.	108,701.
E SCOTT CONOVER SR VP/GENERAL COUNSEL	5.00				X			0.	273,971.	41,285.
TONI M SHIVERY VP - HUMAN RESOURCES	5.00				X			0.	202,472.	56,256.
JOHN KEVIN LYNCH PHYSICIAN/HOSPITALIST	40.00					X		199,111.	0.	36,856.
PAMELA C MCLAUGHLIN PHARMACIST	40.00					X		146,020.	0.	39,945.
JEFFREY M GORSCHBOTH PHARMACIST	40.00					X		150,650.	0.	26,527.
ANGELA M KAITIS DIR - PHARMACEUTICAL SERVICES	40.00					X		128,667.	0.	43,740.
PATRICIA ERCOLANO VP - PERFORMANCE IMPROVEMENT	40.00					X		136,109.	0.	32,531.
1b Total								961,791.	2,926,223.	882,021.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **55**

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 3		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **26**

Part VIII Statement of Revenue

52-1253920

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d	325,000.				
	e Government grants (contributions) . .	1e					
	f All other contributions, gifts, grants, and similar amounts not included above .	1f	147,192.				
	g Noncash contributions included in lines 1a-1f: \$ _____						
	h Total. Add lines 1a-1f			472,192.			
Program Service Revenue			Business Code				
	2a NET PATIENT SERVICE REVENUE		621110	200,124,640.	200,124,640.		
	b SPINE CENTER/CARDIOLOGY		621110	93,958.	93,958.		
	c _____						
	d _____						
	e _____						
	f All other program service revenue						
	g Total. Add lines 2a-2f			200,218,598.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			315,000.	0.	0.	315,000.
	4 Income from investment of tax-exempt bond proceeds . . .			0.			
	5 Royalties			0.			
		(i) Real	(ii) Personal				
	6a Gross Rents	1,586,035.					
	b Less: rental expenses	2,977,289.					
	c Rental income or (loss)	-1,391,254.					
	d Net rental income or (loss)			-1,391,254.			-1,391,254.
		(i) Securities	(ii) Other				
	7a Gross amount from sales of assets other than inventory						
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss)			0.			
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
c Net income or (loss) from fundraising events			0.				
9a Gross income from gaming activities. See Part IV, line 19	a						
b Less: direct expenses	b						
c Net income or (loss) from gaming activities			0.				
10a Gross sales of inventory, less returns and allowances	a						
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory			0.				
Miscellaneous Revenue			Business Code				
11a CAFETERIA SALES		900099	947,087.			947,087.	
b VENDING MACHINES/PURCHASE DISCOUNTS		900099	83,889.			83,889.	
c MISCELLANEOUS		900099	370,907.			370,907.	
d All other revenue							
e Total. Add lines 11a-11d			1,401,883.				
12 Total Revenue. See instructions			201,016,419.	200,218,598.	0.	325,629.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	0.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	82,083.	82,083.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	0.	0.	0.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	0.			
7 Other salaries and wages	70,521,114.	53,197,358.	17,323,756.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	4,023,456.	3,035,080.	988,376.	
9 Other employee benefits	7,153,955.	5,376,397.	1,777,558.	
10 Payroll taxes	5,835,680.	4,402,125.	1,433,555.	
11 Fees for services (non-employees):				
a Management	0.			
b Legal	0.			
c Accounting	6,781.		6,781.	
d Lobbying	0.			
e Professional fundraising services. See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	6,094,007.	4,097,241.	1,996,766.	
12 Advertising and promotion	246,503.	202.	246,301.	
13 Office expenses	43,994,844.	40,149,063.	3,845,781.	
14 Information technology	0.			
15 Royalties	0.			
16 Occupancy	2,498,802.		2,498,802.	
17 Travel	16,661.	10,304.	6,357.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	43,104.	19,337.	23,767.	
20 Interest	3,059,828.	2,013,169.	1,046,659.	
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization . . .	7,897,707.	5,814,520.	2,083,187.	
23 Insurance	2,529,066.	1,907,792.	621,274.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <u>MANAGEMENT FEE - UCHS</u>	6,113,769.		6,113,769.	
b <u>PROVISION FOR BAD DEBTS</u>	13,000,346.	13,000,346.		
c <u>CONTRACT MANAGEMENT</u>	1,248,214.		1,248,214.	
d <u>PURCHASED SERVICES</u>	3,724,997.	2,203,490.	1,521,507.	
e <u>TEMPORARY STAFFING</u>	831,387.	784,787.	46,600.	
f All other expenses	8,357,750.	2,487,118.	5,870,632.	
25 Total functional expenses. Add lines 1 through 24f	187,280,054.	138,580,412.	48,699,642.	0.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	11,530,487.	1	16,217,044.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	20,860,817.	4	20,341,417.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	3,762,200.	8	4,434,393.
	9 Prepaid expenses and deferred charges	409,434.	9	615,565.
	10 a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 209,280,768.		
	b Less: accumulated depreciation	10b 59,431,868.	152,653,989.	10c 149,848,900.
	11 Investments - publicly traded securities	13,330,020.	11	38,948,645.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets	862,818.	14	702,993.
	15 Other assets. See Part IV, line 11	43,969,567.	15	45,994,535.
16 Total assets. Add lines 1 through 15 (must equal line 34)	247,379,332.	16	277,103,492.	
Liabilities	17 Accounts payable and accrued expenses	24,198,652.	17	18,195,610.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	150,135,939.	20	149,343,332.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	71,031,620.	25	39,872,949.
	26 Total liabilities. Add lines 17 through 25	245,366,211.	26	207,411,891.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	2,013,121.	27	69,691,601.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	2,013,121.	33	69,691,601.	
34 Total liabilities and net assets/fund balances	247,379,332.	34	277,103,492.	

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Form **990** (2009)

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. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
--	---

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

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

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

- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.

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

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

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

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

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

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

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

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

Schedule A (Form 990 or 990-EZ) 2009

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.)

Section A. Public Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) 14 %
15 Public support percentage from 2008 Schedule A, Part II, line 14 15 %
16a 33 1/3 % support test - 2009. 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
b 33 1/3 % support test - 2008. 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
17a 10%-facts-and-circumstances test - 2009. 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization
b 10%-facts-and-circumstances test - 2008. 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 IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization
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

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support.

Section B. Total Support

Table with 7 columns: Calendar year (or fiscal year beginning in), (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income; 13 Total support; 14 First five years.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, 2009, 2008. Row 15: Public support percentage for 2009; Row 16: Public support percentage from 2008 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, 2009, 2008. Row 17: Investment income percentage for 2009; Row 18: Investment income percentage from 2008 Schedule A, Part III, line 17.

19 a 33 1/3 % support tests - 2009. 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 - 2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3 %, and line 18 is not more than 33 1/3 %, check this box and stop here. The organization qualifies as a publicly supported organization

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

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Schedule of Contributors

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

2009

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	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, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

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

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

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

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

Name of organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
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Part I Contributors (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	UPPER CHESAPEAKE HEALTH FOUNDATION, INC. 520 UPPER CHESAPEAKE DRIVE, SUITE 405 BEL AIR, MD 21014	\$ 325,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527

OMB No. 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

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

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

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

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), then

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

Name of organization UPPER CHESAPEAKE MEDICAL CENTER	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.
- 2 Political expenditures ▶ \$ _____
- 3 Volunteer hours _____

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

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

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ _____
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ _____
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$ _____
- 4 Did the filing organization file **Form 1120-POL** for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. 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-.

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1 a	Total lobbying expenditures to influence public opinion (grass roots lobbying)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width: 100%; border-collapse: collapse;"> <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 instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2 a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

Table with 3 main columns: (a) Yes/No, (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?

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

Table with 3 columns: Question, Yes, No. Rows include: 1 Were substantially all (90% or more) dues received nondeductible by members?; 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?; 3 Did the organization agree to carryover lobbying and political expenditures from the prior year?

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

Table with 2 columns: Question, Amount. Rows include: 1 Dues, assessments and similar amounts from members; 2 Section 162(e) nondeductible lobbying and political expenditures; 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues; 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?; 5 Taxable amount of lobbying and political expenditures (see instructions)

Part IV Supplemental Information

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

LOBBYING ACTIVITIES

SCHEDULE C, PART II-B, LINE 1I

LOBBYING EXPENSES IN THE AMOUNT OF \$8,274 FOR 12/31/09 REPRESENT A

PORTION OF THE DUES PAID TO AMERICAN HOSPITAL ASSOCIATION AND MARYLAND

HOSPITAL ASSOCIATION. THESE ASSOCIATIONS ALLOCATE A PORTION OF MEMBER

DUES TO LOBBYING ACTIVITY.

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No. 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

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

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number

52-1253920

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? Yes No

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

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

- 1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- (ii) Assets included in Form 990, Part X ▶ \$ _____
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:
- a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
- b Assets included in Form 990, Part X ▶ \$ _____

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
a Public exhibition
b Scholarly research
c Preservation for future generations
d Loan or exchange programs
e Other
4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?
b If "Yes," explain the arrangement in Part XI V and complete the following table:
Table with columns: 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?
b If "Yes," explain the arrangement in Part XI V.

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

Table with 6 columns: (a) Current Year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows include: 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 year end balance held as:
a Board designated or quasi-endowment %
b Permanent endowment %
c Term endowment %
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
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
4 Describe in Part XIV the intended uses of the organization's endowment funds.

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

Table with 4 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows include: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other _____		

Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

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

(a) Description	(b) Book value
PRINCIPLE/CONSTR/ACCR INT FUND	4,659,456.
DEBT SERVICE RESERVE FUND	3,340,764.
OTHER ACCTS RECEIVABLE	347,852.
DEFERRED FINANCING COSTS	788,110.
DUE FROM AFFILIATES	36,858,353.
COST OF ISSUANCE FUND	0.
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	45,994,535.

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

1. (a) Description of liability	(b) Amount	
Federal income taxes		
LINE OF CREDIT	131,882.	
ADVANCES FROM THIRD PARTIES	4,405,406.	
DUE TO AFFILIATES	44,890.	
ACCRUED PENSION LIABILITY	6,300,427.	
BOND INTEREST RATE SWAP	28,990,344.	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	39,872,949.	

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

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

Table with 10 rows for Part XI reconciliation. Columns include line number, description, and amount. Total revenue is 201,016,419 and total expenses are 187,280,054.

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

Table with 5 main rows for Part XII reconciliation. Includes sub-rows a-d for adjustments. Total revenue per audited statements is 257,935,823 and per return is 201,016,419.

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

Table with 5 main rows for Part XIII reconciliation. Includes sub-rows a-d for adjustments. Total expenses per audited statements is 190,257,343 and per return is 187,280,054.

Part XIV Supplemental Information

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

SEE PAGE 5

Part XIV Supplemental Information (continued)

INCOME TAXES (FIN 48)

PART X, QUESTION 2

UPPER CHESAPEAKE MEDICAL CENTER ACCOUNTS FOR TAX PROVISIONS IN ACCORDANCE WITH FASB INTERPRETATION NO. 48 (FIN 48), ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, INCLUDED IN ASC SUBTOPIC 740-10, INCOME TAXES - OVERALL, WHICH CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN TAX PROVISIONS. FIN 48 REQUIRES THAT THE UPPER CHESAPEAKE MEDICAL CENTER RECOGNIZE THE IMPACT OF AN UNCERTAIN TAX POSITION IN ITS FINANCIAL STATEMENTS IF THAT POSITION IS MORE LIKELY THAN NOT TO BE SUSTAINED ON AUDIT, BASED ON THE TECHNICAL MERITS OF THE POSITION.

RECONCILIATION OF CHANGE IN NET ASSETS

SCHEDULE D, PART XI, LINE 8

UNREALIZED GAIN ON SWAP	23,240,761
MINIMUM PENSION LIABILITY	3,127,176
NET TRANSFERS TO/FROM AFFILIATES	876,453
EQUITY CONTRIBUTION FROM UCHS/UMMS VENTURE	26,750,000

TOTAL	53,994,390
	=====

Part XIV Supplemental Information (continued)

RECONCILIATION OF REVENUE

SCHEDULE D, PART XII

LINE 2D - OTHER REVENUE INCLUDED ON BOOKS NOT ON RETURN

UNREALIZED GAIN ON SWAP	23,240,761
MINIMUM PENSION LIABILITY	3,127,176
TRANSFER FROM AFFILIATES	876,453
EQUITY CONTRIBUTION FROM UCHS/UMMS VENTURE LLC	26,750,000

TOTAL LINE 2D	53,994,390
	=====

LINE 4D - OTHER REVENUE INCLUDED ON RETURN NOT ON BOOKS

RECLASS - RENTAL EXPENSES	(2,977,289)
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RECONCILIATION OF EXPENSES

SCHEDULE D, PART XIII

LINE 2D - OTHER EXPENSES INCLUDED ON BOOKS NOT ON RETURN

RECLASS - RENTAL EXPENSES	2,977,289
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**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2009

Open to Public Inspection

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.

▶ Attach to Form 990.

▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number

52-1253920

Part I Charity Care and Certain Other Community Benefits at Cost

	Yes	No
1a Does the organization have a charity care policy? If "No," skip to question 6a	X	
1b If "Yes," is it a written policy?	X	
2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals.		
<input checked="" type="checkbox"/> Applied uniformly to all hospitals		
<input type="checkbox"/> Generally tailored to individual hospitals		
<input type="checkbox"/> Applied uniformly to most hospitals		
3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.		
a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care:	X	
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
b Does the organization use FPG to determine eligibility for providing discounted care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care:	X	
<input checked="" type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care.		
4 Does the organization's policy provide free or discounted care to the "medically indigent"?	X	
5a Does the organization budget amounts for free or discounted care provided under its charity care policy?	X	
5b If "Yes," did the organization's charity care expenses exceed the budgeted amount?	X	
5c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		X
6a Does the organization prepare an annual community benefit report?	X	
6b If "Yes," does the organization make it available to the public?	X	

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

7 Charity Care 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
Charity Care and Means-Tested Government Programs						
a Charity care at cost (from Worksheets 1 and 2)			7,024,192.		7,024,192.	3.96
b Unreimbursed Medicaid (from Worksheet 3, column a)						
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			7,024,192.		7,024,192.	3.96
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			116,569.	683.	115,886.	.07
f Health professions education (from Worksheet 5)			96,756.		96,756.	.05
g Subsidized health services (from Worksheet 6)			2,831,904.		2,831,904.	1.60
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			77,557.		77,557.	.04
j Total Other Benefits			3,122,786.	683.	3,122,103.	1.76
k Total. Add lines 7d and 7j			10,146,978.	683.	10,146,295.	5.72

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

Schedule H (Form 990) 2009

JSA

9E1284 2.000

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

- 1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? **1** X
- 2 Enter the amount of the organization's bad debt expense (at cost) **2** 9,945,265.
- 3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy **3** 1,398,327.
- 4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.

	Yes	No
1	X	
2		
3		
5		
6		
7		
9a	X	
9b	X	

Section B. Medicare

- 5 Enter total revenue received from Medicare (including DSH and IME) **5** 78,138,742.
- 6 Enter Medicare allowable costs of care relating to payments on line 5 **6** 75,130,765.
- 7 Subtract line 6 from line 5. This is the surplus or (shortfall) **7** 3,007,977.
- 8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:
 Cost accounting system Cost to charge ratio Other

Section C. Collection Practices

- 9a Does the organization have a written debt collection policy? **9a** X
- b If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI. **9b** X

Part IV Management Companies and Joint Ventures

(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 UPPER CHESA HLTH SYS	MGMT SVCS/OVERSIGHT HLTH SVCS	66.00000		
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 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 charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals 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.).
- 7 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.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SCHEDULE H

ADDITIONAL SUPPLEMENTAL INFORMATION REGARDING MARYLAND'S MEDICAID PROGRAM

PATIENT SERVICE REVENUE OF UPPER CHESAPEAKE MEDICAL CENTER IS RECORDED AT

RATES ESTABLISHED BY THE STATE OF MARYLAND HEALTH SERVICES COST REVIEW

COMMISSION (HSCRC) AND, ACCORDINGLY, REFLECTS ACTUAL CHARGES TO PATIENTS

BASED ON RATES IN EFFECT DURING THE PERIOD IN WHICH THE SERVICES ARE

RENDERED. THE HOSPITAL HAS CHARGE PER CASE (CPC) AGREEMENTS WITH THE

HSCRC WHICH ARE RENEWED ANNUALLY. THESE CPC AGREEMENTS ESTABLISH A

PROSPECTIVELY APPROVED AVERAGE CHARGE PER INPATIENT CASE (DEFINED AS

HOSPITAL ADMISSIONS PLUS BIRTHS) AND AN ESTIMATED CASE MIX INDEX. THESE

CPC AGREEMENTS ALSO SET THE RATES FOR ALL PAYERS, INCLUDING MEDICARE AND

MEDICAID. THESE APPROVED CPC CHARGES ARE ADJUSTED DURING THE RATE YEAR

FOR ACTUAL CHANGES IN THE CASE MIX. THE CPC AGREEMENTS ALLOW THE HOSPITAL

TO ADJUST APPROVED UNIT RATES, WITHIN CERTAIN LIMITS, TO ACHIEVE THE

AVERAGE CPC TARGET FOR EACH RATE YEAR ENDING JUNE 30.

OUTPATIENT SERVICE REVENUE IS RECORDED AT THE RATES ESTABLISHED BY THE

HSCRC WHICH REFLECT ACTUAL CHARGES TO PATIENTS BASED ON THOSE RATES IN

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
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- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

 EFFECT DURING THE PERIOD IN WHICH THE SERVICES ARE RENDERED. AS WITH THE

 CHARGES FOR INPATIENT CASES, EACH PAYER IS CHARGED AN IDENTICAL RATE FOR

 OUTPATIENT SERVICES.

 THE STATE OF MARYLAND'S UNIQUE INPATIENT AND OUTPATIENT RATE SYSTEM

 ALLOWS REVENUE GENERATED FROM EACH PAYER TYPE TO EQUALLY CONTRIBUTE TO

 THE OPERATING MARGIN OF UPPER CHESAPEAKE MEDICAL CENTER. AS A RESULT,

 REVENUE EARNED FROM THE MEDICAID PROGRAM PRODUCED THE SAME POSITIVE

 CONTRIBUTION MARGIN AS DID REVENUE EARNED FROM MEDICARE AND OTHER

 INSURERS. FURTHERMORE, COSTS PROVIDED TO PATIENTS COVERED BY THE

 MEDICAID PROGRAM WERE FULLY REIMBURSED. WE HAVE THEREFORE CONCLUDED THAT

 NO COMMUNITY BENEFIT WAS GENERATED FROM INPATIENT AND OUTPATIENT SERVICES

 PROVIDED TO PATIENTS COVERED BY THE MEDICAID PROGRAM.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
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- 7 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.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART III, LINE 4:

 THE HOSPITAL GRANTS CREDIT TO PATIENTS, SUBSTANTIALLY ALL OF WHOM ARE

 LOCAL RESIDENTS. THE HOSPITAL GENERALLY DOES NOT REQUIRE COLLATERAL

 OR OTHER SECURITY IN EXTENDING CREDIT; HOWEVER, THE HOSPITAL

 ROUTINELY OBTAINS ASSIGNMENT OF (OR ARE OTHERWISE ENTITLED TO

 RECEIVE) PATIENTS' BENEFITS RECEIVABLE UNDER THEIR HEALTH INSURANCE

 PROGRAMS, PLANS OR POLICIES.

PART III, LINE 8:

 THE HOSPITAL DID NOT HAVE A MEDICARE SHORTFALL.

PART III, LINE 9B:

 THE HOSPITAL DISPLAYS SIGNS AT EVERY REGISTRATION POINT INFORMING THE

 PATIENTS ABOUT THE AVAILABILITY OF THE VARIOUS FINANCIAL AND MEDICAL

 ASSISTANCE PROGRAMS.

 THE HOSPITAL OFFERS EVERY SELF-PAY PATIENT OR ANY PATIENT WHO

 INQUIRES, THE FINANCIAL ASSISTANCE INFORMATIONAL PACKET AND

 APPLICATION. THE COVER SHEET FOR THE FINANCIAL ASSISTANCE PACKET

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
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- 7 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.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

ALSO INCLUDES INFORMATION ON OBTAINING MEDICAL ASSISTANCE.

IN ADDITION, THE HOSPITAL HAS A FINANCIAL COUNSELOR THAT VISITS THE

SELF-PAY PATIENT IN THE EMERGENCY DEPARTMENT OR IN THE PATIENT'S ROOM

TO DISCUSS WHAT IS AVAILABLE TO THEM.

THE HOSPITAL ALSO EMPLOYS A MEDICAL ASSISTANCE ADVOCACY COMPANY TO

ASSIST THE HOSPITAL'S PATIENTS GET MEDICAL ASSISTANCE.

THE HOSPITAL ALSO PROVIDES INFORMATION ABOUT THE PROGRAMS IN EACH

BILLING STATEMENT.

NEEDS ASSESSMENT:

EVERY THREE YEARS A COMMUNITY HEALTH ASSESSMET SURVEY/PLAN IS

PERFORMED.

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE:

THE HOSPITAL DISPLAYS SIGNS AT EVERY REGISTRATION POINT INFORMING THE

PATIENTS ABOUT THE AVAILABILITY OF THE VARIOUS FINANCIAL AND MEDICAL

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
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- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

ASSISTANCE PROGRAMS.

THE HOSPITAL OFFERS EVERY SELF-PAY PATIENT OR ANY PATIENT WHO
 INQUIRES, THE FINANCIAL ASSISTANCE INFORMATIONAL PACKET AND
 APPLICATION. THE COVER SHEET FOR THE FINANCIAL ASSISTANCE PACKET
 ALSO INCLUDES INFORMATION ON OBTAINING MEDICAL ASSISTANCE.

IN ADDITION, THE HOSPITAL HAS A FINANCIAL COUNSELOR THAT VISITS THE
 SELF-PAY PATIENT IN THE EMERGENCY DEPARTMENT OR IN THE PATIENT'S ROOM
 TO DISCUSS WHAT IS AVAILABLE TO THEM.

THE HOSPITAL ALSO EMPLOYS A MEDICAL ASSISTANCE ADVOCACY COMPANY TO
 ASSIST THE HOSPITAL'S PATIENTS GET MEDICAL ASSISTANCE.

THE HOSPITAL ALSO PROVIDES INFORMATION ABOUT THE PROGRAMS IN EACH
 BILLING STATEMENT.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
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COMMUNITY INFORMATION:

THE SERVICE AREA OF THE UPPER CHESAPEAKE HEALTH SYSTEM, WHICH

INCLUDES HARFORD MEMORIAL HOSPITAL, CONSISTS OF THE NORTHEAST PART OF

MARYLAND, INCLUDING HARFORD COUNTY, WESTERN CECIL COUNTY AND PORTION

OF BALTIMORE COUNTY. THIS SERVICE AREA IS LOCATED AT THE APEX OF THE

CHESAPEAKE BAY AND IS SPREAD ACROSS 536 SQUARE MILES. IT CONTAINS,

AMONG OTHERS, THE CITIES AND TOWNS OF HAVRE DE GRACE, ABERDEEN, BEL

AIR, FALLSTON, AND EDGEWOOD. THE SERVICE AREA ENJOYS A DIVERSE

ECONOMIC BASE, RANGING FROM CONCENTRATIONS IN SERVICE, MANUFACTURING,

DISTRIBUTION, AND RETAIL, TO FEDERAL GOVERNMENT EMPLOYMENT. HARFORD

COMMUNITY COLLEGE PROVIDES A LOCAL VENUE FOR ADVANCED EDUCATION AND

HARFORD COUNTY'S PROXIMITY TO BALTIMORE GIVES IT ACCESS TO NATIONALLY

RECOGNIZED UNIVERSITIES WHICH HELP PROVIDE A SKILLED WORKFORCE. THE

SERVICE AREA IS SERVED BY INTERSTATE 95, AMTRAK AND FREIGH RAIL LINES

ALONG THE BUSY EAST-COAST TRANSPORTATION CORRIDOR BETWEEN NEW YORK

AND WASHINGTON, DC. IN 2007, THE SERVICE AREA HAD A TOTAL POPULATION

OF 276,500 PEOPLE WITH HISTORICAL ANNUAL GROWTH RATES OF

APPROXIMATELY 1.8% PER YEAR. THIS GROWTH HAS BEEN CHARACTERIZED BY

AN INFLUX OF YOUNG FAMILIES SEEKING SUBURBAN ENVIRONMENT IN WHICH TO

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
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- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

LIVE AND IS COMPLEMENTED BY A GROWTH IN BUSINESSES AND OTHER SERVICES

THAT FOLLOW YOUNG, MIDDLE CLASS FAMILIES. IN 2007, THE SERVICE AREA

HAD AN ESTIMATED 101,930 HOUSEHOLDS WITH A MEDIAN FAMILY INCOME OF

\$67,300 AND AN AVERAGE HOUSEHOLD INCOME OF \$81,000. 87% OF THE

SERVICE AREA'S ADULTS OVER THE AGE OF 25 ARE HIGH SCHOOL GRADUATES OR

HIGHER; 27% ACHIEVED BACHELOR'S DEGREES OR HIGHER. THE SERVICE

AREA'S GROWTH AND GEOGRAPHIC LOCATION EXPLAIN ITS ABILITY TO ATTRACT

MAJOR EAST-COAST DISTRIBUTION CENTER AND INDUSTRY, WHICH HAVE

PROVIDED ADDITIONAL EMPLOYMENT OPPORTUNITIES IN THE SERVICE AREA. IN

DECEMBER 2007, THE SERVICE AREA HAD A WORK FORCE OF APPROXIMATELY

142,829.

COMMUNITY BUILDING ACTIVITIES:

THE HOSPITAL DID NOT HAVE COMMUNITY BUILDING ACTIVITES DURING THE

CALENDAR YEAR ENDED DECEMBER 31, 2009.

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
SCHOLARSHIPS TO STUDY IN THE MEDICAL FIELD	52	82,083.			

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

SCHEDULE I - GRANTS & OTHER ASSISTANCE

PART I, QUESTION 2 - GENERAL INFORMATION ON GRANTS AND ASSISTANCE

ALTHOUGH THE FILING ORGANIZATION DOES NOT HAVE FORMALIZED INTERNAL PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS IN THE UNITED STATES, 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:

(1) THAT CONTRIBUTIONS WILL BE MADE ONLY TO ORGANIZATIONS FOR PURPOSES CONSISTENT WITH UPPER CHESAPEAKE HEALTH SYSTEM'S (PARENT ENTITY) VISION

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

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

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

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

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

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) 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.

*** REQUESTS FOR \$5,000 AND UNDER ARE REFERRED TO THE PRESIDENT/CEO FOR REVIEW AND APPROVAL

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

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

*** REQUESTS FOR GREATER THAN \$5,000 ARE REFERRED TO THE COMMUNITY

DEVELOPMENT COMMITTEE FOR DISCUSSION AND APPROVAL

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number

52-1253920

Part I Questions Regarding Compensation

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

- | | |
|--|---|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> 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 checked="" type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

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

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

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

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

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

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

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

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

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

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

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

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

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

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

Schedule J (Form 990) 2009

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees Use Schedule J-1 if additional space is needed.

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

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
LYLE E SHELDON	(i)	0.	0.	0.	0.	0.	
	(ii)	503,419.	248,774.	36,072.	165,700.	44,279.	998,244.
FAHEEM YOUNUS, MD	(i)	0.	0.	152,242.	0.	0.	152,242.
	(ii)	0.	0.	0.	0.	0.	0.
JOYCE FOX	(i)	0.	0.	0.	0.	0.	0.
	(ii)	166,805.	26,102.	9,043.	29,770.	2,553.	234,273.
JOSEPH E HOFFMAN III	(i)	0.	0.	0.	0.	0.	0.
	(ii)	259,457.	108,644.	22,102.	61,753.	31,176.	483,132.
JOHN KEVIN LYNCH	(i)	195,111.	4,000.	0.	23,728.	13,128.	235,967.
	(ii)	0.	0.	0.	0.	0.	0.
PAMELA C MCLAUGHLIN	(i)	97,066.	48,881.	73.	20,888.	19,057.	185,965.
	(ii)	0.	0.	0.	0.	0.	0.
JEFFREY M GORSCHBOTH	(i)	107,128.	43,453.	69.	4,148.	22,379.	177,177.
	(ii)	0.	0.	0.	0.	0.	0.
ANGELA M KAITIS	(i)	117,778.	10,447.	442.	24,031.	19,709.	172,407.
	(ii)	0.	0.	0.	0.	0.	0.
PATRICIA ERCOLANO	(i)	118,498.	17,403.	208.	11,881.	20,650.	168,640.
	(ii)	0.	0.	0.	0.	0.	0.
KENNETH D KOZEL	(i)	0.	0.	0.	0.	0.	0.
	(ii)	270,653.	83,133.	37,402.	60,750.	23,398.	475,336.
DEAN C KASTER	(i)	0.	0.	0.	0.	0.	0.
	(ii)	204,717.	67,259.	2,536.	51,778.	25,023.	351,313.
MARGARET M VAUGHAN	(i)	0.	0.	0.	0.	0.	0.
	(ii)	276,442.	104,471.	22,749.	84,533.	24,168.	512,363.
E SCOTT CONOVER	(i)	0.	0.	0.	0.	0.	0.
	(ii)	228,667.	27,774.	17,530.	34,110.	7,175.	315,256.
TONI M SHIVERY	(i)	0.	0.	0.	0.	0.	0.
	(ii)	160,025.	33,471.	8,976.	34,855.	21,401.	258,728.
	(i)						
	(ii)						
	(i)						
	(ii)						

Part III Supplemental Information

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

SCHEDULE J, COMPENSATION INFORMATION

PART I, QUESTION 4B

THIS FILING ORGANIZATION MADE SPLIT DOLLAR LIFE INSURANCE PLAN

CONTRIBUTIONS TO THE FOLLOWING MEMBERS OF SENIOR LEADERSHIP WHO ARE

LISTED ON THIS FILING ORGANIZATION'S FORM 990, PART VII, SECTION A, LINE

1A:

LYLE E SHELDON \$107,000

JOSEPH E HOFFMAN III \$ 28,001

DEAN C KASTER \$ 22,510

MARGARET M VAUGHAN \$ 31,167

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).**

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

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number

52-1253920

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
						Yes	No	Yes	No
A MARYLAND HEALTH & HIGHER EDUCATION FACILITIES AUTH	52-0936091	5742172P9	08/08/2008	124,100,000.	REFI EXISTING DEBT/PURCH LAND		X		X
B MARYLAND HEALTH & HIGHER EDUCATION FACILITIES AUTH	52-0936091	5742172P9	08/08/2008	55,325,000.	REFINANCE EXISTING DEBT		X		X
C									
D									
E									

Part II Proceeds

	A		B		C		D		E	
1 Total proceeds of issue	104,244,000.		45,891,939.							
2 Gross proceeds in reserve funds	0.		4,435,825.							
3 Proceeds in refunding or defeasance escrows	103,437,431.		42,124,236.							
4 Other unspent proceeds	0.		0.							
5 Issuance costs from proceeds	806,569.		414,720.							
6 Working capital expenditures from proceeds	0.		0.							
7 Capital expenditures from proceeds	0.		0.							
8 Year of substantial completion	2008		2008							
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9 Were the bonds issued as part of a current refunding issue?	X		X							
10 Were the bonds issued as part of an advance refunding issue?		X		X						
11 Has the final allocation of proceeds been made?	X		X							
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X							

Part III Private Business Use

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

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

Schedule K (Form 990) 2009

JSA

9E1295 2.000

Part III Private Business Use (Continued)

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

Part IV Arbitrage

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X						
2 Is the bond issue a variable rate issue?	X			X						
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?	X			X						
b Name of provider	BANK OF AMERICA									
c Term of hedge	35.000									
4a Were gross proceeds invested in a GIC?		X		X						
b Name of provider										
c Term of GIC										
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5 Were any gross proceeds invested beyond an available temporary period?		X		X						
6 Did the bond issue qualify for an exception to rebate?		X		X						

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

Employer identification number

52-1253920

ATTACHMENT 1

PART VI, SECTION A, GOVERNING BODY & MANAGEMENT

QUESTION 2 - FAMILY OR BUSINESS RELATIONSHIP

LYLE E SHELDON AND JOSEPH E HOFFMAN III ARE OFFICERS IN THE SAME BUSINESS ENTITIES. THE SAME BUSINESS ENTITIES ARE THE FOR-PROFT CORPORATIONS OR PARTNERSHIPS THAT ARE RELATED TO THIS FILING ENTITY. PLEASE SEE FORM 990, SCHEDULE R.

PART VI, SECTION A, GOVERNING BODY & MANAGEMENT

QUESTION 4 - SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS

THE ORGANIZATION AMENDED ITS BYLAWS DUE TO FORMATION OF A PARTNERSHIP WITH THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM.

PART VI, SECTION A, GOVERNING BODY & MANAGEMENT

QUESTION 6 - EXISTENCE OF MEMBERS

THIS FILING ORGANIZATION IS A TAX-EXEMPT SUBSIDIARY OF UPPER CHESAPEAKE HEALTH SYSTEM, INC. UPPER CHESAPEAKE HEALTH SYSTEM, INC. IS THE SOLE MEMBER OF ALL ITS TAX-EXEMPT SUBSIDIARIES.

PART VI, SECTION B, POLICIES

QUESTION 11A - ORGANIZATIONAL REVIEW OF FORM 990

THE BOARD OF UPPER CHESAPEAKE HEALTH SYSTEM, INC. ("HEALTH SYSTEM") HAS ASSIGNED THE EXECUTIVE COMMITTEE OF THE HEALTH SYSTEM'S BOARD TO REVIEW AND APPROVE ALL CONTENTS OF FORM 990 ON BEHALF OF THE BOARDS OF ALL HEALTH SYSTEM'S TAX-EXEMPT AFFILIATES. IN TURN, ONCE THE FORM 990 HAS

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
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ATTACHMENT 1 (CONT'D)

BEEN APPROVED BY HEALTH SYSTEM'S EXECUTIVE COMMITTEE, A FINAL VERSION OF THE FORM 990 WILL BE MADE AVAILABLE TO ALL BOARD MEMBERS OF THE RESPECTIVE HEALTH SYSTEM'S TAX-EXEMPT AFFILIATES. FORMAL NOTIFICATION OF THE FINAL AND APPROVED FORM 990 FOR EACH OF THE HEALTH SYSTEM'S AFFILIATES AS WELL AS ITS AVAILABILITY WILL BE COMMUNICATED TO THE APPLICABLE BOARD MEMBERS ON OR BEFORE THE FILING OF THE FORM 990.

PART VI, SECTION B, POLICIES

QUESTION 12C - CONFLICT OF INTEREST POLICY

THE ORGANIZATION'S WRITTEN CONFLICT OF INTEREST POLICY COVERS THE FOLLOWING INDIVIDUALS: DIRECTORS, PRINCIPAL OFFICERS, AND SENIOR MANAGEMENT. FURTHERMORE, THE POLICY EXTENDS TO THE FAMILY MEMBERS (PER INTERNAL REVENUE SERVICE DEFINITION) OF SUCH DIRECTORS, PRINCIPAL OFFICERS, AND SENIOR MANAGEMENT. THE BOARD OF DIRECTORS AND ANY COMMITTEE CONSIDERING A CONTRACT, TRANSACTION OR ARRANGEMENT TO WHICH A KNOWN OR POTENTIAL CONFLICT OF INTEREST RELATES, DETERMINES WHETHER A CONFLICT EXISTS. ACTUAL CONFLICTS ARE REVIEWED BY THE CHAIRMAN OF THE BOARD. AN INDIVIDUAL WITH A KNOWN OR POTENTIAL CONFLICT OF INTEREST MUST REFRAIN FROM PARTICIPATING IN, OR ACTING ON, THE DECISION ON ANY MATTER IN WHICH A CONFLICT OF INTEREST, OR EVEN THE APPEARANCE OF SUCH A CONFLICT OF INTEREST, IS PRESENT WITH RESPECT TO SUCH INDIVIDUAL AND WILL REMOVE HIMSELF OR HERSELF FROM ANY MEETING OR DELIBERATIONS ON THE MATTER.

PART VI, SECTION B, POLICIES

QUESTION 15 - PROCESS FOR DETERMINING COMPENSATION

THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS APPROVES

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
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ATTACHMENT 1 (CONT'D)

COMPENSATION FOR THE CHIEF EXECUTIVE OFFICER, CHIEF OPERATING OFFICER, CHIEF FINANCIAL OFFICER, AND ALL KEY EMPLOYEES. THE EXECUTIVE COMPENSATION COMMITTEE UTILIZES BUT IS NOT LIMITED TO THE FOLLOWING RESOURCES IN EVALUATING AND ESTABLISHING REASONABLE COMPENSATION: INDEPENDENT COMPENSATION CONSULTANTS, COMPENSATION SURVEYS AND COMPENSATION STUDIES. THIS ORGANIZATION AND ITS TAX-EXEMPT AFFILIATES STRIVE TO MAINTAIN AN ARM'S LENGTH RELATIONSHIP BETWEEN ITSELF AND ITS EMPLOYEES. IT IS THE GOAL OF THE EXECUTIVE COMPENSATION COMMITTEE TO ENSURE THAT TOTAL COMPENSATION (COMPENSATION AND BENEFITS) PAID TO ITS EMPLOYEES IS FAIR AND REASONABLE. FINALLY, THE PROCESS OF SETTING AND APPROVING SUCH COMPENSATION IS PERFORMED ANNUALLY BY THE BOARD'S EXECUTIVE COMPENSATION COMMITTEE.

PART VI, SECTION C, DISCLOSURE

QUESTION 19 - DOCUMENTS AVAILABLE TO THE PUBLIC

THE ORGANIZATION WILL MAKE THE FOLLOWING DOCUMENTS AVAILABLE TO THE PUBLIC UPON REQUEST: ARTICLES OF INCORPORATION, BYLAWS, CONFLICT OF INTEREST POLICY, AND AUDITED FINANCIAL STATEMENTS (HARFORD MEMORIAL HOSPITAL, INC. AND UPPER CHESAPEAKE MEDICAL CENTER, INC.).

PART VIII - STATEMENT OF REVENUE

LINE 2A - PROGRAM SERVICE REVENUE

PATIENT SERVICE REVENUE	\$219,681,466
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NET CONTRACTUAL ALLOWANCES	\$ 19,556,826
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NET PATIENT REVENUE	\$200,124,640
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Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
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ATTACHMENT 1 (CONT'D)

SCHEDULE K - SUPPLEMENTAL INFORMATION ON TAX-EXEMPT BONDS

UPPER CHESAPEAKE MEDICAL CENTER, INC. & HARFORD MEMORIAL HOSPITAL, INC. (COLLECTIVELY, "HOSPITALS") OBTAINED A LOAN OF \$179,425,000 THROUGH THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY IN CONNECTION WITH THE ISSUANCE OF ITS REVENUE BONDS - UPPER CHESAPEAKE HOSPITALS ISSUE, SERIES 2008A-C BONDS (THE SERIES 2008 BONDS). HOSPITALS HAVE ALLOCATED THE ISSUE PRICE BETWEEN EACH HOSPITAL AS FOLLOWS: UPPER CHESAPEAKE MEDICAL CENTER, INC.: 84% HARFORD MEMORIAL HOSPITAL, INC.: 16%

PART VII, SECTION A, PART I

AVERAGE HOURS PER WEEK

THE FOLLOWING CHART DETAILS THE FILING ORGANIZATION'S BOARD OF DIRECTORS MEMBERS AND OFFICERS WHO ARE ALSO BOARD OF DIRECTORS MEMBERS AND OFFICERS OF RELATED EXEMPT ORGANIZATIONS AND THE HOURS SPENT PER WEEK ON DUTIES FOR THOSE RELATED EXEMPT ORGANIZATIONS. THE CHART DOES NOT REFLECT HOURS SPENT PER WEEK ON DUTIES FOR ANY RELATED FOR-PROFIT ENTITIES. THE HOURS REFLECTED IN PART VII, SECTION A, COLUMN B ARE ONLY THE AVERAGE HOURS PER WEEK FOR THIS FILING ORGANIZATION.

	UCF	HMH	UCMS	UCP	UCHC	UCHS
LYLE E. SHELDON PRESIDENT/CHIEF EXECUTIVE OFFICER	1	5	1	1	-	40
JOSEPH E. HOFFMAN SENIOR VP/CHIEF FINANCIAL OFFICER	1	5	1	1	1	40

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
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ATTACHMENT 1 (CONT'D)

	UCF	HMH	UCMS	UCP	UHC	UCHS
JOYCE FOX VP PATIENT SERVICES/CHIEF NURSE OFFICER	-	20	-	-	-	-
MARGARET M. VAUGHAN SENIOR VP/CHIEF MEDICAL OFFICER	-	5	1	-	-	40
KENNETH D. KOZEL SENIOR VP/CHIEF OPERATING OFFICER	1	5	1	1	1	40
DEAN C. KASTER SENIOR VP/CORPORATE STRATEGY/PLANNING	-	5	-	-	-	40
E. SCOTT CONOVER SENIOR VP/GENERAL COUNSEL	-	5	1	-	-	40
TONI M. SHIVERY VP/HUMAN RESOURCES	-	5	-	-	-	40

UCF - UPPER CHESAPEAKE HEALTH FOUNDATION, INC.

HMH - HARFORD MEMORIAL HOSPITAL, INC.

UCMS - UPPER CHESAPEAKE MEDICAL SERVICES, INC.

UCP - UPPER CHESAPEAKE PROPERTIES, INC.

UHC - UPPER CHESAPEAKE/ST JOES HOME CARE, INC.

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
---	--

ATTACHMENT 1 (CONT'D)

UCHS - UPPER CHESAPEAKE HEALTH SYSTEM, INC.

ATTACHMENT 2

4A PROGRAM SERVICE

TO PROVIDE 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 SYSTEM 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 EXCELLENCE. SO MUCH SO THAT IT HAS BECOME PART OF THE FABRIC OF THE HEALTHCARE EXPERIENCE AT UPPER CHESAPEAKE HEALTH. UPPER CHESAPEAKE HEALTH SYSTEM 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. UPPER CHESAPEAKE MEDICAL CENTER IS A MEMBER OF THE UPPER CHESAPEAKE HEALTH SYSTEM. UPPER CHESAPEAKE MEDICAL CENTER IS AN ACUTE CARE, NON-PROFIT FACILITY OFFERING A FULL COMPLEMENT OF MEDICAL, DIAGNOSTIC AND EMERGENCY CARE SERVICES. THE HOSPITAL IS FULLY ACCREDITED BY THE JOINT COMMISSION

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
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FORM 990, PART III - PROGRAM SERVICESATTACHMENT 2 (CONT'D)

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 UPPER CHESAPEAKE HEALTH. 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 HOSPITAL OUTPATIENT SERVICES AND PHYSICIAN OFFICES.

HARFORD MEMORIAL HOSPITAL AND UPPER CHESAPEAKE MEDICAL CENTER MAINTAIN CHARITY CARE PROGRAMS AND, IN ADDITION, CONDUCT MANY COMMUNITY OUTREACH AND COMMUNITY BUILDING ACTIVITIES INCLUDING: - 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,

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FORM 990, PART III - PROGRAM SERVICES

ATTACHMENT 2 (CONT'D)

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
CLINICS

A NUMERICAL SUMMARY OF COMMUNITY ACTIVITIES FOR UPPER CHESAPEAKE
MEDICAL CENTER IS AS FOLLOWS:

TOTAL HOSPITAL COMMUNITY BENEFIT	# OF STAFF HOURS	# OF ENCOUNTERS
COMMUNITY HEALTH SERVICES	2,025	13,284
COMMUNITY BENEFIT OPERATIONS	356	0
TOTAL HOSPITAL COMMUNITY BENEFIT	2,381	13,284

TOTAL HOSPITAL COMMUNITY BENEFIT	DIRECT COST (\$)	INDIRECT COST (\$)
COMMUNITY HEALTH SERVICES	\$413,783	\$232,893
MISSION DRIVEN HEALTH SERVICES	\$402,063	\$226,297
COMMUNITY BENEFIT OPERATIONS	\$ 9,232	\$ 5,196
TOTAL HOSPITAL COMMUNITY BENEFIT	\$825,078	\$464,386

TOTAL HOSPITAL COMMUNITY BENEFIT	OFFSETTING REVENUE	NET COMMUNITY BENEFIT
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Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
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FORM 990, PART III - PROGRAM SERVICESATTACHMENT 2 (CONT'D)

COMMUNITY HEALTH SERVICES	\$ 75,914	\$ 570,762
MISSION DRIVEN HEALTH SERVICES	\$ 0	\$ 628,360
COMMUNITY BENEFIT OPERATIONS	\$ 0	\$ 14,428
CHARITY CARE	N/A	\$2,045,004
TOTAL HOSPITAL COMMUNITY BENEFIT	\$ 75,914	\$3,258,554

SIGNIFICANT ACCOMPLISHMENTS FOR 2009

COMMUNITY OUTREACH

IN 2009, HEALTHLINK HAD APPROXIMATELY 20,884 COMMUNITY-WIDE CONTACTS THROUGH THEIR SCREENING AND EDUCATION PROGRAMS, FLU VACCINATION CLINICS, SUPPORT GROUPS AND HEALTHLINK PRIMARY CARE CLINIC VISITS. APPROXIMATELY 6,206 OF THESE CONTACTS WERE FOR HEALTH SCREENINGS (BLOOD PRESSURE, BODY FAT, CHOLESTEROL, OSTEOPOROSIS, STROKE, SLEEP, DIABETES RISK ASSESSMENTS, FOOT AND EYE SCREENINGS, AND CANCER SCREENINGS). AN ADDITIONAL 3,498 CONTACTS WERE REALIZED THROUGH THE HEALTHLINK PRIMARY CARE CLINIC. OVER 5,000 INFLUENZA VACCINATIONS WERE ADMINISTERED COUNTYWIDE. IN ADDITION TO INFLUENZA VACCINATIONS COMMUNITY OUTREACH PROVIDED AND ADDITIONAL 350 H1N1 VACCINATIONS. APPROXIMATELY 370 RESIDENTS PARTICIPATED IN ONE OF THE HEALTHLINK SUPPORT GROUPS. COMMUNITY OUTREACH ALSO PROVIDED LOCAL BUSINESSES WITH EMPLOYEE HEALTH SCREENINGS AND VACCINATIONS FOR A TOTAL OF 353 ENCOUNTERS.

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FORM 990, PART III - PROGRAM SERVICESATTACHMENT 2 (CONT'D)

CHILDREN'S PROGRAMS

MORE THAN 2,285 HARFORD COUNTY CHILDREN PARTICIPATED IN ONE OF THE CHILDREN'S PROGRAMS IN 2009.

* A TOTAL OF 773 CHILDREN WERE INVOLVED WITH OUR GLO GERM PROGRAM.

THIS IS A PROGRAM THAT EMPHASIZES HOW INFECTION IS SPREAD AND THE IMPORTANCE OF GOOD HAND WASHING HABITS.

* APPROXIMATELY 1,078 CHILDREN WERE EXPOSED TO OUR KATU (KIDS AGAINST TOBACCO USE) PROGRAM. THIS IS A PROGRAM THAT TEACHES CHILDREN ABOUT THE DANGERS ASSOCIATED WITH TOBACCO USE. TOXIC SOUP IS A PROGRAM THAT ADDRESSES THE EFFECTS OF SECONDHAND SMOKE WHICH IS INCLUDED AT TIMES.

* APPROXIMATELY 88 CHILDREN ATTENDED OUR TEDDY BEAR CLINICS. THIS IS A PROGRAM THAT FAMILIARIZES CHILDREN WITH THE HOSPITAL EXPERIENCE.

* A NEW PROGRAM CALLED BE SMART ABOUT BODY ART WAS DEVELOPED IN 2007. IT EDUCATES TEENS ABOUT THE POTENTIAL DANGERS ASSOCIATED WITH BODY PIERCING AND TATTOOING. THIS PROGRAM HAS BEEN VERY SUCCESSFUL WITH OVER 216 TEENS BEING EDUCATED IN 2009.

VACCINES

COMMUNITY OUTREACH ADMINISTERED OVER 5,000 COMMUNITY FLU VACCINATIONS AND ADDITIONAL 350 H1N1 VACCINATIONS. APPROXIMATELY 50 PNEUMONIA VACCINES WERE ADMINISTERED BETWEEN THE 5 SENIOR CENTERS.

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FORM 990, PART III - PROGRAM SERVICESATTACHMENT 2 (CONT'D)

"DINING WITH DOCS" LECTURES

IN 2009 "DINING WITH DOCS" COMMUNITY LECTURES WERE HELD AT BOTH UPPER CHESAPEAKE MEDICAL CENTER AND HARFORD MEMORIAL. A TOTAL OF 144 COMMUNITY RESIDENTS ATTENDED THE LECTURES. SEVERAL OF THE SCHEDULED LECTURES NEEDED TO BE CANCELLED AS A RESULT OF THE PANDEMIC AND IN KEEPING WITH THE ORGANIZATIONS PATIENT SAFETY GOALS.

HEALTHLINK SCREENINGS

FREE CANCER SCREENINGS, A FOOT AND EYE SCREENING FOR DIABETICS, AND A HEARING SCREENING WERE HELD BOTH IN THE HEALTHLINK VAN AT SWAN CREEK. A TOTAL OF 117 COMMUNITY RESIDENTS PARTICIPATED IN ONE OR MORE OF THE OFFERED SCREENINGS.

SKIN CANCER - 30 PARTICIPANTS

COLORECTAL CANCER - 12 PARTICIPANTS

PROSTATE CANCER - 33 PARTICIPANTS

ORAL CANCER - 12 PARTICIPANTS

FOOT AND EYE - 15 PARTICIPANTS

HEARING - 15 PARTICIPANTS

HEALTHLINK COMMUNITY WELLNESS CENTER

IN 2009 THE HEALTHLINK COMMUNITY WELLNESS CENTER WHICH OPERATES FROM THE HL MEDICAL MOBILE VAN HAD 146 RESIDENTS PARTICIPATE IN ONE OF THE AVAILABLE HEALTH SCREENINGS OFFERED THROUGHOUT THE YEAR.

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FORM 990, PART III - PROGRAM SERVICESATTACHMENT 2 (CONT'D)

PRIMARY CARE CLINIC

THROUGH THE GENEROSITY OF THE UPPER CHESAPEAKE HEALTH FOUNDATION AND THE VOLUNTEER HOURS OF MANY OF OUR PHYSICIANS, THE HEALTHLINK PRIMARY CARE CLINIC (PCC) PROVIDES FREE PRIMARY CARE TO ADULTS AGE 19 AND ABOVE WHO ARE UNINSURED OR UNDERINSURED AND MEET SPECIFIC INCOME CRITERIA. IN 2009, THE PCC HAD A TOTAL OF 1,541 ESTABLISHED PATIENTS WHICH IS A 31% INCREASE OVER THE PREVIOUS YEAR AND A TOTAL OF 3,498 PATIENT ENCOUNTERS.

HEALTHLINK CALL CENTER

* IN 2009, OUR HEALTHLINK CALL CENTER HANDLED APPROXIMATELY 7,300 CALLS. THIS INCLUDED ALMOST 1,400 PHYSICIAN REFERRAL AND 2,800 SERVICE CALLS.

* A "FLU HOTLINE" WAS REINSTATED TO KEEP THE COMMUNITY BETTER INFORMED ABOUT THE LOCATIONS AND TIMES THAT FLU CLINICS WERE BEING HELD THROUGH OUT THE COUNTY. THIS ALSO INCLUDED INFORMATION ABOUT H1N1 VACCINATIONS. AS NEW INFORMATION BECAME AVAILABLE OR CHANGED, THE RECORDING ON THE HOTLINE WAS UPDATED SO THAT RESIDENTS COULD GET ACCURATE INFORMATION.

A COUNTYWIDE SENIOR SURVEY

A HEALTHLINK SENIOR FOCUS GROUP-THIS GROUP WAS INITIATED BY HEALTHLINK AND INCLUDED MEMBERS FROM THE HC OFFICE ON AGING, HC PUBLIC LIBRARIES, UCH VOLUNTEERS, YOUNG AT HEART SENIOR GROUP,

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

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FORM 990, PART III - PROGRAM SERVICESATTACHMENT 2 (CONT'D)

CATHOLIC CHARITIES HOUSING AND FAIRBROOKE HOUSING, AND HCHD. THE PURPOSE OF THIS GROUP WAS TO DEVELOP A COUNTY WIDE SENIOR NEEDS AND SERVICES SURVEY. OVER 500 HARFORD COUNTY SENIORS WERE SURVEYED AND THE DATA WAS SHARED WITH THE GROUP.

SUPPORT GROUPS

TWO HEALTHLINK RNS FACILITATE COUNTYWIDE SUPPORT GROUPS; STROKE AND DIABETES. BOTH GROUPS MEET MONTHLY; THE STROKE GROUP MEETS AT UCMC AND THE DIABETES GROUP MEETS AT THE ABERDEEN SENIOR CENTER. THE STROKE GROUP AVERAGES 14 PARTICIPANTS PER MEETING (168 PER YEAR) AND THE DIABETES GROUP AVERAGE 17 (204) PARTICIPANTS PER MEETING.

HEALTHLINK AND COMMUNITY HEALTH IMPROVEMENT COALITIONS AND COMMITTEES

- * HARFORD COUNTY SCHOOL HEALTH BOARD
- * HARFORD COUNTY TOBACCO COALITION
- * HARFORD COUNTY CANCER COALITION
- * HARFORD COUNTY HIGHWAY SAFETY COMMITTEE
- * OFFICE ON AGING ADVISORY BOARD
- * HEALTH OCCUPATIONAL PROGRAM ADVISORY COMMITTEE MEETING (HTHS)

ATTACHMENT 3

Name of the organization UPPER CHESAPEAKE MEDICAL CENTER	Employer identification number 52-1253920
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ATTACHMENT 3 (CONT'D)

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

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
NORTHEAST BALTIMORE ACUTES/DAVITA 1551 WEWATTA STREET DENVER, CO 80202	DIALYSIS SERVICES	456,665.
SPHERIS 13552 COLLECTIONS CENTER DRIVE CHICAGO, IL 60693	TRANSCRIPTION SVCS	816,083.
NORTHERN CHESAPEAKE ANESTHESIA ASSOC 500 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	PHYSICIAN FEES	2,229,407.
ALPHA SYSTEMS 458 PIKE ROAD HUNTINGDON VALLEY, PA 19006	MEDICAL IMAGING SVCS	357,568.
MID-ATLANTIC CARDIOVASCULAR ASSOCIATES 520 UPPER CHESAPEAKE DRIVE, SUITE 201 BEL AIR, MD 21014	PHYSICIAN FEES	366,349.
TOTAL COMPENSATION		<u>4,226,072.</u>

ATTACHMENT 4

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>
PREPAID INSURANCE	26,124.	0.
PREPAID DUES	28,490.	47,425.
PREPAID OTHER	226,190.	361,014.
PREPAID ARA FOOD SERVICE	128,630.	207,126.
TOTALS	<u>409,434.</u>	<u>615,565.</u>

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

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ATTACHMENT 5FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>BEGINNING BOOK VALUE</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
CORPORATE STOCKS AND BONDS	13,330,020.	38,948,645.	FMV
TOTALS	<u>13,330,020.</u>	<u>38,948,645.</u>	

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2009

**Open to Public
Inspection**

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

Name of the organization

UPPER CHESAPEAKE MEDICAL CENTER

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 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

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
UPPER CHESAPEAKE HEALTH SYSTEMS, INC. 52-1398513 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	HLTHCARE SVCS	MD	501 (C) (3)	11C; III-FI	N/A
UPPER CHESAPEAKE HEALTH FOUNDATION, INC. 52-1398507 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	FIN SUPPORT	MD	501 (C) (3)	11A	N/A
UPPER CHESAPEAKE MEDICAL SERVICES, INC. 52-1501734 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	PHYSICIAN SVC	MD	501 (C) (3)	9	N/A
HARFORD MEMORIAL HOSPITAL, INC. 52-0591484 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	HOSPITAL CARE	MD	501 (C) (3)	3	N/A
UPPER CHESAPEAKE PROPERTIES, INC. 52-1907237 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	TITLE HOLDING	MD	501 (C) (2)	N/A	N/A
UPPER CHESAPEAKE/ST JOE'S HOME CARE, INC 52-1229742 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	HOSPICE CARE	MD	501 (C) (3)	9	N/A
UPPER CHESAPKE RESIDENTIAL HOSPICE HOUSE 26-0737028 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	HOSPICE CARE	MD	501 (C) (3)	7	N/A

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

Schedule R (Form 990) 2009

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?	
							Yes	No		Yes	No
UCHS/UMMS_VENT, LLC 52-2178070 520 UPPER CHESAPEAKE	MEDICAL SERVICES	MD	N/A								

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
UPPER_CHESAPEAKE_HEALTH_VENTURES, INC. 52-2031264 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	MISC. SERVICE	MD	N/A	C CORP			
UPPER_CHESAPEAKE_MED_OFFICE_BLDG, INC. 52-1946829 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	REAL ESTATE	MD	N/A	C CORP			
UPPER_CHESAPEAKE_MGMT_SVCS_ORG, INC. 52-1946025 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	MANAGEMENT SVCS	MD	N/A	C CORP			
UC_MEDICAL_CENTER_LAND_CONDOMINIUM, INC. 77-0674478 520 UPPER CHESAPEAKE DRIVE BEL AIR, MD 21014	REAL ESTATE	MD	N/A	C CORP	275,528.	44,664.	100.0000
UPPER_CHESAPEAKE_INSURANCE_COMPANY, LTD. 98-0468438 P.O. BOX 1109 KY1-1102 GRAND CAYMAN, CAYMAN ISLANDS	CAPTIVE INSURANCE	CJ	N/A	LTD.			

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

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

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

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved
(1) UPPER CHESAPEAKE HEALTH SYSTEMS, INC.	A	185,004.
(2) UPPER CHESAPEAKE HEALTH SYSTEMS, INC.	L	6,113,769.
(3) UPPER CHESAPEAKE HEALTH SYSTEMS, INC.	P	11,660,111.
(4)		
(5)		
(6)		

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(7)		
(8)		
(9)		
(10)		
(11)		
(12)		
(13)		
(14)		
(15)		
(16)		
(17)		
(18)		
(19)		
(20)		
(21)		
(22)		
(23)		
(24)		

