

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

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INSTRUCTIONS FOR FILING  
CARROLL HOSPITAL CENTER, INC.  
FORM 8879-EO - IRS E-FILE SIGNATURE AUTHORIZATION  
FOR THE PERIOD ENDED JUNE 30, 2013

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SIGNATURE...

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

FILING...

RETURN YOUR SIGNED FORM 8879-EO TO:

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

PAYMENT OF TAX...

NO PAYMENT OF TAX IS REQUIRED.

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

WE MUST RECEIVE YOUR SIGNED FORM BEFORE WE CAN ELECTRONICALLY  
TRANSMIT YOUR RETURN WHICH IS DUE ON MAY 15, 2014. WE  
WOULD APPRECIATE YOUR RETURNING THIS FORM AS SOON AS POSSIBLE  
AS THIS WILL EXPEDITE THE PROCESSING OF YOUR RETURN. THE INTERNAL  
REVENUE SERVICE WILL NOTIFY US WHEN YOUR RETURN IS ACCEPTED.  
YOUR RETURN IS NOT CONSIDERED FILED UNTIL THE INTERNAL REVENUE  
SERVICE CONFIRMS THEIR ACCEPTANCE, WHICH MAY OCCUR AFTER THE DUE  
DATE OF YOUR RETURN.

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

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**IRS e-file Signature Authorization  
for an Exempt Organization**

For calendar year 2012, or fiscal year beginning 07/01, 2012, and ending 06/30, 2013

Department of the Treasury  
Internal Revenue Service

▶ **Do not send to the IRS. Keep for your records.**

**2012**

Name of exempt organization

**CARROLL HOSPITAL CENTER, INC.**

Employer identification number

**52-1452024**

Name and title of officer

**KEVIN KELBLY, CFO**

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

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

1a	Form 990 check here ▶	<input checked="" type="checkbox"/>	<b>b Total revenue</b> , if any (Form 990, Part VIII, column (A), line 12) . . .	<b>1b</b>	<u>237768083.</u>
2a	Form 990-EZ check here ▶	<input type="checkbox"/>	<b>b Total revenue</b> , if any (Form 990-EZ, line 9) . . . . .	<b>2b</b>	_____
3a	Form 1120-POL check here ▶	<input type="checkbox"/>	<b>b Total tax</b> (Form 1120-POL, line 22) . . . . .	<b>3b</b>	_____
4a	Form 990-PF check here ▶	<input type="checkbox"/>	<b>b Tax based on investment income</b> (Form 990-PF, Part VI, line 5). . . . .	<b>4b</b>	_____
5a	Form 8868 check here ▶	<input type="checkbox"/>	<b>b Balance Due</b> (Form 8868, Part I, line 3c or Part II, line 8c) . . . . .	<b>5b</b>	_____

**Part II Declaration and Signature Authorization of Officer**

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2012 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

**Officer's PIN: check one box only**

I authorize COHEN, RUTHERFORD + KNIGH to enter my PIN 

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

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

on the organization's tax year 2012 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2012 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ \_\_\_\_\_

Date ▶ \_\_\_\_\_

**Part III Certification and Authentication**

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

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

  
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2012 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.**

ERO's signature ▶ \_\_\_\_\_

Date ▶ 05/08/2014

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

For Paperwork Reduction Act Notice, see back of form.

**Return of Organization Exempt From Income Tax**

**2012**

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 2012 calendar year, or tax year beginning** 07/01, 2012, and ending 06/30, 2013

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization CARROLL HOSPITAL CENTER, INC.			<b>D</b> Employer identification number 52-1452024	
	Doing Business As			<b>E</b> Telephone number (410) 871-6859	
	Number and street (or P.O. box if mail is not delivered to street address) Room/suite 200 MEMORIAL AVENUE		City, town or post office, state, and ZIP code WESTMINSTER, MD 21157		
	<b>F</b> Name and address of principal officer: JOHN SERNULKA 200 MEMORIAL AVE WESTMINSTER, MD 21774			<b>G</b> Gross receipts \$ 238,095,644.	
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)		
<b>J</b> Website: ▶ WWW.CARROLLHOSPITALCENTER.ORG			<b>H(c)</b> Group exemption number ▶		
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			<b>L</b> Year of formation: 1957		<b>M</b> State of legal domicile: MD

**Part I Summary**

<b>1</b> Briefly describe the organization's mission or most significant activities: OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT, COMPASSIONATE CARE, AND EXPERT GUIDANCE IN MAINTAINING THEIR HEALTH AND WELL-BEING.			
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
<b>Activities &amp; Governance</b>	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	3	15.
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	4	11.
	<b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	2,012.
	<b>6</b> Total number of volunteers (estimate if necessary)	6	381.
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	7a	3,091,071.
	<b>7b</b> Net unrelated business taxable income from Form 990-T, line 34	7b	0
	<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	925,000.
<b>9</b> Program service revenue (Part VIII, line 2g)		224,019,831.	223,774,228.
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)		4,597,814.	9,982,049.
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		372,793.	292,795.
<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		229,915,438.	237,768,083.
<b>Expenses</b>		<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	155,000.
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	106,909,146.	111,629,729.
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶	0	
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	107,142,153.	98,249,996.
	<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	214,206,299.	210,034,725.
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	15,709,139.	27,733,358.	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	338,128,205.	364,271,504.
	<b>21</b> Total liabilities (Part X, line 26)	233,448,150.	227,307,898.
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20.	104,680,055.	136,963,606.

**Part II Signature Block**

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

<b>Sign Here</b>	Signature of officer		Date		
	Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name TINA C ECKLOFF	Preparer's signature	Date 05/08/2014	Check <input type="checkbox"/> if self-employed	PTIN P01074058
	Firm's name ▶ COHEN, RUTHERFORD + KNIGHT, PC			Firm's EIN ▶ 52-1202280	
	Firm's address ▶ 6903 ROCKLEDGE DRIVE, SUITE 500 BETHESDA, MD 20817-1800			Phone no. 301-828-1008	

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

For Paperwork Reduction Act Notice, see the separate instructions.

**Part III Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission:

ATTACHMENT 1

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

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

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ 178,758,724. including grants of \$ 155,000. ) (Revenue \$ 223,774,228. )

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 ► 178,758,724.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> . . . . .	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? . . . . .	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> . . . . .		X
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> . . . . .	X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> . . . . .		
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> . . . . .		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> . . . . .		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> . . . . .		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> . . . . .		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> . . . . .	X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> . . . . .	X	
b Did the organization report an amount for investments-other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> . . . . .	X	
c Did the organization report an amount for investments-program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> . . . . .	X	
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> . . . . .	X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> . . . . .	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> . . . . .		X
12 a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> . . . . .		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> . . . . .	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> . . . . .		X
14 a Did the organization maintain an office, employees, or agents outside of the United States? . . . . .		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> . . . . .	X	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i> . . . . .		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i> . . . . .		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i> . . . . .		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> . . . . .		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> . . . . .		X
20 a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> . . . . .	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .	X	

**Part IV Checklist of Required Schedules** *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

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

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include 1a (15), 1b (11), 2 (X), 3 (X), 4 (X), 5 (X), 6 (X), 7a (X), 7b (X), 8a (X), 8b (X), 9 (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 (X), 10b, 11a (X), 11b, 12a (X), 12b (X), 12c (X), 13 (X), 14 (X), 15a (X), 15b (X), 16a (X), 16b (X).

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA, MD,
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: DAVID MCCORMICK 200 MEMORIAL AVE WESTMINSTER, MD 21157 410-871-6859

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHARLES O FISHER JR MEMBER AT LARGE	1.00 1.00	X						0	0	0
(2) MIRIAM BECK SECRETARY	1.00 1.00	X		X				0	0	0
(3) ETHAN SEIDEL PHD CHAIRMAN	1.00 1.00	X		X				0	0	0
(4) JOHN SERNULKA PRESIDENT/EX-OFFICIO	35.00 5.00	X		X			429,447.	0	272,417.	
(5) KIMBERLY JOHNSTON MD DIRECTOR	1.00 1.00	X						0	0	0
(6) HAROLD WALSH MEMBER AT LARGE	1.00 1.00	X						0	0	0
(7) HELEN W WHITEHEAD VICE CHAIR	1.00 1.00	X		X				0	0	0
(8) SYED HOSAIN MD EX-OFFICIO/PRES MEDICAL STAFF	1.00 1.00	X						0	0	0
(9) THOMAS WELLS DIRECTOR	1.00 1.00	X						0	0	0
(10) JEFFREY A WOTHERS BOARD MEMBER	1.00 1.00	X						0	0	0
(11) W DENNIS THOMAS BOARD MEMBER	1.00 1.00	X						0	0	0
(12) GERALD LEE STURGILL EX-OFFICIO	1.00 3.00	X						0	0	0
(13) LARRY VAN SANT SR BOARD MEMBER	1.00 2.00	X						0	0	0
(14) JOHN STEERS MD BOARD MEMBER	1.00 1.00	X						0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
( 15) MARTIN HILL ----- DIRECTOR	1.00 ----- 1.00	X					0	0	0	
( 16) LESLIE SIMMONS ----- CHIEF OPERATING OFFICER	40.00 ----- 0			X			379,123.	0	11,704.	
( 17) KEVIN KELBLY ----- SR VP FINANCE CFO	34.00 ----- 6.00			X			380,667.	0	17,246.	
( 18) KEVIN SMOTHERS ----- CHIEF MEDICAL OFFICER	40.00 ----- 0			X			435,459.	0	11,054.	
( 19) STEPHANIE REID ----- VICE PRESIDENT	40.00 ----- 0			X			189,798.	0	8,264.	
( 20) JED ROSEN ----- CHIEF MEDICAL INFO OFFICER	40.00 ----- 0				X		395,653.	0	6,454.	
( 21) M ELLEN FINNERTY MYERS ----- CHIEF DEVELOPMENT OFFICER	20.00 ----- 20.00				X		248,329.	0	7,797.	
( 22) JOYCE ROMANS ----- VICE PRESIDENT	40.00 ----- 0				X		234,489.	0	7,979.	
( 23) TRACEY ELLISON ----- VICE PRESIDENT	40.00 ----- 0				X		216,720.	0	11,870.	
( 24) DAVID LOUDER ----- VICE PRESIDENT	39.00 ----- 1.00				X		348,787.	0	5,014.	
( 25) ROBERT WHITE ----- VICE PRESIDENT	40.00 ----- 0				X		187,912.	0	14,130.	
<b>1b Sub-total</b> .....							429,447.	0	272,417.	
<b>c Total from continuation sheets to Part VII, Section A</b> .....							5,990,532.	0	176,824.	
<b>d Total (add lines 1b and 1c)</b> .....							6,419,979.	0	449,241.	

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 29

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> .....		X
<b>4</b> 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	
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> .....		X

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
<b>ATTACHMENT 3</b>		

**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 ► 29

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
( 26) CRIS COLEMAN ----- VICE PRESIDENT	40.00 ----- 0				X			198,515.	0	14,549.
( 27) BOB EDMONDSON ----- VICE PRESIDENT	40.00 ----- 0				X			172,557.	0	3,814.
( 28) FLAVIO KRUTER ----- PHYSICIAN	39.00 ----- 1.00					X		1,074,489.	0	22,839.
( 29) JOHANNA DIMENTO ----- PHYSICIAN	40.00 ----- 0					X		347,371.	0	3,187.
( 30) DAVID SALINGER ----- PHYSICIAN	39.00 ----- 1.00					X		632,796.	0	12,389.
( 31) DEE HUBBARD ----- PHYSICIAN	40.00 ----- 0					X		271,538.	0	9,167.
( 32) AMANDEEP SINGH ----- PHYSICIAN	40.00 ----- 0					X		276,329.	0	9,367.
-----										
-----										
-----										
-----										
-----										
<b>1b Sub-total</b> .....										
<b>c Total from continuation sheets to Part VII, Section A</b> .....										
<b>d Total (add lines 1b and 1c)</b> .....										

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 29

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> .....		X
<b>4</b> 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	
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> .....		X

**Section B. Independent Contractors**

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

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

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

**Part VIII Statement of Revenue**

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b>					
	<b>d</b> Related organizations . . . . .	<b>1d</b>	3,679,011.				
	<b>e</b> Government grants (contributions) . . . . .	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1f</b>	40,000.				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$ . . . . .						
	<b>h Total.</b> Add lines 1a-1f . . . . .			3,719,011.			
	<b>Program Service Revenue</b>	<b>Business Code</b>					
<b>2a</b> NET PATIENT SERVICE REVENUE			212,865,775.	212,865,775.			
<b>b</b> CAFETERIA/VEND.			912,756.	912,756.			
<b>c</b> LAB		621500	3,069,539.		3,069,539.		
<b>d</b> OTHER OPERATING REVENUE			6,926,158.	6,926,158.			
<b>e</b> _____							
<b>f</b> All other program service revenue . . . . .							
<b>g Total.</b> Add lines 2a-2f . . . . .				223,774,228.			
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .	ATTACHMENT 4		9,953,704.		-90,597.	10,044,301.
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .			0			
	<b>5</b> Royalties . . . . .			0			
	<b>6a</b> Gross rents . . . . .	(i) Real	(ii) Personal				
		443,616.					
		<b>b</b> Less: rental expenses . . . . .	327,561.				
	<b>c</b> Rental income or (loss) . . . . .	116,055.					
	<b>d</b> Net rental income or (loss) . . . . .			116,055.		22,129.	93,926.
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			28,345.				
		<b>b</b> Less: cost or other basis and sales expenses . . . . .					
		<b>c</b> Gain or (loss) . . . . .		28,345.			
	<b>d</b> Net gain or (loss) . . . . .			28,345.			28,345.
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 . . . . .	<b>a</b>					
		<b>b</b> Less: direct expenses . . . . .	<b>b</b>				
		<b>c</b> Net income or (loss) from fundraising events . . . . .			0		
	<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . .	<b>a</b>					
		<b>b</b> Less: direct expenses . . . . .	<b>b</b>				
<b>c</b> Net income or (loss) from gaming activities . . . . .				0			
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>						
	<b>b</b> Less: cost of goods sold . . . . .	<b>b</b>					
	<b>c</b> Net income or (loss) from sales of inventory . . . . .			0			
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
<b>11a</b> CARROLL COUNTY MED SERVICES MGMT FEE	541610		90,000.		90,000.		
<b>b</b> OTHER REVENUE			86,740.	86,740.			
<b>c</b> _____							
<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . .			176,740.				
<b>12 Total revenue.</b> See instructions . . . . .			237,768,083.	220,791,429.	3,091,071.	10,166,572.	

**Part IX Statement of Functional Expenses**

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

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

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 . . . . .	155,000.	155,000.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22 . . . . .	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 . . . . .	0			
4 Benefits paid to or for members . . . . .	0			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	6,808,028.		6,808,028.	
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 . . . . .	84,563,252.	79,761,161.	4,802,091.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .	4,766,643.	4,168,135.	598,508.	
9 Other employee benefits . . . . .	9,019,369.	7,886,882.	1,132,487.	
10 Payroll taxes . . . . .	6,472,437.	5,659,747.	812,690.	
11 Fees for services (non-employees):	0			
a Management . . . . .				
b Legal . . . . .	8,786.		8,786.	
c Accounting . . . . .	350,236.		350,236.	
d Lobbying . . . . .	7,522.		7,522.	
e Professional fundraising services. See Part IV, line 17 . . . . .	0			
f Investment management fees . . . . .	257,891.		257,891.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . . . .	15,627,107.	8,995,208.	6,631,899.	
12 Advertising and promotion . . . . .	829,418.	572,570.	256,848.	
13 Office expenses . . . . .	860,566.	798,938.	61,628.	
14 Information technology . . . . .	173,396.	99,888.	73,508.	
15 Royalties . . . . .	0			
16 Occupancy . . . . .	3,357,189.	2,389,536.	967,653.	
17 Travel . . . . .	481,538.	212,988.	268,550.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
19 Conferences, conventions, and meetings . . . . .	131,967.	107,366.	24,601.	
20 Interest . . . . .	4,819,679.	4,819,679.		
21 Payments to affiliates . . . . .	0			
22 Depreciation, depletion, and amortization . . . . .	14,851,773.	14,226,083.	625,690.	
23 Insurance . . . . .	4,488,166.	3,569,608.	918,558.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>MEDICAL SUPPLIES</u> . . . . .	29,961,519.	29,956,889.	4,630.	
b <u>FOOD</u> . . . . .	1,046,131.	966,895.	79,236.	
c <u>OTHER</u> . . . . .	783,323.	625,921.	157,402.	
d <u>MINOR EQUIPMENT</u> . . . . .	1,138,693.	831,291.	307,402.	
e All other expenses . . . . .	19,075,096.	12,954,939.	6,120,157.	
25 <b>Total functional expenses.</b> Add lines 1 through 24e	210,034,725.	178,758,724.	31,276,001.	
26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) . . . . .	0			

**Part X Balance Sheet**

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

		(A) Beginning of year		(B) End of year
<b>Assets</b>	1	Cash - non-interest-bearing	2,300.	1 2,300.
	2	Savings and temporary cash investments	30,205,023.	2 34,529,645.
	3	Pledges and grants receivable, net	0	3 0
	4	Accounts receivable, net	17,620,679.	4 20,469,869.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5 0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6 0
	7	Notes and loans receivable, net	0	7 0
	8	Inventories for sale or use	3,054,835.	8 2,928,385.
	9	Prepaid expenses and deferred charges	3,034,669.	9 6,323,699.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 292,513,888.	
	10b	Less: accumulated depreciation	10b 150,179,731.	10c 142,334,157.
	11	Investments - publicly traded securities	43,942,335.	11 49,965,895.
	12	Investments - other securities. See Part IV, line 11	34,054,195.	12 32,307,643.
	13	Investments - program-related. See Part IV, line 11	39,097,680.	13 40,470,225.
	14	Intangible assets	3,950,000.	14 3,500,000.
	15	Other assets. See Part IV, line 11	33,755,228.	15 31,439,686.
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	338,128,205.	16 364,271,504.	
<b>Liabilities</b>	17	Accounts payable and accrued expenses	22,217,367.	17 33,022,250.
	18	Grants payable	0	18 0
	19	Deferred revenue	917,882.	19 543,645.
	20	Tax-exempt bond liabilities	138,135,615.	20 139,062,704.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	0	21 0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22 0
	23	Secured mortgages and notes payable to unrelated third parties	0	23 0
	24	Unsecured notes and loans payable to unrelated third parties	0	24 0
25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	72,177,286.	25 54,679,299.	
26	<b>Total liabilities.</b> Add lines 17 through 25	233,448,150.	26 227,307,898.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	27	Unrestricted net assets	93,036,912.	27 125,365,463.
	28	Temporarily restricted net assets	10,527,844.	28 10,425,379.
	29	Permanently restricted net assets	1,115,299.	29 1,172,764.
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	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	<b>Total net assets or fund balances</b>	104,680,055.	33 136,963,606.	
34	<b>Total liabilities and net assets/fund balances.</b>	338,128,205.	34 364,271,504.	

**Part XI Reconciliation of Net Assets**

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

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	237,768,083.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	210,034,725.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	27,733,358.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	104,680,055.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	3,065,421.
<b>6</b>	Donated services and use of facilities	<b>6</b>	0
<b>7</b>	Investment expenses	<b>7</b>	0
<b>8</b>	Prior period adjustments	<b>8</b>	0
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	1,484,772.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	136,963,606.

**Part XII Financial Statements and Reporting**

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

- 1** Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant? \_\_\_\_\_  
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant? \_\_\_\_\_  
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? \_\_\_\_\_  
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? \_\_\_\_\_
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
<b>2a</b>		X
<b>2b</b>	X	
<b>2c</b>	X	
<b>3a</b>		X
<b>3b</b>		

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

**Public Charity Status and Public Support**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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

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

<b>Name of the organization</b> CARROLL HOSPITAL CENTER, INC.	<b>Employer identification number</b> 52-1452024
--	---

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

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

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.  
  - a  Type I    b  Type II    c  Type III-Functionally integrated    d  Type III-Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

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

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

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

Schedule A (Form 990 or 990-EZ) 2012

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f); 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities, whether or not the business is regularly carried on; 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.); 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)); 15 Public support percentage from 2011 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2012; b 33 1/3% support test - 2011; 17a 10%-facts-and-circumstances test - 2012; b 10%-facts-and-circumstances test - 2011; 18 Private foundation.

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

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

Section A. Public Support

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (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 under section 513; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total. Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on; 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.); 13 Total support. (Add lines 9, 10c, 11, and 12.); 14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, Line Number, Percentage. Row 15: Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)) - 15 - %; Row 16: Public support percentage from 2011 Schedule A, Part III, line 15 - 16 - %

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, Line Number, Percentage. Row 17: Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f)) - 17 - %; Row 18: Investment income percentage from 2011 Schedule A, Part III, line 17 - 18 - %

19a 33 1/3% support tests - 2012. 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 - 2011. 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

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

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**Schedule of Contributors**

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

**2012**

<b>Name of the organization</b> CARROLL HOSPITAL CENTER, INC.	<b>Employer identification number</b> 52-1452024
--	---

**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, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

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

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

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

Employer identification number  
52-1452024

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CARROLL HOSPITAL CENTER FOUNDATION ----- 200 MEMORIAL AVE. ----- WESTMINSTER, MD 21157 -----	\$ 3,679,011.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	MHA ----- 6820 DEER PATH RD ----- ELKRIDGE, MD 21075-6234 -----	\$ 40,000.	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.)

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

Employer identification number

52-1452024

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

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

Name of organization CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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

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

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

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

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

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

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

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

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

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

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

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

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

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

▶ **Complete if the organization is described below.**

▶ **Attach to Form 990 or Form 990-EZ.**

▶ **See separate instructions.**

Department of the Treasury  
Internal Revenue Service

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

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

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

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

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

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

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

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

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

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

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

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

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

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

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

Schedule C (Form 990 or 990-EZ) 2012

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

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

<b>Limits on Lobbying Expenditures</b> <b>(The term "expenditures" means amounts paid or incurred.)</b>		<b>(a) Filing organization's totals</b>	<b>(b) Affiliated group totals</b>												
<b>1 a</b>	Total lobbying expenditures to influence public opinion (grass roots lobbying) . . . . .														
<b>b</b>	Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .														
<b>c</b>	Total lobbying expenditures (add lines 1a and 1b) . . . . .														
<b>d</b>	Other exempt purpose expenditures . . . . .														
<b>e</b>	Total exempt purpose expenditures (add lines 1c and 1d) . . . . .														
<b>f</b>	Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1"> <thead> <tr> <th><b>If the amount on line 1e, column (a) or (b) is:</b></th> <th><b>The lobbying nontaxable amount is:</b></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>		<b>If the amount on line 1e, column (a) or (b) is:</b>	<b>The lobbying nontaxable amount is:</b>	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.		
<b>If the amount on line 1e, column (a) or (b) is:</b>	<b>The lobbying nontaxable amount is:</b>														
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.														
<b>g</b>	Grassroots nontaxable amount (enter 25% of line 1f) . . . . .														
<b>h</b>	Subtract line 1g from line 1a. If zero or less, enter -0- . . . . .														
<b>i</b>	Subtract line 1f from line 1c. If zero or less, enter -0- . . . . .														
<b>j</b>	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.)**

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	<b>(a) 2009</b>	<b>(b) 2010</b>	<b>(c) 2011</b>	<b>(d) 2012</b>	<b>(e) Total</b>
<b>2 a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column (e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> 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 columns (a) Yes/No and (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; a Volunteers?; b Paid staff or management...; c Media advertisements?; d Mailings to members...; e Publications...; f Grants to other organizations...; g Direct contact with legislators...; h Rallies, demonstrations...; i Other activities?; j Total. Add lines 1c through 1i; 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?; b If "Yes," enter the amount of any tax incurred under section 4912; c If "Yes," enter the amount of any tax incurred by organization managers under section 4912; d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?

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

Table with columns 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 carry over 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) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

Table with columns 1-5. Rows include: 1 Dues, assessments and similar amounts from members; 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid); a Current year; b Carryover from last year; c Total; 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; Part II-A (affiliated group list); Part II-A, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

Series of horizontal dashed lines for providing supplemental information.

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**Part IV** Supplemental Information *(continued)*

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SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2012

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Attach to Form 990. See separate instructions.

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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

Table with 3 columns: Line number, Description, (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for totals, 5-6 for questions about donor advisement.

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

Form for Part II Conservation Easements. Includes checkboxes for purposes (land, habitat, open space, historic structure), a table for 2a-2d, and questions 3-9 regarding monitoring and reporting.

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

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions 1a-1b and 2a-2b regarding reporting requirements.

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

Schedule D (Form 990) 2012

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition, b Scholarly research, c Preservation for future generations, d Loan or exchange programs, e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

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 XIII and complete the following table:

Table with columns for Amount and rows for 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 XIII. Check here if the explanation has been provided in Part XIII.

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

Table with columns (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back and rows for 1a-1g: Beginning of year balance, Contributions, Net investment earnings, gains, and losses, Grants or scholarships, Other expenditures for facilities and programs, Administrative expenses, End of year balance.

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

- a Board designated or quasi-endowment 86.0000%
b Permanent endowment 9.0000%
c Temporarily restricted endowment 5.0000%
The percentages in lines 2a, 2b, and 2c should equal 100%.

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

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

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

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

Table with columns (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value and rows for 1a Land, 1b Buildings, 1c Leasehold improvements, 1d Equipment, 1e Other, Total.

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) LONG-TERM INVESTMENTS OTHER	17,559,199.	COST
(B) LONG TERM INVESTMENTS	100,000.	FMV
(C) CD		COST
(D) SHORT TERM INVESTMENTS	14,615,075.	FMV
(E) MONEY MARKET ACCT	33,369.	FMV
(F)		
(G)		
(H)		
(I)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.)	<b>32,307,643.</b>	

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INVESTMENT IN SUBSIDIARIES	38,784,922.	COST
(2) INVESTMENT IN PREMIER	256,280.	COST
(3) INVESTMENT IN MT AIRY HLTH SER	261,681.	COST
(4) INVESTMENT IN COLONIAL	64,097.	COST
(5) INVESTMENT IN CMOA	1,103,245.	COST
(6)		
(7)		
(8)		
(9)		
(10)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.)	<b>40,470,225.</b>	

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

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES	11,507,633.
(2) UMAMORTIZED BOND ISSUANCE COST	1,961,739.
(3) OTHER RECEIVABLES	2,197,249.
(4) FUNDS HELD BY TRUSTEE	15,773,065.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	<b>31,439,686.</b>

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ADVANCES FROM THIRD PARTY	6,716,187.
(3) ACCRUED PENSION	9,591,901.
(4) MERRILL LYNCH SWAP RATE	8,470,983.
(5) CAPITAL LEASE	585,299.
(6) MOB	16,529,943.
(7) DEF COMPENSATION	100,000.
(8) CENMAR	9,448,986.
(9) OTHER LIAB	3,236,000.
(10)	
(11)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	<b>54,679,299.</b>

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



**Part XIII** Supplemental Information *(continued)*

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**SCHEDULE F  
(Form 990)**

**Statement of Activities Outside the United States**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) CENTRAL AMERICA/CARIBBEAN			INVESTMENTS		15,144,250.
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
<b>3a</b> Sub-total . . . . .					15,144,250.
<b>b</b> Total from continuation sheets to Part I . . . . .					
<b>c Totals</b> (add lines 3a and 3b)					15,144,250.

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

Schedule F (Form 990) 2012

**Part II** **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

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

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

3 Enter total number of other organizations or entities. . . . . ▶ -----

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

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

**Part IV Foreign Forms**

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

**Part V Supplemental Information**

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

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**SCHEDULE H**  
**(Form 990)**

**Hospitals**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

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

Department of the Treasury  
Internal Revenue Service

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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

	Yes	No
<b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a . . . . .	X	
<b>b</b> If "Yes," was it a written policy? . . . . .	X	
<b>2</b> If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
<b>3</b> Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
<b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>300.0000</u> %	X	
<b>b</b> Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: . . . . . <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>375.0000</u> %	X	
<b>c</b> If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
<b>4</b> Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? . . . . .	X	
<b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
<b>b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? . . . . .	X	
<b>c</b> If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .		X
<b>6a</b> Did the organization prepare a community benefit report during the tax year? . . . . .	X	
<b>b</b> If "Yes," did the organization make it available to the public? . . . . .	X	

**7 Financial Assistance and Certain Other Community Benefits at Cost**

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
<b>Financial Assistance and Means-Tested Government Programs</b>						
<b>a</b> Financial Assistance at cost (from Worksheet 1) . . . . .			4,506,594.		4,506,594.	2.15
<b>b</b> Medicaid (from Worksheet 3, column a) . . . . .						
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b) . . . . .						
<b>d</b> Total Financial Assistance and Means-Tested Government Programs . . . . .			4,506,594.		4,506,594.	2.15
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) . . . . .			2,580,747.	38,557.	2,542,190.	1.21
<b>f</b> Health professions education (from Worksheet 5) . . . . .			410,478.		410,478.	.21
<b>g</b> Subsidized health services (from Worksheet 6) . . . . .			7,303,067.	2,569,416.	4,733,651.	2.26
<b>h</b> Research (from Worksheet 7)						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8) . . . . .			216,981.		216,981.	.10
<b>j</b> Total Other Benefits . . . . .			10,511,273.	2,607,973.	7,903,300.	3.78
<b>k</b> Total. Add lines 7d and 7j. . . . .			15,017,867.	2,607,973.	12,409,894.	5.93

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

Schedule H (Form 990) 2012

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy			563,892.		563,892.	.27
8 Workforce development						
9 Other						
10 Total			563,892.		563,892.	.27

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

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

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME) . . . . .	5	92,787,186.
6 Enter Medicare allowable costs of care relating to payments on line 5 . . . . .	6	78,152,462.
7 Subtract line 6 from line 5. This is the surplus (or shortfall) . . . . .	7	14,634,724.
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: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

**Section C. Collection Practices**

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

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

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

**Part V Facility Information**

**Section A. Hospital Facilities**

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

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

Name, address, and primary website address

**1** CARROLL HOSPITAL CENTER  
200 MEMORIAL AVE  
WESTMINSTER MD 21157

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
<b>1</b>	X									
<b>2</b>										
<b>3</b>										
<b>4</b>										
<b>5</b>										
<b>6</b>										
<b>7</b>										
<b>8</b>										
<b>9</b>										
<b>10</b>										
<b>11</b>										
<b>12</b>										

**Part V Facility Information (continued)**

**Section B. Facility Policies and Practices**

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

Name of hospital facility or facility reporting group CARROLL HOSPITAL CENTER

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 1

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

**Part V Facility Information (continued)**

Financial Assistance Policy		CARROLL HOSPITAL CENTER	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:				
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? . . . . .		X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? . . . . . If "Yes," indicate the FPG family income limit for eligibility for free care: <u>3</u> <u>0</u> <u>0</u> % If "No," explain in Part VI the criteria the hospital facility used.		X	
11	Used FPG to determine eligibility for providing <i>discounted</i> care? . . . . . If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>3</u> <u>7</u> <u>5</u> % If "No," explain in Part VI the criteria the hospital facility used.		X	
12	Explained the basis for calculating amounts charged to patients? . . . . . If "Yes," indicate the factors used in determining such amounts (check all that apply):		X	
a	<input checked="" type="checkbox"/> Income level			
b	<input checked="" type="checkbox"/> Asset level			
c	<input checked="" type="checkbox"/> Medical indigency			
d	<input type="checkbox"/> Insurance status			
e	<input type="checkbox"/> Uninsured discount			
f	<input checked="" type="checkbox"/> Medicaid/Medicare			
g	<input type="checkbox"/> State regulation			
h	<input type="checkbox"/> Other (describe in Part VI)			
13	Explained the method for applying for financial assistance? . . . . .		X	
14	Included measures to publicize the policy within the community served by the hospital facility? . . . . . If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		X	
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website			
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices			
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices			
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility			
f	<input checked="" type="checkbox"/> The policy was available on request			
g	<input type="checkbox"/> Other (describe in Part VI)			
<b>Billing and Collections</b>				
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment? . . . . .		X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	<input type="checkbox"/> Reporting to credit agency			
b	<input type="checkbox"/> Lawsuits			
c	<input type="checkbox"/> Liens on residences			
d	<input type="checkbox"/> Body attachments			
e	<input type="checkbox"/> Other similar actions (describe in Part VI)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? . . . . . If "Yes," check all actions in which the hospital facility or a third party engaged:			X
a	<input type="checkbox"/> Reporting to credit agency			
b	<input type="checkbox"/> Lawsuits			
c	<input type="checkbox"/> Liens on residences			
d	<input type="checkbox"/> Body attachments			
e	<input type="checkbox"/> Other similar actions (describe in Part VI)			

**Part V Facility Information (continued)** CARROLL HOSPITAL CENTER

**18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- a  Notified individuals of the financial assistance policy on admission
- b  Notified individuals of the financial assistance policy prior to discharge
- c  Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d  Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e  Other (describe in Part VI)

**Policy Relating to Emergency Medical Care**

**19** Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? . . . . .

	Yes	No
<b>19</b>	X	

If "No," indicate why:

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

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

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

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


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

<b>20</b>		X

If "Yes," explain in Part VI.

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

<b>21</b>		X
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If "Yes," explain in Part VI.

**Part V Facility Information** *(continued)*

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

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

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

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

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PART I, LINE 3C

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

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

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DISCOUNTS. THE HOSPITAL INTERNALLY DOCUMENTS ANY AND ALL RECOMMENDATIONS

TO PROVIDE PRESUMPTIVE FINANCIAL ASSISTANCE DISCOUNTS FROM PATIENTS AND

OTHER SOURCES, SUCH AS PHYSICIANS, COMMUNITY OR RELIGIOUS GROUPS,

INTERNAL OR EXTERNAL SOCIAL SERVICES OR FINANCIAL COUNSELING PERSONNEL.

THE FOLLOWING ARE EXAMPLES OF PATIENT SITUATIONS THAT MAY REASONABLY

ASSIST IN THE DETERMINATION OF PRESUMPTIVE ELIGIBILITY FOR FINANCIAL

ASSISTANCE: (1) PATIENT HAS RECEIVED CARE FROM AND/OR HAS PARTICIPATED IN

WOMEN'S, INFANTS AND CHILDREN (WIC) PROGRAMS, (2) PATIENT IS HOMELESS

AND/OR HAS RECEIVED CARE FROM A HOMELESS CLINIC, (3) PATIENT'S FAMILY IS

ELIGIBLE FOR AND IS RECEIVING FOOD STAMPS, (4) PATIENT'S FAMILY IS

ELIGIBLE FOR AND IS PARTICIPATING IN SUBSIDIZED SCHOOL LUNCH PROGRAMS,

(5) PATIENT QUALIFIES FOR OTHER STATE OR LOCAL ASSISTANCE PROGRAMS THAT

ARE UNFOUNDED OR THE PATIENT'S ELIGIBILITY HAS BEEN DISMISSED DUE TO A

TECHNICALITY (I.E. MEDICAID SPEND-DOWN), (6) FAMILY OR FRIENDS OF A

PATIENT HAVE PROVIDED INFORMATION ESTABLISHING THE PATIENT'S INABILITY TO

PAY, (7) THE PATIENT'S STREET ADDRESS AND DOCUMENTATION EVIDENCING STATUS

IN AN AFFORDABLE OR SUBSIDIZED HOUSING DEVELOPMENT, (8)

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PATIENT/GUARANTOR'S WAGES ARE INSUFFICIENT FOR GARNISHMENT, AS DEFINED BY STATE LAW, OR (9) PATIENT IS DECEASED, WITH NO KNOWN ESTATE.

PART I, LINE 5A

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

PART I, LINE 7A, COLUMN C

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

PART I, LINE 7A

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

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

PART I, LINE 7B

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE-SETTING PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE HOSPITAL. MARYLAND'S UNIQUE ALL-PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYOR'S RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELTED TO UNCOMPENSATED CARE. COMMUNITY BENEFIT EXPENSES ARE EQUAL TO MEDICAID REVENUES IN MARYLAND, AS SUCH, THE NET EFFECT IS ZERO. THE EXCEPTION TO THIS IS THE IMPACT ON THE HOSPITAL FOR

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ITS SHARE OF MEDICAID ASSESSMENT. IN RECENT YEARS THE STATE OF MARYLAND HAS CLOSED FISCAL GAPS IN THE STATE MEDICAID BUDGET BY ASSESSING HOSPITALS THROUGH THE RATE-SETTING SYSTEM. FOR TAX YEAR 2012 CARROLL HOSPITAL CENTER'S MEDICAID BUDGET DEFICIT UNFUNDED ASSESSMENT AMOUNTED TO \$932,226.

PART I, LINE 6A

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

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PART I, LINE 7G

CARROLL HOSPITAL CENTER INCURRED \$7.16 MILLION OF NET COMMUNITY BENEFIT EXPENSE AS A RESULT OF UNDERTAKING SUBSIDIZED HEALTH SERVICES.

A SHORTAGE OF PRIMARY OR SPECIALTY PROVIDERS HAS PERHAPS POSED THE MOST SIGNIFICANT CHALLENGES IN INPATIENT CARE DELIVERY. SUBSTANTIAL PHYSICIAN SUBSIDIES HAVE BECOME NECESSARY TO ENSURE THAT ALL PATIENTS REQUIRING ANESTHESIA AND PEDIATRIC, PSYCHIATRIC, OBSTETRICAL AND CRITICAL AND GENERAL MEDICAL CARE HAVE THE ACCESS THEY NEED ONCE ADMITTED TO THE HOSPITAL, INCLUDING 24/7 COVERAGE. CARROLL HOSPITAL CENTER HAS HOSPITALIST PROGRAMS IN EACH OF THESE AREAS AND ALLOCATES A SIGNIFICANT AMOUNT OF RESOURCES SUSTAINING THE PROGRAMS. IN FY13, APPROXIMATELY \$6.4 MILLION WAS SPENT IN ENSURING CARE FOR ALL PATIENTS AND RECRUITING AND RETAINING PHYSICIANS - OF WHICH \$4.8 MILLION HAS BEEN REPORTED AS SUBSIDIZED HEALTH SERVICES.

EQUALLY IMPORTANT IS ACCESS TO PHYSICIANS ON AN OUTPATIENT BASIS, NOT

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JUST FOR THE UNINSURED, BUT ALSO FOR ALL PATIENTS IN OUR GROWING COMMUNITY. TO ENSURE OUR COMMUNITY HAS ACCESS TO QUALITY PHYSICIANS, CARROLL HOSPITAL CENTER CONTINUALLY MONITORS STATISTICALLY CALCULATED NEED BY DEVELOPING A COMPREHENSIVE MEDICAL STAFF DEVELOPMENT PLAN BASED ON THE HEALTH CARE NEEDS OF OUR MEDICAL SERVICE AREA. THE REPORT INCLUDES BOTH AN ANALYSIS OF THE HOSPITAL'S SERVICE AREA AND SPECIFIC RECOMMENDATIONS REGARDING APPROPRIATE STAFFING LEVELS IN A VARIETY OF MEDICAL SPECIALTIES. THE PHYSICIAN NEEDS ASSESSMENT METHODOLOGY USED IS BASED ON A QUALITATIVE STANDARD ESTABLISHED BY THE INTERNAL REVENUE SERVICE (IRS). THE REPORT GUIDES THE HOSPITAL'S RECRUITING STRATEGY, HELPS US TO PRIORITIZE RECRUITING EFFORTS AND ALLOWS THE HOSPITAL TO PLACE CONTINGENCIES ON RECRUITED PHYSICIANS TO ENSURE THEY SEE MEDICALLY UNDERSERVED, UNINSURED, MEDICARE AND MEDICAID PATIENTS. WHILE CARROLL HOSPITAL CENTER CARES FOR PATIENTS WITH NO MEANS TO PAY THEIR MEDICAL EXPENSES THROUGHOUT THE HOSPITAL, IT IS SEEN MOST ACUTELY IN THE EMERGENCY DEPARTMENT (ED), WHERE MANY UNINSURED PATIENTS OFTEN COME FOR PRIMARY AND EMERGENT CARE. SINCE ALL PATIENTS PRESENTING TO THE

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ED ARE TREATED FOR ANY MEDICAL CONDITION REGARDLESS OF THEIR ABILITY TO PAY FOR CARE, THE UNINSURED POPULATION POSES A SIGNIFICANT CHALLENGE NOT ONLY TO THE HOSPITAL, BUT ALSO TO PHYSICIANS PROVIDING CARE IN THE HOSPITAL AND IN THE ED. DUE IN PART TO A LACK OF, OR MINIMAL REIMBURSEMENT, IT HAS BECOME INCREASINGLY DIFFICULT TO FIND SPECIALISTS TO PROVIDE ON-CALL SERVICES FOR THE ED AROUND-THE-CLOCK. THE MORE SERIOUS ISSUE IS THAT THIS TREND AFFECTS NOT ONLY OUR UNINSURED PATIENTS, BUT ALL PATIENTS SEEKING TREATMENT IN OUR ED.

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

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TO HELP EASE THE EFFECTS OF UNCOMPENSATED CARE ON PHYSICIANS AND ADDRESS THE GAP IN CARE FOR OUR PATIENTS, CARROLL HOSPITAL CENTER HAS CONTINUED TWO MAJOR, COSTLY INITIATIVES TO ADDRESS THE GAP PROACTIVELY. FIRST, THE HOSPITAL CONTRACTS WITH 10 MEDICAL SPECIALTIES TO ENSURE 24/7 COVERAGE IN THE ED. IMPLEMENTED IN 2006, THOSE SPECIALTIES INCLUDE NEUROSURGERY; GENERAL, PLASTIC, VASCULAR AND ORAL SURGERY; ORTHOPAEDICS; UROLOGY; PODIATRY; OPHTHALMOLOGY AND ENT. ADDITIONALLY, THE GROWING VOLUMES OF UNINSURED PATIENTS HAS CAUSED THE HOSPITAL TO RECENTLY INSTITUTE AN ADDITIONAL POLICY WHICH ALLOWS PHYSICIANS WHO SEE PATIENTS WITHOUT A PAYMENT SOURCE IN THE ED TO BE REIMBURSED FOR PHYSICIAN SERVICES BY THE HOSPITAL AT CURRENT MEDICARE RATES. WHILE PAYMENT FOR ED CALL MAY HELP WITH THE GAPS IN COVERAGE FOR THE UNINSURED, IT BEARS A SIGNIFICANT FINANCIAL TOLL ON THE HOSPITAL. THE EXPENSE TO PAY PHYSICIANS FOR ED CALL HAS COST THE HOSPITAL \$621,744 IN FY13.

ALL THE INITIATIVES AND SUPPORT LISTED ABOVE WOULD NOT BE PROVIDED IF

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

PART I LINE 7F

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

**Part VI Supplemental Information**

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- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
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PART III, LINE 4

CARROLL HOSPITAL CENTER INCURRED \$5,686,000 BAD DEBT EXPENSE DURING THE TAX YEAR 2012. THIS REFLECTS THE AMOUNT OF GROSS PATIENT CHARGES UNCOLLECTED FROM PATIENTS THAT DID NOT QUALIFY FOR FINANCIAL ASSISTANCE. PER AUDIT REPORT (LN "PROVISION FOR BAD DEBTS): "PATIENT ACCOUNTS RECEIVABLE ARE REDUCED BY PROVISION FOR BAD DEBTS. IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, THE HEALTH SYSTEM ANALYZES HISTORICAL COLLECTIONS AND WRITE-OFFS AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE PROVISION FOR BAD DEBTS AND PROVISION FOR UNCOLLECTIBLE ACCOUNTS. MANAGEMENT REGULARLY REVIEWS ITS ESTIMATE AND EVALUATES THE SUFFICIENCY OF THE ALLOWANCE FOR BAD DEBTS. THE HEALTH SYSTEM ANALYZES CONTRACTUAL AMOUNTS DUE FROM PATIENTS WHO HAVE THIRD PARTY COVERAGE AND PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR BAD DEBTS. FOR PATIENT ACCOUNTS RECEIVABLE ASSOCIATED WITH SELF-PAY PATIENTS, WHICH INCLUDES THOSE PATIENTS WITHOUT INSURANCE COVERAGE EXISTS FOR A PORTION OF THE BILL, THE HEALTH SYSTEM RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS FOR PATIENTS

**Part VI Supplemental Information**

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THAT ARE UNABLE OR UNWILLING TO PAY FOR THE PORTION OF THE BILL REPRESENTING THEIR FINANCIAL RESPONSIBILITY. ACCOUNT BALANCES ARE CHARGED OFF AGAINST THE ALLOWANCE FOR BAD DEBTS AFTER ALL MEANS OF COLLECTION HAS BEEN EXHAUSTED.

BECAUSE THE HOSPITAL DOES NOT PURSUE COLLECTION OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, SUCH AMOUNTS ARE NOT REPORTED AS GROSS PATIENT SERVICE REVENUE.

BAD DEBT EXPENSE REPORTED ON LINE 2 REFLECTS ACTUAL PATIENT CHARGES THAT HAVE BEEN DETERMINED TO BE UNCOLLECTIBLE FOR PATIENTS THAT HAVE NOT QUALIFIED FOR CHARITY CARE. BAD DEBT EXPENSE MAY ALSO INCLUDE ADDITIONAL "BAD DEBT PROVISIONS" FOR DOUBTFUL ACCOUNTS BASED ON MANAGEMENT'S ESTIMATES OF FUTURE ACCOUNT COLLECTIONS BASED ON CHARGES IN SERVICE MIX AND PAYOR MIX.

CARROLL HOSPITAL CENTER INC. DETERMINES ELIGIBILITY FOR FINANCIAL

**Part VI Supplemental Information**

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ASSISTANCE THROUGH OTHER VARIOUS MEANS (CREDIT REPORTS, DEBT AND ASSET REVIEWS, AND REFERRALS FROM THE HOSPITAL'S BILLING AGENTS) WHEN THE PATIENT HAS NOT COMPLETED THE FINANCIAL ASSISTANCE APPLICATION. IF A DETERMINATION IS MADE REGARDING THE PATIENT'S INABILITY TO PAY, THE ACCOUNT CAN BE APPROVED FOR FINANCIAL ASSISTANCE ON A PRESUMPTIVE BASIS RATHER THAN BE REFLECTED AS BAD DEBT EXPENSE. OF THE REMAINING BAD DEBT EXPENSE, IT IS ESTIMATED THAT \$413,372 AT COST (10%) MAY BE ATTRIBUTABLE TO PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE/CHARITY CARE.

PART III, LINE 8

CARROLL HOSPITAL CENTER'S TAX YEAR 2012 (FISCAL YEAR 2013) MEDICARE COST REPORT SUBMISSION WAS UTILIZED AS THE SOURCE DOCUMENT TO REPORT MEDICARE TOTAL REVENUE AND ALLOWABLE COSTS.

PART III, LINE 9B

FOR THOSE PATIENTS THAT DO NOT INITIALLY APPLY OR QUALIFY FOR FINANCIAL ASSISTANCE, THE ORGANIZATION CONTINUES TO MONITOR WHETHER THE PATIENT MAY

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QUALIFY FOR FINANCIAL ASSISTANCE. IF THE PATIENT IS FOUND TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE, AT ANY POINT (INCLUDING ONCE COLLECTION EFFORTS HAVE BEGUN), THE ORGANIZATION WILL APPROVE THE PATIENT FOR FINANCIAL ASSISTANCE. COLLECTION EFFORTS WILL BE STOPPED IMMEDIATELY ONCE THE PATIENT IS FOUND TO QUALIFY FOR FINANCIAL ASSISTANCE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY. PATIENTS DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE SUBSEQUENT TO THE DATE OF SERVICE MAY BE ELIGIBLE FOR A REFUND OF PAYMENTS MADE IF IT IS DETERMINED THAT THE PATIENT WAS ELIGIBLE FOR FINANCIAL ASSISTANCE AT THE TIME OF SERVICE.

PART V, LINE 3

THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) TOOK INTO ACCOUNT INPUT FROM REPRESENTATIVES OF THE COMMUNITY SERVED BY THE HOSPITAL FACILITY, INCLUDING PERSONS WITH SPECIAL KNOWLEDGE OF OR EXPERTISE IN PUBLIC HEALTH, AS WELL AS LEADERS AND REPRESENTATIVES OF MEDICALLY UNDERSERVED, LOW-INCOME, AND MINORITY POPULATIONS. THE CHNA WRITTEN REPORT INCORPORATED EXPERTISE AND PARTICIPATION FROM SUCH COMMUNITY LEADERS AND

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REPRESENTATIVES AS WELL AS LEADERS IN PUBLIC HEALTH, INCLUDING REPRESENTATIVES FROM THE CARROLL COUNTY HEALTH DEPARTMENT. AS PART OF THE CHNA, A KEY INFORMANT SURVEY OF 54 COMMUNITY LEADERS FROM A BROAD RANGE OF ACADEMIC, BUSINESS, GOVERNMENT, NON-PROFIT, PUBLIC HEALTH AND HEALTH CARE FIELDS WAS UNDERTAKEN. AMONG THE INDIVIDUALS WHO COMPLETED THE KEY INFORMANT SURVEY WERE REPRESENTATIVES FROM SUCH COMMUNITY ORGANIZATIONS AS THE ARC CARROLL COUNTY, CHANGE INC., Y OF CENTRAL MARYLAND, AND THE WOMEN'S PLACE, AS WELL AS PUBLIC HEALTH EXPERTS INCLUDING A WIDE RANGE OF PHYSICIANS AND NUMEROUS MEMBERS OF THE CARROLL COUNTY HEALTH DEPARTMENT. IN ADDITION, THE CHNA INCLUDES FINDINGS FROM THE MARYLAND STATE HEALTH IMPROVEMENT PROCESS (SHIP), CARROLL COUNTY SHIP PROFILE AND CARROLL COUNTY LOCAL HEALTH IMPROVEMENT PLAN. FURTHERMORE, LEADERS FROM CARROLL COUNTY HEALTH DEPARTMENT AND THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY ARE MEMBERS OF A COMMITTEE THAT HELPS OVERSEE THE DEVELOPMENT AND EXECUTION OF THE CHNA PLAN.

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PART V, LINE 6

DURING THE 2012 TAX YEAR, CARROLL HOSPITAL CENTER ADOPTED AN IMPLEMENTATION STRATEGY THAT ADDRESSED THE COMMUNITY HEALTH NEEDS THAT WERE IDENTIFIED IN THE CHNA WRITTEN REPORT. CARROLL HOSPITAL CENTER BEGAN TO EXECUTE THE IMPLEMENTATION STRATEGY DURING 2012, INCLUDING BY UNDERTAKING THE FOLLOWING ACTIONS:

IDENTIFIED NEED EXAMPLE 1:

CANCER: MELANOMA

THE MELANOMA INCIDENCE RATE IN CARROLL COUNTY IS SIGNIFICANTLY HIGHER THAN THE MARYLAND AND U.S. INCIDENCE RATE.

HOSPITAL INITIATIVE:

SKIN CANCER SCREENINGS, AWARENESS & EDUCATION PROGRAMS (ON-GOING)

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

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KEY PARTNERS: CARROLL HOSPITAL CENTER, CARROLL COUNTY HEALTH DEPARTMENT,  
PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY, CARROLL COUNTY PUBLIC SCHOOLS  
AND BOYS & GIRLS CLUB.

OUTCOMES: OUTCOMES ARE EVALUATED BY NUMBER OF PEOPLE EDUCATED ON  
IMPORTANCE OF PROTECTIVE MEASURES; SKIN CANCER SCREENING PARTICIPATION  
AND MELANOMA OCCURANCE RATE (INJURY TO SKIN OCCURS EARLIER IN A PERSON'S  
LIFE THAN WHEN MELANOMA USUALLY OCCURS).

ACTIVITIES UNDERTAKEN BY CARROLL HOSPITAL CENTER TO MEET IDENTIFIED NEED  
DURING 2012 TAX YEAR INCLUDE:

SAFER IN THE SHADE (SUN AWARENESS) 172 STUDENTS FROM SCHOOL FOR AT-RISK  
STUDENTS, AND OTHER FAMILIES

SKIN CANCER AWARENESS EDUCATION: 888 PEOPLE

SALON INDUSTRY SKIN CANCER EDUCATION: 67 PEOPLE

SKIN CANCER SCREENINGS 90 PARTICIPANTS: 57 REFERRED FOR FOLLOW-UP 27

QUESTIONNAIRES RETURNED FROM REFERRED: 1 SQUAMOUS CELL, 1 BASAL CELL,

MULTIPLE PRECANCEROUS AREAS FROZEN OR REMOVED

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NO-TANNING PLEDGE/SKIN CANCER EDUC. AT HIGH SCHOOLS: 226 STUDENTS

ESTIMATED COSTS OF UNDERTAKING SUCH ACTIVITIES DURING FY 2013: \$55,000

IDENTIFIED NEED EXAMPLE 2

BETTER ACCESS TO CARE

HOSPITAL INITIATIVE: PROVIDE FINANCIAL AND OPERATIONAL SUPPORT TO ACCESS CARROLL, A PATIENT-CENTERED AND INTEGRATED HEALTH CARE HOME FOR LOW-INCOME RESIDENTS OF CARROLL COUNTY, MARYLAND. PRIMARY MEDICAL CARE IS PROVIDED BY VOLUNTEER PHYSICIANS, NURSES AND OTHER MEDICAL PROFESSIONALS. BY REMOVING TRADITIONAL BARRIERS TO QUALITY HEALTH CARE, ACCESS CARROLL STRIVES TO HELP PATIENTS MAINTAIN GOOD HEALTH AND LEARN TO MANAGE ANY ACUTE OR CHRONIC ILLNESSES.

PRIMARY OBJECTIVE: TO PROVIDE PRIMARY CARE SERVICES TO LOW-INCOME RESIDENTS OF CARROLL COUNTY. TO PROVIDE CARE COORDINATION SERVICES TO LOW-INCOME RESIDENTS OF CARROLL COUNTY.

KEY PARTNERS: CARROLL COUNTY HEALTH DEPARTMENT

**Part VI Supplemental Information**

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OUTCOMES: OUTCOMES ARE EVALUATED BY THE NUMBER OF NEW PATIENTS AND  
PATIENT ENCOUNTERS, AS WELL AS TYPES OF SERVICES OFFERED.

ACTIVITIES UNDERTAKEN BY CARROLL HOSPITAL CENTER TO MEET IDENTIFIED NEED  
DURING 2012 TAX YEAR INCLUDE:

NEW PATIENTS SEEN AT ACCESS CARROLL: 495

TOTAL ENCOUNTERS AT ACCESS CARROLL: 5,941

OPENED EXPANDED FACILITY WITH DENTAL SERVICES

EXPANDED CARE COORDINATION SERVICES:

SPECIALTY CARE REFERRALS (SPECIALISTS, HIGH END DIAGNOSTICS, SURGERIES):

965

CARE COORDINATION SERVICES (NOT INCLUDED ABOVE): 2,954

\* SSI/SSDI APPLICATIONS

\* HOMELESSNESS SERVICES (SOAR)

\* INDIVIDUALIZED CASE MANAGEMENT SESSIONS - "BILLS AND PILLS" CASE  
MANAGEMENT

\* PUBLIC ASSISTANCE APPLICATIONS - INCLUDING MA, PAC, SNAP, SAIL,

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HOUSING, FOOD

\* TRANSPORTATION SERVICES

TOTAL CARE COORDINATION DOCUMENTED: 3,919

APPROXIMATE COST OF PROVIDING STAFF AND HOSPITAL RESOURCES TO ACCESS

CARROLL DURING 2012: \$321,808

APPROXIMATE COST TO CARROLL HOSPITAL CENTER OF PROVIDING FREE DIAGNOSTIC

& LAB SERVICES FOR ACCESS CARROLL PATIENTS: \$295,855

TOTAL APPROXIMATE COSTS TO CARROLL HOSPITAL CENTER OF SUPPORTING ACCESS

CARROLL DURING 2012: \$617,663

PART V, LINE 7

PURSUANT TO THE CHNA UNDERTAKEN BY CARROLL HOSPITAL CENTER, 20 COMMUNITY HEALTH NEEDS WERE IDENTIFIED. THEN, WORKING COLLABORATIVELY, HOSPITAL AND COMMUNITY PUBLIC HEALTH LEADERS, AS WELL AS, THE HOSPITAL'S COMMUNITY BENEFIT PLANNING COMMITTEE, BEGAN PRIORITIZING THE FOCUS FOR ACTION IN THE NEXT THREE YEARS. IN PARTICULAR, A JOINT STRATEGIES MEETING WAS CONVENED TO HELP DETERMINE THE PRIORITIZATION OF THE IDENTIFIED COMMUNITY

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
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HEALTH NEEDS.

DURING THE JOINT STRATEGY MEETING, EACH OF THE 20 IDENTIFIED COMMUNITY HEALTH NEEDS WAS ADDRESSED. TAKING INTO CONSIDERATION THE LIMITED FINANCIAL RESOURCES AVAILABLE TO THE HOSPITAL, THE 20 IDENTIFIED NEEDS WERE PRIORITIZED BY HOSPITAL AND COMMUNITY PUBLIC HEALTH LEADERS ON THE FOLLOWING CRITERIA: COMMUNITY IMPACT, URGENCY, SIZE, SEVERITY, ALIGNMENT WITH CARROLL HOSPITAL CENTER/THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY AND RETURN ON INVESTMENT. FINAL CRITERIA SELECTION WAS DETERMINED BY THE EXECUTIVE COUNCIL MEMBERS OF CARROLL HOSPITAL CENTER, IN COLLABORATION WITH THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY BOARD.

PURSUANT TO THIS PRIORITIZATION PROCESS, IT WAS DETERMINED THAT THE NEEDS THE CARROLL HOSPITAL CENTER HOSPITAL FACILITY WOULD ATTEMPT TO ADDRESS WOULD BE NARROWED DOWN TO SEVEN (7) KEY COMMUNITY BENEFIT ISSUES. AMONG THOSE NEEDS THAT THE HOSPITAL FACILITY DETERMINED IT WOULD NOT SPECIFICALLY FOCUS UPON ADDRESSING WERE: HEALTH CARE TRANSPORTATION,

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MOTOR VEHICLE DEATHS, AGE DISCRIMINATION, ARTHRITIS, ASTHMA, FLU, AND  
ORAL HEALTH CARE.

PART V, LINE 18

THE HOSPITAL FACILITY OR AN AUTHORIZED THIRD PARTY DID NOT UNDERTAKE ANY  
OF THE COLLECTION ACTIONS NOTED IN PART V, SECTION B, LINE 17 BEFORE  
MAKING REASONABLE EFFORTS TO DETERMINE ANY PATIENTS ELIGIBILITY UNDER THE  
HOSPITAL'S FINANCIAL ASSISTANCE POLICY. IN ORDER TO HELP DETERMINE  
PATIENTS' ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY,  
THE HOSPITAL UNDERTAKES A NUMBER OF ACTIONS, INCLUDING NOTIFYING PATIENTS  
OF THE FINANCIAL ASSISTANCE POLICY ON ADMISSION, NOTIFYING PATIENTS OF  
THE FINANCIAL ASSISTANCE POLICY PRIOR TO DISCHARGE, NOTIFYING PATIENTS OF  
THE FINANCIAL ASSISTANCE POLICY IN COMMUNICATIONS WITH THE PATIENTS'  
BILLS, AND DOCUMENTING ITS DETERMINATION OF WHETHER PATIENTS WERE  
ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL'S FINANCIAL  
ASSISTANCE POLICY.

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PART V, LINE 20

THE HOSPITAL FACILITY PROVIDES A DISCOUNT OF AT LEAST 25% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO ANY INDIVIDUAL THAT IS ELIGIBLE FOR DISCOUNTED CARE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY AND AT LEAST 15% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO ANY INDIVIDUAL THAT QUALIFIES UNDER THE MEDICAL HARDSHIP PROVISIONS OF THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY. PURSUANT TO THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) ALL-PAYOR SYSTEM FOR HOSPITALS IN THE STATE OF MARYLAND, THE GREATEST DISCOUNT OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE PERMITTED TO ANY COMMERCIAL INSURER OR MEDICARE IS ONLY 6% AS A RESULT, THE HOSPITAL FACILITY WAS ABLE TO DETERMINE THAT THE MAXIMUM AMOUNT CHARGED TO INDIVIDUALS THAT WERE ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY WAS NOT GREATER THAN THE AMOUNT GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE.

**Part VI Supplemental Information**

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PART V, LINE 22

THE HOSPITAL FACILITY DOES NOT CHARGE ANY INDIVIDUALS THAT IT KNOWS ARE ELIGIBLE FOR FINANCIAL ASSISTANCE AN AMOUNT EQUAL TO THE GROSS CHARGE FOR ANY SERVICE. THE HOSPITAL USES THE CHARGE MASTER RATES FOR A SERVICE AS A STARTING POINT AGAINST WHICH THE DISCOUNTS MANDATED IN THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY ARE APPLIED TO DETERMINE THE AMOUNT ACTUALLY BILLED TO PATIENTS ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY. THE HOSPITAL FACILITY WILL NOT COLLECT PAYMENT FROM ANY PATIENT ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY IN EXCESS OF THE REDUCED AMOUNT THAT IS ACTUALLY BILLED TO SUCH FINANCIAL ASSISTANCE PATIENT.

NEEDS ASSESSMENT

PART VI, LINE 2

MONITORING THE HEALTH STATUS OF THE COMMUNITY IS AN ONGOING AND INTERACTIVE PROCESS ENGAGED IN BY THE HOSPITAL, WITH SUBSTANTIAL INVOLVEMENT FROM OUR COMMUNITY VIA THE PARTNERSHIP FOR A HEALTHIER

**Part VI Supplemental Information**

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CARROLL COUNTY, INC. ("THE PARTNERSHIP"), AN ENTITY ESTABLISHED BY THE HOSPITAL AND THE CARROLL COUNTY HEALTH DEPARTMENT SPECIFICALLY TO ASSESS UNMET HEALTH NEEDS IN THE COMMUNITY, EXPAND THE CAPACITY FOR HEALTH AND QUALITY OF LIFE IMPROVEMENT IN THE COMMUNITY, SERVE AS A COLLABORATIVE VEHICLE FOR INTERACTION WITH THE COMMUNITY, AND WITH OUR COMMUNITY, TO DRIVE THE EFFORT TO CREATE A HEALTHIER CARROLL COUNTY. THE PARTNERSHIP IS A RELATED SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION OF THE HOSPITAL, WHICH RECEIVES A MAJORITY OF ITS OPERATING FUNDS FROM CONTRIBUTIONS MADE DIRECTLY BY THE HOSPITAL.

IMPROVEMENT IN THE CORE HEALTH IMPROVEMENT AREAS (C.H.I.A.S) IS ONE OF THE HOSPITAL'S GOALS. THE C.H.I.A.S ARE THE NEED AREAS REQUIRING INDIVIDUAL AND ORGANIZATIONAL ACTION TO ACHIEVE TARGETED IMPROVED STATUS USING THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES' HEALTHY PEOPLE 2020 TARGETS AS THE BENCHMARK. THE HOSPITAL PARTICIPATES ACTIVELY IN MANY OF THE C.H.I.A. LEADERSHIP TEAMS COMPRISED OF DIVERSE INDIVIDUALS AND ORGANIZATIONS FROM THROUGHOUT THE HOSPITAL'S SERVICE AREA, WHO SHARE

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EXPERTISE AND INTEREST IN THE CHIA. WITH SUPPORT AND GUIDANCE FROM THE PARTNERSHIP, THOSE LEADERSHIP TEAMS DEVELOP AND IMPLEMENT ACTION PLANS SPECIFICALLY INTENDED TO ACCOMPLISH TARGETED RESULTS. "HEALTHY CARROLL VITAL SIGNS" (DESCRIBED BELOW) ARE THEN AFFIRMED, ARE SPECIFIC TO EACH CHIA LEADERSHIP TEAM AND SERVE AS ONE OF THE PRIMARY TOOLS FOR MEASURING AND REPORTING RESULTS TO THE HOSPITAL LEADERSHIP AND TO THE COMMUNITY.

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

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PURSUANT TO THE S.H.I.P. ASSESSMENT, THIRTY-NINE "HIGH IMPACT OBJECTIVES" WERE IDENTIFIED BY THE STAFF AT MARYLAND'S DEPARTMENT OF HEALTH AND MENTAL HYGIENE. A CARROLL COUNTY SPECIFIC DATA PROFILE SERVED AS THE BASELINE DOCUMENT. AFTER THOROUGH ANALYSIS, A LOCAL TEAM, WHICH INCLUDED THE HOSPITAL, PRODUCED A LOCAL HEALTH IMPROVEMENT PLAN (L.H.I.P.) ADDRESSING FIVE PRIORITY NEED AREAS. THE S.H.I.P. AND L.H.I.P. PROVIDE ANOTHER IMPORTANT SET OF VERY USEFUL INFORMATION AND IS BEING FULLY INTEGRATED WITHIN THE HOSPITAL'S FIRST IRS COMPLIANT COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) AND COMMUNITY BENEFIT PLANNING PROCESSES. THE HOSPITAL AND THE PARTNERSHIP HAVE CONDUCTED MULTIPLE PREVIOUS NEEDS ASSESSMENTS, HAVE MADE REAL PROGRESS TOWARDS COMMUNITY ENGAGEMENT IN THESE PROCESSES AND HAVE INTEGRATED ANNUAL MEASUREMENT SYSTEMS INTO THE HEALTH IMPROVEMENT WORK KNOWN AS "HEALTHY CARROLL VITAL SIGNS (HCVS)." THESE MEASURES BUILD ON NATIONAL BENCHMARKS AND IMPROVEMENT TARGETS SUCH AS HP 2020. FUTURE EDITIONS OF HEALTHY CARROLL VITAL SIGNS WILL ALSO INTEGRATE S.H.I.P. 2014 BENCHMARKS AND IMPROVMENT TARGETS.

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DURING THE 2012 TAX YEAR, THE HOSPITAL CONDUCTED ITS FIRST COMMUNITY HEALTH NEEDS ASSESSMENT IN COMPLIANCE WITH IRS REQUIREMENTS ("CHNA"). SHORTLY THEREAFTER, THE HOSPITAL BEGAN TO UNDERTAKE CERTAIN INITIATIVES IDENTIFIED IN THE CHNA IMPLEMENTATION STRATEGY TO BEGIN TO ATTEMPT TO MEET IDENTIFIED COMMUNITY HEALTH NEEDS. THE INITIATIVES UNDERTAKEN DURING THE 2012 TAX YEAR TO HELP MEET IDENTIFIED COMMUNITY HEALTH NEEDS ARE FURTHER DESCRIBED IN THE DISCLOSURE TO PART V, SECTION B, LINE 6.

PATIENTS EDUCATION OF ELIGIBILITY FOR ASSISTANCE

PART VI, LINE 3

CARROLL HOSPITAL CENTER (CHC) HAS A NUMBER OF PROGRAMS TO ASSIST PATIENTS WITH THEIR PAYMENT OBLIGATIONS. FIRST, WE PROVIDE A MEDICAID ENROLLMENT SERVICE TO PATIENTS WHO QUALIFY FOR MEDICAL ASSISTANCE. THIS SERVICE ASSISTS PATIENTS WITH PAPERWORK AND WILL EVEN PROVIDE TRANSPORTATION IF NEEDED. THIS PAST YEAR, CHC ASSISTED 310 PATIENTS IN APPLYING FOR THE STATE'S MEDICAL ASSISTANCE PROGRAM. IN ADDITION, THE HOSPITAL HELD A,

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FREE ENROLLMENT SESSION FOR "COVER THE UNINSURED DAY" FOR UNINSURED COMMUNITY MEMBERS TO COME IN TO SEE IF THEY QUALIFIED FOR MEDICAL OR FINANCIAL ASSISTANCE. FOR PATIENTS WHO DO NOT QUALIFY FOR MEDICAID COVERAGE, CHC HAS AN IN-HOUSE FINANCIAL ASSISTANCE PROGRAM.

OUR ELIGIBILITY STANDARDS ARE MORE LENIENT THAN EVEN THOSE PROPOSED BY THE MARYLAND HOSPITAL ASSOCIATION GUIDELINES. WE WRITE OFF 100% OF THE BILL FOR PATIENTS WHOSE INCOME IS BELOW 300% OF THE FEDERAL POVERTY GUIDELINES (FPG) AND WRITE OFF A PORTION OF THE BILL FOR PATIENTS WHOSE INCOME IS BETWEEN 301%-375% OF THE FPG. WHEN PATIENTS EXPRESS THEIR INABILITY TO PAY FOR SERVICES, OUR STAFF WORKS TO FIND THE BEST POSSIBLE OPTION FOR THEM BY DISCUSSING IN DETAIL THEIR SITUATION. THE FAMILY IS INVOLVED IN THOSE CONVERSATIONS TO THE EXTENT THE PATIENT FEELS COMFORTABLE.

THE HOSPITAL ALSO HAS A PROCESS IN PLACE FOR PATIENTS TO HAVE FINANCIAL ASSISTANCE DECISIONS RECONSIDERED AND THAT PROCESS IS CLEARLY OUTLINED IN

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OUR FINANCIAL ASSISTANCE POLICY AND IN INFORMATION PROVIDED TO OUR PATIENTS. IN ADDITION, FOR PATIENTS WITH INCOME BELOW 500% OF THE FPG AND WHOSE MEDICAL DEBT AT CHC IS IN EXCESS OF 25% OF THEIR HOUSEHOLD INCOME, THE HOSPITAL HAS A MEDICAL HARDSHIP PLAN THAT PROVIDES FOR REDUCED-COST CARE. THE HOSPITAL POSTS A SUMMARY OF ITS FINANCIAL ASSISTANCE POLICY, INFORMING PATIENTS OF THE AVAILABILITY OF FINANCIAL ASSISTANCE, IN ALL REGISTRATION AND INTAKE AREAS FOR ALL PATIENTS TO SEE. IN ADDITION, DETAILED INFORMATION ON OUR FINANCIAL ASSISTANCE POLICY IS INCLUDED IN EVERY ADMISSION FOLDER, ON BILLS MAILED TO PATIENTS AND ON THE HOSPITAL'S WEBSITE (WWW.CARROLLHOSPITALCENTER.ORG).

COMMUNITY INFORMATION

PART VI, LINE 4

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

**Part VI Supplemental Information**

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(CARROLL COUNTY) ARE LISTED BELOW:

## POPULATION

TOTAL POPULATION 2012: 167,217

POPULATION PERCENT CHANGE 2011 TO 2012: 0%

PERSONS UNDER 5 YEARS PERCENT 2012: 4.9%

PERSONS UNDER 18 YEARS PERCENT 2012: 23.3%

PERSONS 65 YEARS AND OVER PERCENT 2012: 14.3%

FEMALE PERSONS, PERCENT 2012: 50.6%

RACE WHITE PERSONS: 93.3%

BLACK PERSONS: 3.4%

AMERICAN INDIAN AND ALASKA NATIVE PERSONS: 0.2%

ASIAN PERSONS: 1.6%

NATIVE AMERICAN AND OTHER PACIFIC ISLANDER: 0

PERSONS REPORTING TWO OR MORE RACES: 1.5%

PERSONS OF HISPANIC OR LATINO ORIGIN: 2.8%

WHITE PERSONS NOT HISPANIC: 90.8%

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

#### FAMILY

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

AVERAGE HOUSEHOLD SIZE (2007-2011): 2.75 PERSONS

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

#### ECONOMICS

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

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

SOURCES: CARROLL COUNTY DEPARTMENT OF ECONOMIC DEVELOPMENT AND US CENSUS BUREAU: STATE AND COUNTY QUICKFACTS.

#### OTHER SIGNIFICANT DEMOGRAPHIC CHARACTERISTICS

ACCORDING TO AMERICAN COMMUNITY SURVEY (2012) THE PERCENTAGE OF UNINSURED PATIENTS IN CARROLL COUNTY IS 6.8%. IN TY 2012, OF THE CARROLL COUNTY RESIDENTS THAT WERE HOSPITALIZED (EITHER AT CHC OR OTHER HOSPITALS),

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10.3% WERE ENROLLED IN MEDICAL ASSISTANCE PROGRAMS IN CARROLL COUNTY,  
WHICH INCLUDES MCHIP, PAC, AND MEDICAL ASSISTANCE. THE AVERAGE LIFE  
EXPECTANCY WITH CARROLL COUNTY WAS 79.5.

PROMOTION OF COMMUNITY HEALTH

PART VI, LINE 5

CARROLL HOSPITAL CENTER, FOUNDED IN 1961, IS THE SOLE HOSPITAL SERVING  
THE JURISDICTION OF CARROLL COUNTY, MARYLAND WITH A FY 2013 POPULATION  
ESTIMATED AT MORE THAN 168,000 PERSONS. CARROLL HOSPITAL CENTER IS THE  
SECOND -LARGEST EMPLOYER IN CARROLL COUNTY WITH OVER 1,750 ASSOCIATES IN  
FY 2013. CARROLL HOSPITAL CENTER IS ACCREDITED WITH COMMENDATION BY THE  
JOINT COMMISSION.

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

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WE ARE A NOT-FOR-PROFIT ORGANIZATION WITH DIVERSE SERVICE LINES INCLUDING COMPREHENSIVE ACUTE CARE SUCH AS MEDICAL, SURGICAL, PERI-NATAL, PEDIATRICS, PSYCHIATRY, MEDICAL AND RADIATION ONCOLOGY, ADULT INTENSIVE CARE AND CARDIOVASCULAR SERVICES, INCLUDING EMERGENCY PERCUTANEOUS INTERVENTIONAL HEART SURGERY. BOTH HOME-BASED AND INPATIENT HOSPICE CARE IS PROVIDED THROUGH OUR AFFILIATED AGENCY, CARROLL HOSPICE INC. DIVERSE DIAGNOSTIC SERVICES ARE PROVIDED AT MULTIPLE LOCATIONS AND INCLUDE BOTH LABORATORY AND RADIOLOGIC CAPABILITIES. WE PARTICIPATE IN MEDICARE AND MEDICAID PROGRAMS.

THERE ARE MORE THAN 400 PHYSICIANS REPRESENTING 38 SPECIALTIES ON OUR MEDICAL STAFF WHOSE MEMBERSHIP IS OPEN TO ALL QUALIFIED AREA PHYSICIANS. WE OPERATE AN EMERGENCY DEPARTMENT (ED) SERVING ALL PERSONS REGARDLESS OF ABILITY TO PAY. THE ED HAD OVER 56,000 PATIENT VISITS IN FY 2013 AND WE ALSO RECORDED 14,889 INPATIENT AND OBERVATION ADMISSIONS, 1,084 BIRTHS AND APPROXIMATELY 8,034 SURGICAL PROCEDURES.

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AN EXTENSIVE NETWORK OF HOSPITAL OPERATED PHYSICIAN PRACTICES ASSURES ADEQUATE AVAILABILITY OF BOTH PRIMARY AND SPECIALTY CARE PHYSICIANS THROUGHOUT THE SERVICE AREA—MEETING THE CARROLL HOSPITAL CENTER STANDARDS OF EXCELLENCE AND INCORPORATING THE SAME VALUES AND PRINCIPLES. BUILDING ON OUR LONG TRADITION OF COLLABORATION WITH OUR LOCAL RESIDENTS, THE HOSPITAL IN JOINT EFFORT WITH THE CARROLL COUNTY HEALTH DEPARTMENT, ESTABLISHED THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY, INC. (THE PARTNERSHIP) IN 1999 TO LINK HOSPITAL STRENGTHS, ALONGSIDE THOSE OF OTHER WELL—ESTABLISHED COMMUNITY PARTNERS TO ACHIEVE AN IMPROVED HEALTH STATUS. THE PARTNERSHIP IS A RELATED SECTION 501(C)(3) TAX—EXEMPT ORGANIZATION OF CARROLL HOSPITAL CENTER, WHICH RECEIVES A MAJORITY OF ITS OPERATING FUNDS FROM CONTRIBUTIONS MADE DIRECTLY BY THE HOSPITAL.

THE PARTNERSHIP WAS ESTABLISHED TO:

- \* ASSESS UNMET HEALTH NEEDS IN OUR COMMUNITY
- \* EXPAND THE CAPACITY FOR HEALTH AND QUALITY OF LIFE IMPROVEMENT IN OUR COMMUNITY

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\* SERVE AS OUR COLLABORATIVE VEHICLE FOR INTERACTION WITH THE COMMUNITY

\* DRIVE THE EFFORT TO CREATE A HEALTHIER CARROLL COUNTY COMMUNITY.

THIS STRATEGY HAS ALLOWED CARROLL HOSPITAL CENTER TO REMAIN CONTINUALLY WELL-CONNECTED TO THE COMMUNITY, TO LEVERAGE OUR RESOURCES IN ACTION ALONGSIDE THOSE OF OTHER KEY ORGANIZATIONS AND AGENCIES (PARTICULARLY, THE CARROLL COUNTY HEALTH DEPARTMENT) AND TO ASSURE MEASURABLE RESULTS. MONITORING THE HEALTH STATUS OF THE COMMUNITY IS AN ONGOING AND INTERACTIVE PROCESS ENGAGED IN BY CARROLL HOSPITAL CENTER AND THE PARTNERSHIP. CARROLL HOSPITAL CENTER AND THE PARTNERSHIP PURSUE IMPROVEMENT IN THE CORE HEALTH IMPROVEMENT AREAS (CHIAS) VIA LEADERSHIP TEAMS COMPRISED OF DIVERSE INDIVIDUALS AND ORGANIZATIONS WHO SHARE EXPERTISE AND INTEREST IN THE CHIA. THOSE LEADERS DEVELOP AND IMPLEMENT ACTION PLANS SPECIFICALLY INTENDED TO ACCOMPLISH TARGETED RESULTS. "HEALTHY CARROLL VITAL SIGNS" ARE THEN AFFIRMED, ARE SPECIFIC TO EACH CHIA LEADERSHIP TEAM AND SERVE AS ONE OF THE PRIMARY TOOLS FOR RESULTS REPORTING. WWW.HEALTHYCARROLL.ORG IS THE PARTNERSHIP'S WEBSITE WHERE CURRENT SECONDARY DATA, NATIONAL BENCHMARKS, IMPROVEMENT TARGETS AND BEST

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PRACTICE REFERENCES ARE EASILY AVAILABLE, ARE AS CURRENT AS AVAILABLE AND ARE AVAILABLE TO ANYONE AT NO COST.

CARROLL HOSPITAL CENTER HAS LONG RECOGNIZED THAT PROMOTING THE HEALTH OF ITS COMMUNITY IS ONE OF ITS ESSENTIAL RESPONSIBILITIES. EXTENSIVE COMMUNITY OUTREACH AND LEARNING PROGRAMS ARE OFFERED BY THE HOSPITAL WITH AN EMPHASIS ON DISEASE PREVENTION, EARLY INTERVENTION AND WELLNESS.

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

CHC IS ONE OF THE FOUNDING AND FUNDING PARTNERS IN A UNIQUE AND HIGHLY SUCCESSFUL INTEGRATED PRIMARY CARE CENTER KNOWN AS ACCESS CARROLL. INC.

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AT ACCESS CARROLL, INC. THE BARRIERS OF LOW INCOME AND INELIGIBILITY FOR STATE, FEDERAL OR OTHER INSURANCE ASSISTANCE ARE BEING ELIMINATED FOR SIGNIFICANT NUMBERS OF CARROLL COUNTY RESIDENTS WHO ARE RECEIVING THE SAME STELLAR INTEGRATED PRIMARY AND SPECIALTY CARE SERVICES NEEDED TO MANAGE THEIR ACUTE AND/OR CHRONIC DISEASE ISSUES AS THEIR HIGHER INCOME AND INSURED NEIGHBORS. IN ADDITION TO PRIMARY AND SPECIALTY MEDICAL CARE AND CARE MANAGEMENT NAVIGATION ASSISTANCE, THE ACCESS CARROLL PATIENTS RECEIVE DIAGNOSTIC LABORATORY AND RADIOLOGY SERVICES, PRESCRIPTION ASSISTANCE (MORE THAN \$1,000,000 RETAIL VALUE IN FY 2012 FROM PHARMACEUTICAL PRESCRIPTION ASSISTANCE PROGRAMS COORDINATED BY ACCESS CARROLL) AND MORE.

CARROLL HOSPITAL CENTER CONTRIBUTED \$321,808 TO ACCESS CARROLL IN FY13 TO COVER SALARY AND BENEFIT EXPENSES FOR THE EXECUTIVE DIRECTOR, ONE FULL TIME RN CASE MANAGER AND TWO PART-TIME POSITIONS (AIDE AND DEVELOPMENT SPECIALIST), AS WELL AS ADDITIONAL FUNDS TOWARD THEIR FACILITY MOVE AND EXPANSION. THE HOSPITAL ALSO PROVIDES LABORATORY AND DIAGNOSTIC IMAGING

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SERVICES TO ACCESS CARROLL CAPTURED UNDER CHARITY CARE, WHICH TOTALED \$295,855 IN FY13. MANY CARROLL HOSPITAL CENTER AFFILIATED PHYSICIANS AND SPECIALISTS DONATE THEIR TIME TO AND ACCEPT REFERRALS FROM ACCESS CARROLL. IN FY13, ACCESS CARROLL HAD 9,860 PATIENT ENCOUNTERS.

THESE HEALTH PROMOTION EFFORTS ARE IN ADDITION TO PROGRAMS AND SERVICES THAT SEEK TO ALSO HELP PEOPLE CHANGE THEIR LIFESTYLES TO MOVE TOWARD A STATE OF OPTIMAL HEALTH IN MIND, BODY AND SPIRIT. CARROLL HOSPITAL CENTER DEMONSTRATES ITS COMMITMENT TO IMPROVING THE HEALTH AND WELLNESS OF THE COMMUNITIES IT SERVES BY PROVIDING SERVICES AND PROGRAMS THAT ADDRESS CRITICAL NEEDS, INCLUDING HEALTH CARE TO VULNERABLE OR UNDERSERVED PEOPLE; PUBLIC HEALTH PROGRAMS; AND HEALTH EDUCATION, SCREENING AND PREVENTION SERVICES. AS REPORTED IN THE FY 2013 STATE OF MARYLAND HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) COMMUNITY BENEFIT REPORT, CARROLL HOSPITAL CENTER PROVIDED \$18,020,053 (NET OF REVENUES) ON PROGRAMS AND ACTIVITIES BENEFITING THE COMMUNITIES WE SERVE. THESE PROGRAMS AND ACTIVITIES INCLUDED HOSPICE SERVICES, PHYSICIAN SUPPORT,

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CHARITY/UNCOMPENSATED CARE, EDUCATION PROGRAMS, HEALTH SCREENINGS,  
SUPPORT GROUPS, HEALTH PROFESSIONS EDUCATION AND COMMUNITY CONTRIBUTIONS.

THE HOSPITAL'S COMMUNITY EDUCATION AND WELLNESS EFFORTS ARE LED BY  
COMMUNITY EDUCATORS IN THE WOMEN'S PLACE AND THE LEARNING CENTER  
DEPARTMENTS, IN COORDINATION WITH THE PARTNERSHIP FOR A HEALTHIER CARROLL  
COUNTY, SO AS TO MAXIMIZE STRATEGIES AND PROGRAMS IN ADDRESSING COMMUNITY  
HEALTH NEEDS. CARROLL HOSPITAL CENTER, IN FY 2013, HAD 30,310 ENCOUNTERS  
IN COMMUNITY HEALTH EDUCATION ACTIVITIES, 1,848 ENCOUNTERS FOR SUPPORT  
GROUPS, 132 ENCOUNTERS FOR SELF-HELP PROGRAMS AND 1,775 ENCOUNTERS FOR  
SCREENINGS.

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

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

PEOPLE ATTENDED THE THREE PRESENTATIONS, INCLUDING COOKING DEMONSTRATIONS  
& EDUCATION ON TOPICS SUCH AS HEALTHY BONES AND REDUCING YOUR RISK FOR  
CANCER \* NUTRITION SCREENINGS - 13 PEOPLE PARTICIPATED IN NUTRITION  
SCREENINGS ONE-ON-ONE WITH A DIATITION.

AFFILIATED HEALTH CARE SYSTEM

PART VI, LINE 6

CARROLL HOSPITAL CENTER IS PART OF AN AFFILIATED HEALTH CARE SYSTEM THAT  
PROVIDES AN ARRAY OF HEALTH CARE SERVICES TO ITS COMMUNITY. THE  
HOSPITAL, AS A SOLE COMMUNITY PROVIDER, PROVIDES BOTH INPATIENT AND  
OUTPATIENT CARE, INCLUDING ESSENTIAL HEALTH CARE SERVICES SUCH AS  
OBSTETRICS, EMERGENCY SERVICES, PEDIATRIC, AND CRITICAL CARE, WHICH WOULD  
LIKELY OTHERWISE NOT BE PROVIDED WITHIN CARROLL COUNTY DUE TO THEIR  
UNPROFITABLE NATURE (HIGH COST SERVICES WITH RELATIVELY LOW  
REIMBURSEMENT). ADDITIONALLY, THE HOSPITAL IS RELATED TO A GROUP  
PHYSICIAN PRACTICE (CARROLL HEALTH GROUP), WHICH PROVIDES PRIMARY AND  
SPECIALTY CARE SERVICES TO THE COMMUNITY. THE PROVISION OF THE PHYSICIAN

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

SERVICE HELPS MEET AN IDENTIFIED COMMUNITY HEALTH NEED FOR ADDITIONAL  
 PRIMARY AND SPECIALTY CARE PHYSICIANS IN THE COMMUNITY. CARROLL  
 HOSPICE, AN AFFILIATE OF CARROLL HOSPITAL CENTER, PROVIDES INPATIENT  
 HOSPICE CARE, AS WELL AS RESIDENTIAL HOSPICE AND PALLIATIVE CARE, TO  
 PATIENTS NEARING THE END-OF-LIFE. CARROLL HOSPICE PROVIDES PAIN  
 MANAGEMENT AND SYMPTOM CONTROL AND HELPS COORDINATE HOME AND INPATIENT  
 SERVICES. IN ORDER TO PROVIDE COMPREHENSIVE AND COMPASSIONATE CARE,  
 CARROLL HOSPICE UTILIZES AN INTERDISCIPLINARY TEAM, INCLUDING PHYSICIANS,  
 NURSES, SOCIAL WORKERS, CLERGY, PHARMACISTS, AND HOME HEALTH AIDES.  
 FURTHER, CARROLL HOSPICE PROVIDES BEREAVEMENT CARE FOR FAMILY MEMBERS FOR  
 UP TO THIRTEEN MONTHS.

**Part VI Supplemental Information**

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 20d, 21, and 22.

STATE FILING OF COMMUNITY BENEFIT REPORT

MD,

**SCHEDULE I  
(Form 990)**

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

OMB No. 1545-0047

**2012**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

**Part I General Information on Grants and Assistance**

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1)	PARTNERSHIP FOR HEALTHIER CARROLL COUNTY 95 CARROLL ST WESTMINSTER, MD 21157	52-2156892	501(C)(3)	155,000.				HOSPITAL CONTRIBUTIO
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								

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

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

Schedule I (Form 990) (2012)

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

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

**Part IV** **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

PART I, LINE 2

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

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2012**

**Open to Public  
Inspection**

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

**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 checked="" 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 are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

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

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

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

**4** During the year, did any person listed 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 Regulations 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
<b>1b</b>	X	
<b>2</b>	X	
<b>4a</b>		X
<b>4b</b>	X	
<b>4c</b>		X
<b>5a</b>		X
<b>5b</b>		X
<b>6a</b>		X
<b>6b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

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

Schedule J (Form 990) 2012

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 JOHN SERNULKA PRESIDENT/EX-OFFICIO	(i) 263,023.	136,955.	29,469.	268,789.	3,628.	701,864.	0
	(ii) 0	0	0	0	0	0	0
2 LESLIE SIMMONS CHIEF OPERATING OFFICER	(i) 289,026.	60,724.	29,373.	7,785.	3,919.	390,827.	0
	(ii) 0	0	0	0	0	0	0
3 KEVIN KELBLY SR VP FINANCE CFO	(i) 283,992.	67,426.	29,249.	11,908.	5,338.	397,913.	0
	(ii) 0	0	0	0	0	0	0
4 JED ROSEN CHIEF MEDICAL INFO OFFICER	(i) 374,598.	20,280.	775.	2,450.	4,004.	402,107.	0
	(ii) 0	0	0	0	0	0	0
5 M ELLEN FINNERTY MYERS CHIEF DEVELOPMENT OFFICER	(i) 188,873.	47,786.	11,670.	6,674.	1,123.	256,126.	0
	(ii) 0	0	0	0	0	0	0
6 KEVIN SMOTHERS CHIEF MEDICAL OFFICER	(i) 334,942.	72,607.	27,910.	5,367.	5,687.	446,513.	0
	(ii) 0	0	0	0	0	0	0
7 JOYCE ROMANS VICE PRESIDENT	(i) 190,099.	32,028.	12,362.	4,362.	3,617.	242,468.	0
	(ii) 0	0	0	0	0	0	0
8 TRACEY ELLISON VICE PRESIDENT	(i) 177,617.	27,978.	11,125.	6,354.	5,516.	228,590.	0
	(ii) 0	0	0	0	0	0	0
9 FLAVIO KRUTER PHYSICIAN	(i) 788,319.	284,436.	1,734.	16,802.	6,037.	1,097,328.	0
	(ii) 0	0	0	0	0	0	0
10 JOHANNA DIMENTO PHYSICIAN	(i) 339,997.	0	7,374.	2,585.	602.	350,558.	0
	(ii) 0	0	0	0	0	0	0
11 DAVID SALINGER PHYSICIAN	(i) 494,289.	103,098.	35,409.	6,352.	6,037.	645,185.	0
	(ii) 0	0	0	0	0	0	0
12 DEE HUBBARD PHYSICIAN	(i) 248,774.	21,990.	774.	3,632.	5,535.	280,705.	0
	(ii) 0	0	0	0	0	0	0
13 STEPHANIE REID VICE PRESIDENT	(i) 158,687.	22,749.	8,362.	7,204.	1,060.	198,062.	0
	(ii) 0	0	0	0	0	0	0
14 AMANDEEP SINGH PHYSICIAN	(i) 258,246.	17,901.	182.	3,680.	5,687.	285,696.	0
	(ii) 0	0	0	0	0	0	0
15 DAVID LOUDER VICE PRESIDENT	(i) 281,161.	48,332.	19,294.	3,872.	1,142.	353,801.	0
	(ii) 0	0	0	0	0	0	0
16 ROBERT WHITE VICE PRESIDENT	(i) 156,820.	22,186.	8,906.	12,052.	2,078.	202,042.	0
	(ii) 0	0	0	0	0	0	0

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 CRIS COLEMAN VICE PRESIDENT	(i)	166,429.	23,666.	8,420.	8,602.	5,947.	213,064.	0
	(ii)	0	0	0	0	0	0	0
2 BOB EDMONDSON VICE PRESIDENT	(i)	97,393.	70,000.	5,164.	1,346.	2,468.	176,371.	0
	(ii)	0	0	0	0	0	0	0
3	(i)							
	(ii)							
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

**Part III Supplemental Information**

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

## PART I LINE 1A

THE HOSPITAL HAS TAKEN THE POSITION THAT IT WILL INCLUDE IN TAXABLE W-2 WAGES FOR THE PRESIDENT AND CFO CERTAIN BUSINESS EXPENSES THAT THE IRS MAY QUESTION AS NOT BEING TAX DEDUCTIBLE, SO LONG AS SUCH EXPENSES HAVE A DIRECT CONNECTION TO THE PROMOTION OF THE HOSPITAL'S HEALTH CARE SERVICES. FOR 2012, THESE EXPENSES WERE LESS THAN 3,000 IN AGGREGATE, FOR THE PRESIDENT AND CFO. HEALTH OR SOCIAL CLUB DUES OR INITIATION FEES FOR THE PRESIDENT WERE REIMBURSED BY THE HOSPITAL AND INCLUDED ON THE PRESIDENT'S W-2. THE AMOUNT OF THE REIMBURSED FEES WAS CONSIDERED IN THE PROCESS FOR DETERMINING THE PRESIDENT'S COMPENSATION.

## NONQUALIFIED RETIREMENT PLAN

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

JOHN SERNULKA - 260,400

**SCHEDULE K  
(Form 990)**

**Supplemental Information on Tax-Exempt Bonds**

OMB No. 1545-0047

**2012**

**Open to Public  
Inspection**

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

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

Department of the Treasury  
Internal Revenue Service

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

**Part I Bond Issues**

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

**Part II Proceeds**

	A		B		C		D	
<b>1</b> Amount of bonds retired . . . . .			1,018,770.		1,003,750.			
<b>2</b> Amount of bonds legally defeased . . . . .								
<b>3</b> Total proceeds of issue . . . . .	38,913,827.		15,000,000.		93,596,537.			
<b>4</b> Gross proceeds in reserve funds . . . . .	3,218,009.							
<b>5</b> Capitalized interest from proceeds . . . . .								
<b>6</b> Proceeds in refunding escrows . . . . .								
<b>7</b> Issuance costs from proceeds . . . . .	683,750.		255,500.		100,764.			
<b>8</b> Credit enhancement from proceeds . . . . .								
<b>9</b> Working capital expenditures from proceeds . . . . .								
<b>10</b> Capital expenditures from proceeds . . . . .	35,012,068.		14,744,500.		11,457,373.			
<b>11</b> Other spent proceeds . . . . .					78,596,537.			
<b>12</b> Other unspent proceeds . . . . .					3,441,863.			
<b>13</b> Year of substantial completion . . . . .	2009		2010		2012			
	Yes	No	Yes	No	Yes	No	Yes	No
<b>14</b> Were the bonds issued as part of a current refunding issue? . . . . .		X		X	X			
<b>15</b> Were the bonds issued as part of an advance refunding issue? . . . . .		X		X		X		
<b>16</b> Has the final allocation of proceeds been made? . . . . .	X		X			X		
<b>17</b> Does the organization maintain adequate books and records to support the final allocation of proceeds? . . . . .	X		X		X			

**Part III Private Business Use**

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

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

Schedule K (Form 990) 2012

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

2006, 2010 AND 2012 BONDS

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>3a</b> Are there any management or service contracts that may result in private business use of bond-financed property? . . . . .	X		X		X			
<b>b</b> If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property? . . . . .	X		X		X			
<b>c</b> Are there any research agreements that may result in private business use of bond-financed property? . . . . .		X		X	X			
<b>d</b> If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? . . . . .					X			
<b>4</b> Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government . . . . . ▶		%		%		%		%
<b>5</b> Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government . . . . . ▶		1.0000 %		1.0000 %		1.0000 %		%
<b>6</b> Total of lines 4 and 5 . . . . .		1.0000 %		1.0000 %		1.0000 %		%
<b>7</b> Does the bond issue meet the private security or payment test? . . . . .		X		X		X		
<b>8a</b> Has there been a sale or disposition of any of the bond-financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued? . . . . .		X		X		X		
<b>b</b> If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of . . . . .		%		%		%		%
<b>c</b> If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? . . . . .								
<b>9</b> Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? . . . . .	X		X		X			

**Part IV Arbitrage**

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



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

## SUPPLEMENTAL INFORMATION

DIFFERENCES BETWEEN ISSUE PRICE REPORTED IN PART I, COLUMN E AND TOTAL  
PROCEEDS REPORTED IN PART II, LINE 3 ARE ATTRIBUTABLE TO INVESTMENT  
EARNINGS AND CHANGES IN AMOUNTS REQUIRED TO BE HELD IN RESERVE FUNDS.

PART IV, LINE 2C, COLUMN A

THE 2006 BOND REBATE COMPUTATION WAS PERFORMED ON 8/10/2011.

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

Department of the Treasury  
Internal Revenue Service

**Transactions With Interested Persons**

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

OMB No. 1545-0047

**2012**

**Open To Public Inspection**

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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

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

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

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

**Part II Loans to and/or From Interested Persons.**

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

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

**Part III Grants or Assistance Benefiting Interested Persons.**

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

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

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

Schedule L (Form 990 or 990-EZ) 2012

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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) KATHLEEN PALAIA	SISTER DIRECTOR	67,715.	EMPLOYEE OF THE HOSPITAL		X
(2) HEATHER GREEN	DAUGHTER OF AN OFFICER	67,611.	EMPLOYEE OF THE HOSPITAL		X
(3) CHELSEA BEAUVAIS	DAUGHTER OF AN OFFICER	61,338.	EMPLOYEE OF THE HOSPITAL		X
(4) ROBERT J BEAUVAIS	SON-IN-LAW OF AN OFFICER	54,619.	EMPLOYEE OF THE HOSPITAL		X
(5) RANDY C GREEN JR	SON-IN-LAW OF AN OFFICER	82,218.	EMPLOYEE OF THE HOSPITAL		X
(6) HAROLD WALSH	MEMBER AT LARGE	155,965.	EVAPCO PURCH EQUIP		X
(7) JOHN STEERS MD	BOARD MEMBER	569,796.	INDEPENDENT CONTRACT W/ CHG		X
(8) JOHN STEERS MD	BOARD MEMBER	83,820.	RENT OF SUITE		X
(9) JOHN STEERS MD	BOARD MEMBER	11,700.	MEDICAL DIRECTOR FEES		X
(10) JOHN STEERS MD	BOARD MEMBER	31,117.	ED ON CALL		X

**Part V Supplemental Information**

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

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

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) AMANDA VETTER	DAUGHTER OF BOARD MEMBER	55,068.	EMPLOYEE OF HOSPITAL/FOUND		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

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

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

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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

OMB No. 1545-0047

**2012**

**Open to Public  
Inspection**

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

FAMILY OR BUSINESS RELATIONSHIP

PART VI, LINE 2

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

DESCRIPTION OF REVIEW PROCESS

PART VI LINE 11

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

CONFLICTS MONITORING AND ENFORCEMENT

PART VI LINE 12C

THE CONFLICT OF INTEREST POLICY APPLIES TO CARROLL HOSPITAL CENTER AND ITS DIRECT AND INDIRECT SUBSIDIARIES AND PARENT ORGANIZATION. REVIEW OF DISCLOSURE STATEMENTS/REPORT TO THE BOARD. THE CHIEF EXECUTIVE OFFICER OF THE HOSPITAL ORGANIZATION, THE GOVERNANCE COMMITTEE AND THE CORPORATE COMPLIANCE OFFICER SHALL REVIEW THE MATTERS DISCLOSED IN THE DISCLOSURE STATEMENTS AND SHALL SUBMIT TO THE HOSPITAL ORGANIZATION'S BOARD OF DIRECTORS AN ANNUAL SUMMARY OR SPREADSHEET OF THE DISCLOSURES

Name of the organization

CARROLL HOSPITAL CENTER, INC.

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

CONFLICT OF INTEREST RECUSAL PROCEDURE FOR BOARD MEETINGS WHENEVER A HOSPITAL ORGANIZATIONS' BOARD OR BOARD COMMITTEE IS TO CONSIDER A TRANSACTION OR AN ARRANGEMENT WITH ANOTHER ORGANIZATION, ENTITY OR INDIVIDUAL IN WHICH OR WITH WHOM A PERSON COVERED BY THIS POLICY HAS A RELATIONSHIP CREATING AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST, THE FOLLOWING PROCEDURES SHALL BE EMPLOYED: A. THE INTERESTED

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PERSON MUST FULLY DISCLOSE THE ACTUAL OR POTENTIAL CONFLICT OF INTEREST TO THE BOARD;

B. THE INTERESTED PERSON SHOULD BE ASKED TO LEAVE THE MEETING DURING DISCUSSION OF THE POTENTIAL CONFLICT AND ANY RELATED VOTES, BUT THE INTERESTED PERSON MAY MAKE A STATEMENT OR ANSWER ANY QUESTIONS ON THE MATTER BEFORE DEPARTING THE MEETING;

C.

IF APPROPRIATE, THE BOARD OR BOARD COMMITTEE MAY APPOINT A NON-INTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT;

D. TO CONSIDER THE PROPOSED TRANSACTION OR ARRANGEMENT, THE BOARD MUST:

1. FIND, BY A MAJORITY VOTE OF DIRECTORS THEN IN OFFICE, NOT COUNTING THE INTERESTED PERSON, THAT THE PROPOSED TRANSACTION OR ARRANGEMENT IS IN THE HOSPITAL ORGANIZATION'S BEST INTEREST AND FOR THE HOSPITAL ORGANIZATION'S OWN BENEFIT, IT IS FAIR AND REASONABLE, AND THAT, AFTER REASONABLE INVESTIGATION, THE HOSPITAL ORGANIZATION CANNOT OBTAIN A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT USING REASONABLE EFFORTS; AND

2. VOTE ON THE TRANSACTION OR ARRANGEMENT, APPROVAL REQUIRING A MAJORITY VOTE OF DIRECTORS THEN IN OFFICE, NOT COUNTING THE INTERESTED PERSON.

E. THE MINUTES SHOULD INCLUDE: (1) THE NAME OF THE PERSON DISCLOSING THE CONFLICT OF INTEREST AND A DESCRIPTION OF THE CONFLICT; (2) THE BOARD'S DETERMINATION OF WHETHER THERE IS A CONFLICT; (3) THE NAMES AND VOTES OF PERSONS PRESENT FOR THE DISCUSSIONS AND VOTES RELATING TO THE TRANSACTION OR ARRANGEMENT; AND (4) THE CONTENT OF THOSE DISCUSSIONS INCLUDING THE BOARD'S DETERMINATION OF WHETHER OR NOT THE TRANSACTION OR ARRANGEMENT IS IN THE HOSPITAL ORGANIZATION'S BEST INTEREST, FAIR AND REASONABLE, AND THE BEST REASONABLY AVAILABLE

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

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

B. A MATERIAL MISSTATEMENT OR OMISSION IN THE DISCLOSURE STATEMENT;

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

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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D. WILLFUL PARTICIPATION IN A VOTE OR DECISION INVOLVING A TRANSACTION WHICH RAISES AN UNDISCLOSED CONFLICT OF INTEREST; OR

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

PROCESS FOR DETERMINING COMPENSATION

PART VI LINE 15

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

CARROLL HOSPITAL CENTER HAS A WRITTEN POLICY REGARDING THE REVIEW OF PHYSICIAN COMPENSATION TO ENSURE THE PAYMENTS BETWEEN THE HOSPITAL AND THE PHYSICIAN ARE BOTH COMMERCIALY REASONABLE AND NOT GREATER THAN FAIR

Name of the organization

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MARKET VALUE FOR THE SERVICES RENDERED. THE POLICY APPLIES TO CARROLL HOSPITAL CENTER AND EACH OF ITS SUBSIDIARIES/AFFILIATES. PURSUANT TO THE POLICY, CARROLL HOSPITAL CENTER, IN ORDER TO ENSURE THE PAYMENTS TO PHYSICIANS ARE COMMERCIALY REASONABLE AND CONSISTENT WITH FAIR MARKET VALUE, UNDERTAKES A NUMBER OF REVIEW ACTIVITIES, INCLUDING REVIEWING COMPENSATION INFORMATION FROM COMPENSATION SURVEYS AND RELIABLE DATA SUCH AS RECENT EARNINGS AND THIRD PARTY VALUATIONS.

## DOCUMENT AVAILABILITY

PART VI, LINE 19

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

## RECONCILIATION OF NET ASSETS

PART XI, LINE 5

BOOK/TAX DIFFERENCE K-1	\$ (2,029,207)
TRANSFER OF NET ASSETS	(5,925,743)
MINIMUM PENSION LIAB	8,343,093
INVESTMENT IN FOUNDATION	851,678
INVESTMENT IN HOSPICE	244,951
	-----
TOTAL	\$1,484,772

## RENTAL INCOME AND EXPENSES

## RENT AND ROYALTY SUMMARY

CARROLL HOSPITAL CENTER (CHC) HAS A LEASE WITH AN UNRELATED THIRD PARTY

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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FOR THE USE OF SPACE IN THE FISHER BUILDING. CHC SUBLEASES SPACE IN THE  
FISHER BUILDING TO SUBTENANTS AT ITS LEASE COST.

ATTACHMENT 1

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

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

ATTACHMENT 2

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

CARROLL HOSPITAL CENTER, A 189 LICENSED BED ACUTE CARE FACILITY  
LOCATED IN WESTMINSTER, MARYLAND OFFERS THE LATEST IN MEDICAL  
TECHNOLOGY AND SERVICES, COMBINED WITH A STATE-OF-THE-ART FACILITY  
AND TOP-NOTCH, SKILLED MEDICAL PROFESSIONALS, CARING FOR PATIENTS  
WITH COMPASSION. CURRENTLY, THERE ARE MORE THAN 400 PHYSICIANS  
REPRESENTING 38 SPECIALTIES ON OUR MEDICAL STAFF IN ADDITION TO  
OVER 1,700 INDIVIDUALS EMPLOYED BY THE HOSPITAL - MAKING CHC THE  
SECOND LARGEST EMPLOYER IN CARROLL COUNTY. THE ORGANIZATION  
OPERATES AN ACUTE CARE HOSPITAL SERVING THE COMMUNITIES LOCATED IN  
CARROLL AND SURROUNDING COUNTIES AS WELL AS PARTS OF PENNSYLVANIA.  
IN ACCORDANCE WITH OUR TAX-EXEMPT FUNCTION THE ORGANIZATION  
OPERATES AN EMERGENCY ROOM OPEN TO ALL PERSONS REGARDLESS OF THEIR  
ABILITY TO PAY AND HAD 56,428 PATIENT VISITS LAST YEAR. THE

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

HOSPITAL PARTICIPATES IN MEDICARE AND MEDICAID PROGRAMS, HAS A GOVERNING BODY COMPRISED OF INDEPENDENT PERSONS REPRESENTATIVE OF THE COMMUNITY, ALL FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION AND ITS MEDICAL STAFF IS OPEN TO ALL QUALIFIED PHYSICIANS IN THE AREA. AS THE ONLY HOSPITAL IN CARROLL COUNTY, WE OFFER OUR COMMUNITY A FULL ARRAY OF SERVICES INCLUDING, EMERGENCY SERVICES, COMPREHENSIVE CANCER CARE, PEDIATRICS, MATERNITY, GERIATRICS, THE LATEST MINIMALLY INVASIVE SURGICAL PROCEDURES AND ADVANCED TOTAL AND PARTIAL JOINT REPLACEMENT PROCEDURES. IN THE YEAR ENDING JUNE 2012, CARROLL HOSPITAL CENTER RECORDED 14,889 INPATIENT ADMISSIONS AND OBSERVATION STAY CASES, 1,084 BIRTHS AND 8,034 SURGICAL PROCEDURES, ALL CONTRIBUTING TO A TOTAL OF 188,000 PATIENT ENCOUNTERS FOR THE PERIOD. IN LINE WITH OUR MISSION—"OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT, COMPASSIONATE CARE, AND EXPERT GUIDANCE IN MAINTAINING THEIR HEALTH AND WELL-BEING. AT CARROLL HOSPITAL CENTER, WE OFFER AN UNCOMPROMISING COMMITMENT TO THE HIGHEST QUALITY HEALTH CARE EXPERIENCE FOR PEOPLE IN ALL STAGES OF LIFE. WE ARE THE HEART OF HEALTH CARE IN OUR COMMUNITIES." - THE HOSPITAL ALSO PROVIDES PLANNED COMMUNITY BENEFIT ACTIVITIES TO IMPROVE ACCESS TO HEALTH CARE AND IMPROVE THE OVERALL HEALTH OF OUR COMMUNITY. OUR MISSION IS PURSUED IN COLLABORATION WITH OUR RELATED ORGANIZATIONS: CARROLL COUNTY HEALTH SERVICES, CARROLL HOSPICE, THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY (OUR COMMUNITY ADVOCACY ARM), AND

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

THE CARROLL HOSPITAL CENTER FOUNDATION (ALSO LISTED IN PART VI)  
FOR MORE INFORMATION ON THESE SUBSIDIARIES, PLEASE SEE THEIR  
INDIVIDUAL FORMS 990.

ATTACHMENT 3990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
CENTRAL MD REHABILITATION 4259 HARNEY RD TANEYTOWN, MD 21787	PHYSICAL THERAPY	2,977,174.
CARROLL COUNTY ANES ASSOCIATION PO BOX 75193 BALTIMORE, MD 21275	ANESTHESIA SERVICES	1,800,370.
CARROLL COUNTY RADIOLOGY 7253 AMBASSADOR RD BALTIMORE, MD 21244	RADIOLOGY SERVICES	708,890.
DIGITRACE CARE SERVICES 200 CORPORATE PLACE PEABODY, MA 01960	NEUROLOGY SERVICES	635,900.
BRENDA RAY CCS 674 LAKE SANTEE DR NORTH AUGUSTA, SC 29841	CODING FOR BILLING	785,590.

ATTACHMENT 4FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
K-1 CARROLL COUNTY RADIOLOGY	2,134,041.			2,134,041.
K-1 PREMIER PURCHASING	415,132.		12,042.	403,090.
INVESTMENT INCOME	785,930.			785,930.

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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ATTACHMENT 4 (CONT'D)FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	(A) <u>TOTAL REVENUE</u>	(B) <u>RELATED OR EXEMPT REVENUE</u>	(C) <u>UNRELATED BUSINESS REV.</u>	(D) <u>EXCLUDED REVENUE</u>
K-1 GREENSPRING GLOBAL	89,519.			89,519.
K-1 CARROLL MEDICAL OFFICE ASSOCIATES	264,661.			264,661.
K-1 WMS INCOME OPPORTUNITY FUND	45,067.			45,067.
K-1 CHESAPEAKE INVESTMENTS III	-15,705.		-102,639.	86,934.
K-1 COMP CLAIM MANAGEMENT	3,476.			3,476.
K-1 VALSTONE	587.			587.
INTEREST DERIVATIVE INVESTMENT	6,230,996.			6,230,996.
TOTALS	<u>9,953,704.</u>		<u>-90,597.</u>	<u>10,044,301.</u>

ATTACHMENT 5FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
PREPAID INSURANCE	101,800.
PREPAID DUES	178,117.
PREPAID SECURITY DEPOSIT	272,000.
PREPAID SERVICE CONTRACT	5,732,616.
PREPAID OTHER	39,166.
TOTALS	<u>6,323,699.</u>

ATTACHMENT 6

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

ATTACHMENT 6 (CONT'D)FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
GOVT AND CORPORATE BONDS	27,107,450.	FMV
MUTUAL FUNDS IN EQUITY SEC	22,858,445.	FMV
TOTALS	<u>49,965,895.</u>	

ATTACHMENT 7FORM 990, PART X - DEFERRED REVENUE

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
DEF REV HOME CARE MEDICARE	93,542.
DEF REVENUE MOB	450,000.
DEF REV PROP MGMT	103.
TOTALS	<u>543,645.</u>

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

**2012**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

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

▶ **Attach to Form 990.**

▶ **See separate instructions.**

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) CARROLL HOSPITAL CENTER MOB INVEST LLC 27-1528355 200 MEMORIAL AVENUE WESTMINSTER, MD 21157	INVESTMENTS	MD	0	1,103,245.	CHC
(2) CARROLL REGIONAL CANCER CTR PHYSICIANS 45-2463175 200 MEMORIAL AVE WESTMINSTER, MD 21157	HEALTH CARE	MD	574,641.	1,227,838.	CHC
(3) -----					
(4) -----					
(5) -----					
(6) -----					

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

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

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

Schedule R (Form 990) 2012

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) CC RADIOLOGY LLC 52-2190849 7253 AMBASSADOR RD	RADIOLOGY	MD	CARROLL HOSP CT		12,415,471.	20,848,900.		X				60.0000
(2) CARROLL CARE PHARMACIES LLC 20 95 CARROLL STREET SUITE 104	PHARMACY	MD	CC MED-SERVICES									
(3) CARROLL OCCUPATIONAL HEALTH LL 7001 CORPORATE CENTER CT	OCCUPATIONAL	MD	CC MED-SERVICES									
(4) -----												
(5) -----												
(6) -----												
(7) -----												

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) CARROLL COUNTY MED SERVICES INC 52-1891102 200 MEMORIAL AVE WESTMINSTER, MD 21157	MEDICAL SERVI	MD	CCHS	C CORP					X
(2) CEN-MAR ASSURANCE CO 98-6011607 PO BOX 1085 KY1-1102 GRAND CAYMAN, CJ	INSURANCE	CJ	CHC	C CORP	17,477,471.	2,923,445.	100.0000		X
(3) CARROLL HEALTH GROUP 27-1956453 200 MEMORIAL AVE WESTMINSTER, MD 21157	HEALTH CARE	MD	CC MED-SERVICES	C CORP					X
(4) -----									
(5) -----									
(6) -----									
(7) -----									

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

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

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

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

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) CARROLL HOSPITAL CENTER FOUNDATION	C	3,679,011.	FMV
(2) CEN-MAR	Q	1,377,771.	FMV
(3) CARROLL HOSPICE	L, Q	3,675,000.	FMV
(4)			
(5)			
(6)			

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

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

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

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**Part VII** **Supplemental Information**

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

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SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER DEDUCTIONS

OFFICE RENT

327,561.

327,561.





RENT AND ROYALTY SUMMARY

<u>PROPERTY</u>	<u>TOTAL INCOME</u>	<u>DEPLETION/ DEPRECIATION</u>	<u>OTHER EXPENSES</u>	<u>ALLOWABLE NET INCOME</u>
CARROLL CARE PHARMAC	48,415.			48,415.
FISHER BUILDING	366,547.		327,561.	38,986.
SUBWAY	22,129.			22,129.
OTHER	6,525.			6,525.
TOTALS	<u>443,616.</u>		<u>327,561.</u>	<u>116,055.</u>

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

Department of the Treasury
Internal Revenue Service

Attach to your tax return.
Information about Form 4797 and its separate instructions is at www.irs.gov/form4797.

Attachment Sequence No. 27

Name(s) shown on return: CARROLL HOSPITAL CENTER, INC.
Identifying number: 52-1452024

1 Enter the gross proceeds from sales or exchanges reported to you for 2012 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions).

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

Table with 7 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Gross sales price, (e) Depreciation allowed or allowable since acquisition, (f) Cost or other basis, plus improvements and expense of sale, (g) Gain or (loss). Row 1: ATTACHMENT 1, 28,345.

3 Gain, if any, from Form 4684, line 39
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824
6 Gain, if any, from line 32, from other than casualty or theft
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows: 28,345.
Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below.
Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.
8 Nonrecaptured net section 1231 losses from prior years (see instructions)
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)

Part II Ordinary Gains and Losses (see instructions)

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

11 Loss, if any, from line 7
12 Gain, if any, from line 7 or amount from line 8, if applicable
13 Gain, if any, from line 31
14 Net gain or (loss) from Form 4684, lines 31 and 38a
15 Ordinary gain from installment sales from Form 6252, line 25 or 36
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824
17 Combine lines 10 through 16
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:
a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14

For Paperwork Reduction Act Notice, see separate instructions.

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

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

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

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

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

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

