

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)  
▶ Do not enter social security numbers on this form as it may be made public.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**2019**  
Open to Public Inspection

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

<b>B</b> Check if applicable:  <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b> Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>2000 MEDICAL PARKWAY 606</b> City or town, state or province, country, and ZIP or foreign postal code <b>ANNAPOLIS, MD 21401</b> <b>F</b> Name and address of principal officer: <b>VICTORIA BAYLESS</b> <b>SAME AS C ABOVE</b>	<b>D</b> Employer identification number  <b>52-1169362</b> <b>E</b> Telephone number <b>(443) 481-1308</b> <b>G</b> Gross receipts \$ <b>736,862,565.</b> <b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c)</b> Group exemption number ▶
<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>J</b> Website: ▶ <b>WWW.AAHS.ORG</b>		
<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: <b>1902</b> <b>M</b> State of legal domicile: <b>MD</b>

<b>Part I Summary</b>																									
<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>TO ENHANCE THE COMPREHENSIVE HEALTH CARE WE PROVIDE TO THE LOCAL AND REGIONAL COMMUNITY WE SERVE.</b> <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>3</b> Number of voting members of the governing body (Part VI, line 1a) ..... <b>3</b> <b>22</b> <b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) ..... <b>4</b> <b>19</b> <b>5</b> Total number of individuals employed in calendar year 2019 (Part V, line 2a) ..... <b>5</b> <b>3847</b> <b>6</b> Total number of volunteers (estimate if necessary) ..... <b>6</b> <b>465</b> <b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12 ..... <b>7a</b> <b>642,161.</b> <b>7b</b> Net unrelated business taxable income from Form 990-T, line 39 ..... <b>7b</b> <b>53,719.</b>																								
<b>Revenue</b>	<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th align="right">Prior Year</th> <th align="right">Current Year</th> </tr> </thead> <tbody> <tr> <td><b>8</b> Contributions and grants (Part VIII, line 1h) .....</td> <td align="right">4,151,793.</td> <td align="right">28,532,587.</td> </tr> <tr> <td><b>9</b> Program service revenue (Part VIII, line 2g) .....</td> <td align="right">566,030,964.</td> <td align="right">559,055,160.</td> </tr> <tr> <td><b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) .....</td> <td align="right">9,414,919.</td> <td align="right">-9,766,338.</td> </tr> <tr> <td><b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) .....</td> <td align="right">8,082,008.</td> <td align="right">6,938,303.</td> </tr> <tr> <td><b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) .....</td> <td align="right">587,679,684.</td> <td align="right">584,759,712.</td> </tr> </tbody> </table>		Prior Year	Current Year	<b>8</b> Contributions and grants (Part VIII, line 1h) .....	4,151,793.	28,532,587.	<b>9</b> Program service revenue (Part VIII, line 2g) .....	566,030,964.	559,055,160.	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d) .....	9,414,919.	-9,766,338.	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) .....	8,082,008.	6,938,303.	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) .....	587,679,684.	584,759,712.						
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<b>Part II Signature Block</b>				
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		
	▶ <b>KEVIN L. SMITH, CFO</b>			
	Type or print name and title			
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>LORI S. BURGHAUSER</b>	Preparer's signature <b>LORI S. BURGHAUSER</b>	Date <b>05/08/21</b>	Check if self-employed <input type="checkbox"/> PTIN <b>P00370694</b>
	Firm's name ▶ <b>SC&amp;H GROUP, INC.</b>	Firm's EIN ▶ <b>20-5991824</b>		
	Firm's address ▶ <b>910 RIDGEBROOK ROAD</b> <b>SPARKS, MD 21152</b>	Phone no. <b>(410) 403-1500</b>		

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: AS A CHARITABLE ORGANIZATION, LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER'S ("AAMC") MISSION IS TO ENHANCE THE HEALTH OF THE PEOPLE IT SERVES AND AAMC'S VISION IS "LIVING HEALTHIER TOGETHER" WITH THE COMMUNITY. IN ADDITION TO TRADITIONAL PATIENT SERVICES LIKE DIAGNOSIS,

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [ ] Yes [X] No 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 [X] 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 \$ 463,690,843. including grants of \$ 427,732. ) (Revenue \$ 552,327,784. )

INPATIENT THE AAMC WOMEN'S AND CHILDREN'S CENTER OFFERS MULTIGENERATIONAL PROGRAMS TO SUPPORT A WOMAN FROM THE TIME SHE BEGINS GYNECOLOGICAL CARE THROUGH THE CHILDBEARING YEARS AND BEYOND. WE OFFER THE MOST COMPREHENSIVE WOMEN'S SERVICES; ALL-INCLUSIVE MATERNITY, NEWBORN AND PEDIATRIC CARE; ADVANCED TREATMENTS FOR ANY HEALTH CHALLENGES WOMEN AND THEIR FAMILIES MAY ENCOUNTER; AND EXTENSIVE SCREENING, PREVENTION AND WELLNESS PROGRAMS TO HELP THEM LEAD LONGER, HEALTHIER AND MORE FULFILLING LIVES.

AAMC IS KNOWN FOR EXCELLENCE IN OBSTETRICAL SERVICES, AND WE OFFER MOMS MANY OPTIONS AS THEY MAKE INFORMED CHOICES DURING LABOR AND DELIVERY.

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

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

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

4e Total program service expenses 463,690,843.

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

Form 990 (2019)

52-1169362 Page 3

**Part IV Checklist of Required Schedules**

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

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

Form 990 (2019)

52-1169362 Page 4

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

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

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

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

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

	Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable .....		
<b>b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable .....		
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? .....		



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

		Yes	No
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	<b>2a</b> 3847		
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	X	
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	X	
<b>b</b>	If "Yes," enter the name of the foreign country <b>CAYMAN ISLANDS</b> See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year		
	<b>7d</b>		
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the sponsoring organization make any taxable distributions under section 4966?		
<b>b</b>	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>a</b>	Gross income from members or shareholders	<b>11a</b>	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>	
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note:</b> See the instructions for additional information the organization must report on Schedule O.	<b>13a</b>	
<b>b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>	
<b>c</b>	Enter the amount of reserves on hand	<b>13c</b>	
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>	X
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	<b>14b</b>	
<b>15</b>	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	<b>15</b>	X
<b>16</b>	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	<b>16</b>	X

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

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

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O.		
	1a	22	
<b>b</b>	Enter the number of voting members included on line 1a, above, who are independent		
	1b	19	
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	X	
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b>	Did the organization have members or stockholders?	X	
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	X	
<b>b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	X	
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b>	The governing body?	X	
<b>b</b>	Each committee with authority to act on behalf of the governing body?	X	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O		X

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

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

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed **MD**
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website  Another's website  Upon request  Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records **▶**  
**KEVIN L. SMITH - (443) 481-1308**  
**2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401**

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

Form 990 (2019)

52-1169362 Page 7

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

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

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

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

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

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JOHN BELCHER CHAIRMAN	1.00 1.00	X		X				0.	0.	0.
(2) JAMES CHAMBERS VICE CHAIRMAN	1.00 1.00	X		X				0.	0.	0.
(3) ALAN J. HYATT TREASURER (PART YEAR)/BOARD MEMBER	1.00 1.00	X		X				0.	0.	0.
(4) NIELS HOLCH ASSIST TREAS(PART YEAR)/BOARD MEMBER	1.00 1.00	X		X				0.	0.	0.
(5) GEORGE K. ANDERSON, M.D. SECRETARY (PART YEAR)/BOARD MEMBER	1.00 2.00	X		X				0.	0.	0.
(6) VICTORIA BAYLESS CEO	40.00 10.00	X		X				2,033,908.	0.	213,200.
(7) ANN BRUNDIGE BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(8) MARY CLANCE BOARD MEMBER	40.00 2.00	X						270,299.	0.	7,522.
(9) PATRICIA DARROW-SMITH BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(10) KAREN DRENKARD BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(11) CARLESA FINNEY BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(12) GARY JOBSON BOARD MEMBER	1.00 2.00	X						0.	0.	0.
(13) RENE LAVIGNE BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(14) MARTIN A. MAKARY, M.D., MPH BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(15) GARY MICHAEL BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(16) MISTI MUKHERJEE BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(17) SHERRY PERKINS BOARD MEMBER	41.00 8.00	X						0.	0.	0.

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) THEODORE PINCUS BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(19) HEIDI ROTHENHAUS, RN, JD BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(20) RANDOLPH H. ROWEL, PHD BOARD MEMBER	1.00 1.00	X						0.	0.	0.
(21) LEISA C. RUSSELL BOARD MEMBER	1.00 2.00	X						0.	0.	0.
(22) DAVID TODD BOARD MEMBER	1.00 2.00	X						0.	0.	0.
(23) TIMOTHY ADELMAN SECRETARY/ GENERAL COUNSEL	40.00 1.00			X				63,052.	0.	5,355.
(24) ROBERT REILLY TREASURER/ CFO	40.00 7.00			X				781,763.	0.	30,257.
(25) MAULIK JOSHI CHIEF OPERATING OFFICER	40.00 3.00				X			892,738.	0.	69,098.
(26) MITCHELL SCHWARTZ, M.D. CHIEF MEDICAL OFFICER	20.00 26.00				X			858,058.	0.	89,524.
<b>1b Subtotal</b>								4,899,818.	0.	414,956.
<b>c Total from continuation sheets to Part VII, Section A</b>								5,234,366.	0.	312,215.
<b>d Total (add lines 1b and 1c)</b>								10,134,184.	0.	727,171.

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 **507**

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
EPSTEIN, BECKER, GREEN, PC, 7000 SECURITY BOULEVARD SUITE 300, BALTIMORE, MD 21244	LAW FIRM	2,221,015.
ADFINITAS HEALTH AT ANNE ARUNDEL 2001 MEDICAL PARKWAY, ANNAPOLIS, MD 21401	PHYSICIAN GROUP	2,170,803.
PA & ASSOCIATES HEALTHCARE LLC, 11350 MCCORMICK RD, EXECUTIVE PLAZA III, SUITE THE CHARTIS GROUP, LLC, 220 WEST KINZIE STREET 3RD FLOOR, CHICAGO, IL 60654	CONSULTING AND ADVISORY SERVICES	1,019,259.
MEDICAL STAFFING OPTIONS PO BOX 714216, CINCINNATI, OH 45271	CONSULTING AND ADVISORY SERVICES	980,823.
	STAFFING	871,818.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **45**

SEE PART VII, SECTION A CONTINUATION SHEETS



LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

Form 990 (2019)

52-1169362 Page 9

**Part VIII Statement of Revenue**

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

			(A)	(B)	(C)	(D)	
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	<b>1 a</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>	2,272,854.				
	<b>e</b> Government grants (contributions)	<b>1e</b>	26,135,001.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	124,732.				
	<b>g</b> Noncash contributions included in lines 1a-1f	<b>1g</b>	\$				
	<b>h Total.</b> Add lines 1a-1f			28,532,587.			
Program Service Revenue	<b>2 a</b> ANCILLIARY SERVICES	Business Code 621500	257,031,013.	249,167,111.		7,863,902.	
	<b>b</b> ADMISSION/ROOM CHARGES	621990	247,143,513.	247,143,513.			
	<b>c</b> EMERGENCY ROOM CHARGES	621990	53,768,120.	53,768,120.			
	<b>d</b> PATIENT EDUCATION/MISC	624100	1,112,514.	1,112,514.			
	<b>e</b>						
	<b>f</b> All other program service revenue						
	<b>g Total.</b> Add lines 2a-2f			559,055,160.			
Other Revenue	<b>3</b> Investment income (including dividends, interest, and other similar amounts)		824,484.		66,220.	758,264.	
	<b>4</b> Income from investment of tax-exempt bond proceeds						
	<b>5</b> Royalties						
	<b>6 a</b> Gross rents	(i) Real	1,420,675.				
		(ii) Personal					
		<b>6b</b> Less: rental expenses	140,961.				
	<b>6c</b> Rental income or (loss)	1,279,714.					
	<b>d</b> Net rental income or (loss)		1,279,714.			1,279,714.	
	<b>7 a</b> Gross amount from sales of assets other than inventory	(i) Securities	141,371,070.				
		(ii) Other					
		<b>7b</b> Less: cost or other basis and sales expenses	151,961,892.				
	<b>7c</b> Gain or (loss)	-10,590,822.					
	<b>d</b> Net gain or (loss)		-10,590,822.			-10,590,822.	
<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	<b>8a</b>						
<b>b</b> Less: direct expenses	<b>8b</b>						
<b>c</b> Net income or (loss) from fundraising events							
<b>9 a</b> Gross income from gaming activities. See Part IV, line 19	<b>9a</b>						
<b>b</b> Less: direct expenses	<b>9b</b>						
<b>c</b> Net income or (loss) from gaming activities							
<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>10a</b>						
<b>b</b> Less: cost of goods sold	<b>10b</b>						
<b>c</b> Net income or (loss) from sales of inventory							
Miscellaneous Revenue	<b>11 a</b> CAFETERIA	Business Code 722210	3,760,741.			3,760,741.	
	<b>b</b> MANAGEMENT SERVICES	812900	575,941.		575,941.		
	<b>c</b> ANSWERING/PAGING SERVICE	812900	185,381.			185,381.	
	<b>d</b> All other revenue	900099	1,136,526.	1,136,526.			
	<b>e Total.</b> Add lines 11a-11d			5,658,589.			
<b>12 Total revenue.</b> See instructions			584,759,712.	552,327,784.	642,161.	3,257,180.	

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

Form 990 (2019)

52-1169362 Page 10

**Part IX Statement of Functional Expenses**

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...	427,732.	427,732.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22 .....				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 .....				
4 Benefits paid to or for members .....				
5 Compensation of current officers, directors, trustees, and key employees .....	7,677,822.	6,910,040.	767,782.	
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) .....				
7 Other salaries and wages .....	218,755,867.	165,257,774.	53,498,093.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) .....	6,892,795.	5,177,728.	1,715,067.	
9 Other employee benefits .....	17,283,097.	13,110,009.	4,173,088.	
10 Payroll taxes .....	16,487,339.	12,530,378.	3,956,961.	
11 Fees for services (nonemployees):				
a Management .....				
b Legal .....	1,721,017.		1,721,017.	
c Accounting .....	242,548.		242,548.	
d Lobbying .....	130,080.		130,080.	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees .....	252,216.		252,216.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	80,365,812.	55,337,340.	25,028,472.	
12 Advertising and promotion .....	458,366.	14,120.	444,246.	
13 Office expenses .....	16,777,592.	12,567,695.	4,209,897.	
14 Information technology .....	10,607,647.	99,587.	10,508,060.	
15 Royalties .....				
16 Occupancy .....	11,932,874.	7,756,368.	4,176,506.	
17 Travel .....	1,358,716.	868,981.	489,735.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials ...				
19 Conferences, conventions, and meetings .....	1,091,428.	271,680.	819,748.	
20 Interest .....	10,136,300.	10,136,300.		
21 Payments to affiliates .....				
22 Depreciation, depletion, and amortization .....	28,377,652.	28,377,652.		
23 Insurance .....	6,706,122.	6,684,286.	21,836.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <b>MEDICAL SUPPLIES</b>	129,795,533.	129,644,023.	151,510.	
b <b>TEMPORARY AGENCY</b>	8,612,649.	8,301,569.	311,080.	
c <b>DUES, BOOKS, AND SUBSCR</b>	2,800,018.	185,582.	2,614,436.	
d <b>UBI EXPENSE</b>	28,293.		28,293.	
e All other expenses	408,440.	31,999.	376,441.	
<b>25 Total functional expenses.</b> Add lines 1 through 24e	579,327,955.	463,690,843.	115,637,112.	0.
26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				
Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

Form 990 (2019)

52-1169362 Page 11

**Part X Balance Sheet**

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

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....		<b>1</b>	
	<b>2</b> Savings and temporary cash investments .....	9,718,706.	<b>2</b>	80,488,408.
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....	66,575,930.	<b>4</b>	68,455,069.
	<b>5</b> Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....	7,798,272.	<b>8</b>	15,677,047.
	<b>9</b> Prepaid expenses and deferred charges .....	7,030,625.	<b>9</b>	7,862,103.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 735,814,289.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 413,435,069.		
	<b>11</b> Investments - publicly traded securities .....	331,503,279.	<b>10c</b>	322,379,220.
	<b>12</b> Investments - other securities. See Part IV, line 11 .....	328,595,095.	<b>11</b>	266,441,879.
	<b>13</b> Investments - program-related. See Part IV, line 11 .....	84,553,591.	<b>12</b>	63,095,982.
	<b>14</b> Intangible assets .....	5,715,146.	<b>13</b>	12,189,459.
	<b>15</b> Other assets. See Part IV, line 11 .....		<b>14</b>	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 33) .....	106,241,571.	<b>15</b>	155,831,393.	
	947,732,215.	<b>16</b>	992,420,560.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	122,554,218.	<b>17</b>	101,444,118.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....	21,720,283.	<b>19</b>	120,478,663.
	<b>20</b> Tax-exempt bond liabilities .....	284,393,531.	<b>20</b>	276,113,997.
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....	17,760,000.	<b>23</b>	17,760,000.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	74,709,422.	<b>25</b>	122,036,901.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	521,137,454.	<b>26</b>	637,833,679.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>			
	<b>27</b> Net assets without donor restrictions .....	402,673,472.	<b>27</b>	331,649,533.
	<b>28</b> Net assets with donor restrictions .....	23,921,289.	<b>28</b>	22,937,348.
	<b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>			
	<b>29</b> Capital stock or trust principal, or current funds .....		<b>29</b>	
	<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>30</b>	
	<b>31</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>31</b>	
	<b>32</b> Total net assets or fund balances .....	426,594,761.	<b>32</b>	354,586,881.
	<b>33</b> Total liabilities and net assets/fund balances .....	947,732,215.	<b>33</b>	992,420,560.

Form 990 (2019)



**Part XI Reconciliation of Net Assets**

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	584,759,712.
2	Total expenses (must equal Part IX, column (A), line 25)	2	579,327,955.
3	Revenue less expenses. Subtract line 2 from line 1	3	5,431,757.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	426,594,761.
5	Net unrealized gains (losses) on investments	5	-11,468,645.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	-65,970,992.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	354,586,881.

**Part XII Financial Statements and Reporting**

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

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

Form 990 (2019)



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

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

**Section A. Public Support**

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

**Section B. Total Support**

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

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

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

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

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

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

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

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

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

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

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

**19a 33 1/3% support tests - 2019.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

**b 33 1/3% support tests - 2018.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

**Part IV Supporting Organizations**

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

**Section A. All Supporting Organizations**

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

**Part IV Supporting Organizations** (continued)

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

**Section B. Type I Supporting Organizations**

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

**Section C. Type II Supporting Organizations**

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

**Section D. All Type III Supporting Organizations**

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

**Section E. Type III Functionally Integrated Supporting Organizations**

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

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

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

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

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

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

LUMINIS HEALTH ANNE ARUNDEL MEDICAL

Schedule A (Form 990 or 990-EZ) 2019 CENTER, INC.

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

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

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

Schedule A (Form 990 or 990-EZ) 2019



LUMINIS HEALTH ANNE ARUNDEL MEDICAL

Schedule A (Form 990 or 990-EZ) 2019 CENTER, INC.

52-1169362 Page 8

**Part VI**

**Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions.)

Multiple horizontal lines for supplemental information.

**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**

Name of the organization

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

Employer identification number

52-1169362

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( 3 ) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

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

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

**General Rule**

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

**Special Rules**

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000; or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

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

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

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

Name of organization <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER FOUNDATION, INC.  2000 MEDICAL PARKWAY, SUITE 606  ANNAPOLIS, MD 21401	\$ 2,272,854.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  200 INDEPENDENCE AVENUE, S.W.  WASHINGTON, DC 20201	\$ 26,135,001.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	THE HENRY M. JACKSON FOUNDATION  6720 A ROCKLEDGE DR.  BETHESDA, MD 20817	\$ 69,624.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	YWCA  1517 RITCHIE HWY, STE. 201  ARNOLD, MD 21012	\$ 27,240.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	THE PFIZER FOUNDATION  235 EAST 42ND STREET  NEW YORK, NY 10017	\$ 22,397.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
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**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

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

Name of organization <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
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**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
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
<b>(e) Transfer of gift</b>			
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
<b>(e) Transfer of gift</b>			
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
<b>(e) Transfer of gift</b>			
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
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

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

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2019**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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

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

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

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

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

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

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

Name of organization <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
---	---

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

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

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

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

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

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

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

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

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
<b>1a</b>	Total lobbying expenditures to influence public opinion (grassroots 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>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
<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? .....														

Yes  No

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) Total
<b>2a</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					

LUMINIS HEALTH ANNE ARUNDEL MEDICAL

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

For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
<b>a</b> Volunteers? .....		X	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..		X	
<b>c</b> Media advertisements? .....		X	
<b>d</b> Mailings to members, legislators, or the public? .....		X	
<b>e</b> Publications, or published or broadcast statements? .....		X	
<b>f</b> Grants to other organizations for lobbying purposes? .....		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body? .....	X		80,412.
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? .....		X	
<b>i</b> Other activities? .....	X		49,668.
<b>j</b> Total. Add lines 1c through 1i .....			130,080.
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? .....		X	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912 .....			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912 .....			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? .....			

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

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

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

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

**Part IV Supplemental Information**

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

**PART II-B, LINE 1, LOBBYING ACTIVITIES:**

THE ORGANIZATION PAID \$80,412 TO ITS LOBBYIST CAPITOL STRATEGIES TO DIRECTLY CONTACT LEGISLATORS ON MATTERS AFFECTING HEALTH CARE. THE ORGANIZATION PAYS DUES TO THE MARYLAND HOSPITAL ASSOCIATION. A PORTION OF THESE DUES ARE USED FOR LOBBYING ACTIVITIES.



**SCHEDULE D**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

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

▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

OMB No. 1545-0047

**2019**  
**Open to Public Inspection**

**Name of the organization** LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC. **Employer identification number** 52-1169362

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) Assets included in Form 990, Part X .....

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

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

b Assets included in Form 990, Part X .....

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

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

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

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- |                                 | Amount |
|---------------------------------|--------|
| c Beginning balance             | 1c     |
| d Additions during the year     | 1d     |
| e Distributions during the year | 1e     |
| f Ending balance                | 1f     |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

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

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment \_\_\_\_\_%
  - b Permanent endowment \_\_\_\_\_%
  - c Term endowment \_\_\_\_\_%
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |   | Yes    | No |
|---|--------|----|
| (i) Unrelated organizations   | 3a(i)  |    |
| (ii) Related organizations  | 3a(ii) |    |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? <input type="checkbox"/> | 3b     |    |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		27,220,200.		27,220,200.
b Buildings		384,926,815.	158,948,562.	225,978,253.
c Leasehold improvements		11,588,964.	10,467,004.	1,121,960.
d Equipment		289,763,575.	244,019,503.	45,744,072.
e Other		22,314,735.		22,314,735.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				322,379,220.

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

Schedule D (Form 990) 2019

52-1169362 Page 3

**Part VII Investments - Other Securities.**

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A) INVESTMENT IN PREMIER		
(B) PURCHASING PARTNERS, LLP	10,388,029.	END-OF-YEAR MARKET VALUE
(C) CSV OFFICERS LIFE		
(D) INSURANCE	850,300.	END-OF-YEAR MARKET VALUE
(E) CAPE AND GLOBAL		
(F) DEVELOPING MARKETS FUND	10,668,284.	END-OF-YEAR MARKET VALUE
(G) THE EMERGING MARKETS		
(H) EQUITY FUND	10,539,691.	END-OF-YEAR MARKET VALUE
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.)	<b>63,095,982.</b>	

**Part VIII Investments - Program Related.**

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

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

**Part IX Other Assets.**

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

(a) Description	(b) Book value
(1) LIMITED USE ASSETS	12,381,768.
(2) NOTES RECEIVABLE FROM AFFILIATES	1,458,240.
(3) BENEFICIAL INTEREST IN LUMINIS HEALTH AAMC FOUNDATION,	
(4) INC.	23,449,842.
(5) RESTRICTED COLLATERAL FOR INTEREST RATE SWAP AGREEMENTS	110,002,361.
(6) RIGHT OF USE ASSET	8,539,182.
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	<b>155,831,393.</b>

**Part X Other Liabilities.**

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) FAIR VALUE OF INTEREST RATE SWAP	
(3) DERIVATIVE CONTRACTS	117,036,508.
(4) DEFERRED DEBT ISSUE COSTS	-3,620,059.
(5) OPERATING LEASE	8,620,452.
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	<b>122,036,901.</b>

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

Schedule D (Form 990) 2019

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

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

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

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

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

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

**Part XIII Supplemental Information.**

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

**PART X, LINE 2:**

UNDER THE REQUIREMENTS OF ASC 740, INCOME TAXES, TAX-EXEMPT ORGANIZATIONS  
COULD BE REQUIRED TO RECORD AN OBLIGATION AS THE RESULT OF A TAX POSITION  
THEY HAVE HISTORICALLY TAKEN ON VARIOUS TAX EXPOSURE ITEMS. LUMINIS  
HEALTH, INC. AND SUBSIDIARIES (THE "GROUP") HAS DETERMINED THAT IT DOES  
NOT HAVE ANY UNCERTAIN TAX POSITIONS THROUGH JUNE 30, 2020.



**SCHEDULE F  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Statement of Activities Outside the United States**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.**

Employer identification number  
**52-1169362**

**Part I** **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" on 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 the region	(d) Activities conducted in the region (by type) (such as, 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 the region	(f) Total expenditures for and investments in the region
CENTRAL AMERICA AND THE CARIBBEAN	1	0	REINSURANCE EXPENSES		8,120,509.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		25,531,053.
<b>3 a</b> Subtotal .....	1	0			33,651,562.
<b>b</b> Total from continuation sheets to Part I .....	0	0			0.
<b>c Totals</b> (add lines 3a and 3b) .....	1	0			33,651,562.







**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 separately 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; don't file with Form 990)* .....  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 separately file Form 5713, International Boycott Report (see Instructions for Form 5713; don't file with Form 990)* .....  Yes  No



**SCHEDULE H  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Hospitals**

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

OMB No. 1545-0047

**2019**

Open to Public Inspection

Name of the organization **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.** Employer identification number **52-1169362**

**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 <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	X	
<b>b</b> Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <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>330</u> %	X	
<b>c</b> If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
<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	

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

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
<b>Financial Assistance and Means-Tested Government Programs</b>						
<b>a</b> Financial Assistance at cost (from Worksheet 1)			5994790.		5994790.	1.03%
<b>b</b> Medicaid (from Worksheet 3, column a)						
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b)						
<b>d Total.</b> Financial Assistance and Means-Tested Government Programs			5994790.		5994790.	1.03%
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4)			4112533.		4112533.	.71%
<b>f</b> Health professions education (from Worksheet 5)			7259543.		7259543.	1.25%
<b>g</b> Subsidized health services (from Worksheet 6)			26582193.		26582193.	4.59%
<b>h</b> Research (from Worksheet 7)			525,738.		525,738.	.09%
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8)			2820170.		2820170.	.49%
<b>j Total.</b> Other Benefits			41300177.		41300177.	7.13%
<b>k Total.</b> Add lines 7d and 7j			47294967.		47294967.	8.16%





**Part V Facility Information** (continued)

**Section B. Facility Policies and Practices**

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

Name of hospital facility or letter of facility reporting group LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENT

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

	Yes	No
<b>Community Health Needs Assessment</b>		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? .....		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C .....		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 .....	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>18</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted .....	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C .....	X	
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C .....	X	
7 Did the hospital facility make its CHNA report widely available to the public? .....	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>WWW.AAHS.ORG/COMMUNITY</u>		
b <input checked="" type="checkbox"/> Other website (list url): <u>HTTPS://WWW.AAHEALTH.ORG/HEALTHYANNEARUNDEL/CHN</u>		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 .....	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>18</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website? .....	X	
a If "Yes," (list url): <u>HTTPS://WWW.AAHS.ORG/UPLOADEDFILES/CONTENTS/EYEBROW/</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? .....		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? .....		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? .....		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

**Part V Facility Information** (continued)

**Financial Assistance Policy (FAP)**

Name of hospital facility or letter of facility reporting group LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENT

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
<b>13</b> Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? .....	<b>X</b>	
If "Yes," indicate the eligibility criteria explained in the FAP:		
<b>a</b> <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200</u> % and FPG family income limit for eligibility for discounted care of <u>330</u> %		
<b>b</b> <input type="checkbox"/> Income level other than FPG (describe in Section C)		
<b>c</b> <input type="checkbox"/> Asset level		
<b>d</b> <input type="checkbox"/> Medical indigency		
<b>e</b> <input type="checkbox"/> Insurance status		
<b>f</b> <input type="checkbox"/> Underinsurance status		
<b>g</b> <input type="checkbox"/> Residency		
<b>h</b> <input type="checkbox"/> Other (describe in Section C)		
<b>14</b> Explained the basis for calculating amounts charged to patients? .....	<b>X</b>	
<b>15</b> Explained the method for applying for financial assistance? .....	<b>X</b>	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
<b>b</b> <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
<b>c</b> <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
<b>d</b> <input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
<b>e</b> <input type="checkbox"/> Other (describe in Section C)		
<b>16</b> Was widely publicized within the community served by the hospital facility? .....	<b>X</b>	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE PART V, PAGE 8</u>		
<b>b</b> <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE PART V, PAGE 8</u>		
<b>c</b> <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE PART V, PAGE 8</u>		
<b>d</b> <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>e</b> <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>f</b> <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>g</b> <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
<b>h</b> <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
<b>i</b> <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
<b>j</b> <input type="checkbox"/> Other (describe in Section C)		

Schedule H (Form 990) 2019

**Part V Facility Information** (continued)

**Billing and Collections**

Name of hospital facility or letter of facility reporting group LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENT

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

**Policy Relating to Emergency Medical Care**

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



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

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

Name of hospital facility or letter of facility reporting group LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENT

	Yes	No
<b>22</b> 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.		
<b>a</b> <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
<b>b</b> <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
<b>c</b> <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
<b>d</b> <input checked="" type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
<b>23</b> During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? ..... If "Yes," explain in Section C.	<b>23</b>	<b>X</b>
<b>24</b> During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? ..... If "Yes," explain in Section C.	<b>24</b>	<b>X</b>

Schedule H (Form 990) 2019

**Part V Facility Information** (continued)

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

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER:

PART V, SECTION B, LINE 5: SEE STATEMENT FOR PART VI, LINE 2 ON PAGE 56  
FOR SUPPORTING NARRATIVE.

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER:

PART V, SECTION B, LINE 6A: THE CHNA WAS A JOINT UNDERTAKING, LED BY THE  
ANNE ARUNDEL COUNTY DEPARTMENT OF HEALTH, LUMINIS HEALTH, INC. AND  
UNIVERSITY OF MARYLAND BALTIMORE WASHINGTON MEDICAL CENTER. THE RESEARCH  
AND SURVEY DATA WERE SOURCED BY SECONDARY DATA PROFILES, KEY INFORMANT  
SURVEYS AND FOCUS GROUPS.

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER:

PART V, SECTION B, LINE 6B: ANNE ARUNDEL DEPARTMENT OF HEALTH  
ANNE ARUNDEL MENTAL HEALTH AGENCY  
COMMUNITY FOUNDATION OF ANNE ARUNDEL COUNTY  
ANNAPOLIS AND ANNE ARUNDEL COUNTY YWCA  
ANNE ARUNDEL COUNTY PARTNERSHIP FOR CHILDREN YOUTH AND FAMILIES

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER:

PART V, SECTION B, LINE 11: THE CHNA IDENTIFIED MORE THAN 50 COMMUNITY  
HEALTH NEEDS. THE CHNA DATA WAS COMPILED FROM SECONDARY DATA SOURCES AND  
QUALITATIVE INFORMATION OBTAINED FROM KEY INFORMANT INTERVIEWS AND SEVERAL  
FOCUS GROUPS OF DIVERSE COMMUNITY MEMBERS. IT OUTLINED OVER 50 HEALTH

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

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

NEEDS IN THE ANNE ARUNDEL COUNTY COMMUNITY. WHILE A SINGULAR ENTITY OR HOSPITAL DOES NOT HAVE THE CAPACITY OR RESOURCES TO ADDRESS ALL OF THE NEEDS, AAMC INTENDS TO COLLABORATE WITH PARTNERS AND ADDRESS MANY OF THE NEEDS TO BETTER THE HEALTH OF THE COMMUNITY. AAMC'S SENIOR LEADERSHIP AND SELECT PATIENT ADVISORS PRIORITIZED THE 50 NEEDS AND SELECTED 4 HEALTH NEEDS. THE RESULTS AND CORRELATING ACTION PLANS ARE INCLUDED BELOW.

SENIOR HEALTH: BUILD AGE-FRIENDLY PROGRAMS AROUND THE 4MS (MEDICATION, MENTATION, MOBILITY, WHAT MATTERS), WITH ADDITIONAL FOCUS IN AMBULATORY CARE SETTINGS

YOUTH BEHAVIORAL HEALTH/IN-CRISIS: ENGAGE COMMUNITY STAKEHOLDER TO IDENTIFY GAPS IN SERVICES AND IMPLEMENT PROGRAMS TO INCREASE EDUCATION ON RISK AND WARNING SIGNS FOR MENTAL HEALTH FOR ADULTS AND ADOLESCENTS.

SOCIAL DETERMINANTS OF HEALTH: CREATE A SYSTEMIC SCREENING PROCESS FOR PATIENTS TO ADDRESS SOCIAL DETERMINANTS OF HEALTH. ENGAGE COMMUNITY PARTNERS TO EXPAND REFERRALS.

ASSESSING NEEDS IN PRINCE GEORGE'S & QUEEN ANNE'S COUNTIES: YEAR 1- INTEGRATE AND PARTICIPATE IN PRINCE GEORGE'S COUNTY AND EASTERN SHORE HEALTH DEPARTMENT(S) COMMUNITY COALITIONS.  
YEAR 2- SELECT 1 HEALTH NEED FROM FINDINGS FROM YEAR 1 AND DEVELOP AND FOCUSED IMPLEMENTATION PLAN. A FOCUSED IMPLEMENTATION PLAN FOR DIABETES PREVENTION WAS DEVELOPED FOR LUMINIS HEALTH.

THE CHNA DESCRIBED OTHER SOCIAL DETERMINANTS OF HEALTH SUCH AS:

Part V Facility Information (continued)

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

TRANSPORTATION, AFFORDABLE HOUSING, QUALITY CHILDCARE AND ACCESS TO HEALTHY FOOD. AAMC CANNOT ADEQUATELY ADDRESS THESE NEEDS AS THEY REQUIRE INTERVENTION FROM PUBLIC SERVICES AND LOCAL GOVERNMENT.

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER:

PART V, LINE 16A, FAP WEBSITE:

WWW.AAHS.ORG/PLAN-YOUR-VISIT/PATIENT-RESOURCES/BILLING-AND-INSURANCE/FINANCIAL-ASSISTANCE/

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER:

PART V, LINE 16B, FAP APPLICATION WEBSITE:

WWW.AAHS.ORG/PLAN-YOUR-VISIT/PATIENT-RESOURCES/BILLING-AND-INSURANCE/FINANCIAL-ASSISTANCE/

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER:

PART V, LINE 16C, FAP PLAIN LANGUAGE SUMMARY WEBSITE:

WWW.AAHS.ORG/PLAN-YOUR-VISIT/PATIENT-RESOURCES/BILLING-AND-INSURANCE/FINANCIAL-ASSISTANCE/



**Part VI Supplemental Information**

Provide the following information.

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

PART I, LINE 7:

CHARITY CARE REPORTED IN LINE 7A WAS CALCULATED USING A COST TO CHARGE RATIO DERIVED USING THE RATIO OF PATIENT CARE COST TO CHARGES AND THE HOSPITAL'S AUDITED FINANCIAL STATEMENTS. OTHER COST AMOUNTS INCLUDED IN LINE 7 RELATING TO COMMUNITY BENEFITS AND COMMUNITY BUILDING ACTIVITIES WERE OBTAINED FROM THE ORGANIZATION'S COMMUNITY BENEFIT REPORT FILING WITH THE HSCRC IN THE STATE OF MARYLAND. THESE COSTS WERE DETERMINED USING A VARIETY OF SOURCES, INCLUDING PAYROLL INFORMATION (FOR DIRECT LABOR COSTS) AND THE ORGANIZATION'S GENERAL LEDGER SYSTEM DETAIL (FOR OTHER DIRECT COSTS E.G. SUPPLIES). INDIRECT COSTS IN THESE AREAS OF BENEFIT WERE DETERMINED BY APPLYING AN INDIRECT COST RATIO TO THE DIRECT COST AMOUNTS OBTAINED. THIS RATIO IS CALCULATED USING SCHEDULE M OF THE HOSPITAL'S ANNUAL COST REPORT FILING WITH THE HSCRC IN THE STATE OF MARYLAND.

PART I, LINE 7A, COLUMN (D) AND LINE 7F, COLUMNS (C) AND (D): 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

**Part VI** Supplemental Information (Continuation)

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 CONSIDERING UNCOMPENSATED CARE IN EACH PAYORS' RATES, AND THEREFORE MARYLAND HOSPITALS ARE UNABLE TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE. COMMUNITY BENEFIT EXPENSES ARE EQUAL TO MEDICAID REVENUES IN MARYLAND, AS SUCH, THE NET EFFECT IS ZERO. THE EXCEPTION TO THIS IS THE IMPACT ON THE HOSPITAL OF ITS SHARE OF THE MEDICAID ASSESSMENT. IN RECENT YEARS, THE STATE OF MARYLAND HAS CLOSED FISCAL GAPS IN THE STATE MEDICAID BUDGET BY ASSESSING HOSPITALS THROUGH THE RATE SETTING SYSTEM.

PART I, LINE 7G:

PHYSICIAN CLINIC COSTS ARE INCLUDED AS SUBSIDIZED HEALTH SERVICES BECAUSE THEY WOULD NOT OTHERWISE BE AVAILABLE TO MEET PATIENT DEMAND.

THE HOSPITAL MAINTAINS 24/7 INPATIENT COVERAGE WITH THE HOSPITALIST PROGRAM AND PHYSICIAN COVERAGE FOR BEHAVIORAL HEALTH AT ED, FIRST ASSISTS, RADIATION ONCOLOGY, BREAST CENTER FOR EXCELLENCE, ADULT HOSPITALISTS, INTENSIVIST SERVICE, PEDIATRIC HOSPITALIST, ACUTE CARE SURGERY, OB HOSPITALIST, RETINOPATHY SERVICES, WOMENS CTR/PELVIC HEALTH, HEMATOLOGY-ONCOLOGY SPECIAL, ANNAPOLIS THORACIC, ANNAPOLIS SURGICAL ONCOLOGY, GYN ONCOLOGY CENTER, PALLIATIVE CARE SERVICE, MICROVASCULAR SURGERY, SURVIVORSHIP PROGRAM, PAIN MANAGEMENT AND ANNAPOLIS ONCOLOGY AT A COST INCLUDED IN PART I, LINE 7G OF \$37,537,857. THIS COVERAGE PROVIDES AND GUARANTEES ROUND THE CLOCK ACCESS FOR PATIENTS TO NEEDED SERVICES.

WE ALSO SUBSIDIZE HOSPITALISTS, INCLUDING PEDIATRIC HOSPITALISTS AND INTENSIVISTS AT A COST OF \$8,893,479 TO ENSURE AROUND THE CLOCK ACCESS FOR

**Part VI** Supplemental Information (Continuation)

PATIENTS FOR THESE NEEDED SERVICES.

PHYSICIAN SHORTAGES IDENTIFIED:

LOCALLY, THERE IS A SIGNIFICANT SHORTAGE OF PRIMARY CARE PHYSICIANS IN THE REGION. ACCORDING TO COUNTY HEALTH RANKINGS, THE PATIENT TO PRIMARY CARE PHYSICIAN RATIO IN ANNE ARUNDEL (1,450:1) IS WORSE THAN IN MARYLAND (1,140:1) AND THE U.S. TOP PERFORMING COUNTIES WHICH ARE AMONG THE 90TH PERCENTILE IN RANKING (1,030:1). THE ACTUAL NUMBER OF PRIMARY CARE PHYSICIANS IN THE COUNTY HAS INCREASED BY ONLY FIVE SINCE 2014.

SIMILARLY, THE PATIENT TO DENTIST (1480:1) AND MENTAL HEALTH (650:1) PROVIDERS' RATIO IN ANNE ARUNDEL IS WORSE THAN IN MARYLAND (DENTIST 1320:1, MENTAL HEALTH PROVIDER (460:1) AND THE U.S. TOP PERFORMING COUNTIES (DENTIST 1280:1 AND MENTAL HEALTH PROVIDER (330:1).

THIS SHORTAGE RESULTS IN SERIOUSLY LIMITED ACCESS TO PRIMARY CARE IN PARTS OF OUR COMMUNITY BENEFIT SERVICE AREA. BUILDING PRIMARY CARE ACCESS IS ESSENTIAL TO THE HOSPITAL'S STRATEGIC PLAN, VISION 2020. INCREASED ACCESSIBILITY AND COORDINATING HEALTH CARE INCREASED FOCUS ON PREVENTION AND IMPROVING THE POPULATION HEALTH OF OUR CBSA.

PHYSICIAN RECRUITMENT, PARTICULARLY PRIMARY CARE RECRUITMENT, CONTINUES TO BE A MAJOR INITIATIVE FOR THE ORGANIZATION. WHILE THE UNINSURED AND UNDERSERVED POPULATION CAN ACCESS CARE THROUGH THE COMMUNITY CLINICS OPERATED BY PHYSICIAN ENTERPRISE, LLC, SPECIALTY CARE REMAINS A CHALLENGE. THEREFORE, AAMC FINANCIALLY SUBSIDIZES SPECIALISTS WHO TAKE ON THE CARE OF THE UNDERSERVED/UNINSURED FROM THE CLINICS. THIS INCENTIVE ALLOWS FOR ADDITIONAL CARE FOR THE UNDERSERVED. SINCE HEALTHCARE SYSTEM NAVIGATION IS A CHALLENGE, A CARE MANAGER IN THE CLINICS ASSISTS WITH PLACING THESE



**Part VI** Supplemental Information (Continuation)

PATIENTS IN APPROPRIATE SPECIALTY CARE. AAMC CONTINUES TO MONITOR AND ADDRESS THE PROBLEMS ASSOCIATED WITH CARE FOR THE UNINSURED AND UNDERSERVED.

PART I, LN 7 COL(F):

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER (AAMC) PROMOTES ACCESS TO ALL MEDICALLY NECESSARY SERVICES REGARDLESS OF AN INDIVIDUAL'S ABILITY TO PAY. AAMC WILL PROVIDE FINANCIAL ASSISTANCE BASED ON INDIGENCE OR HIGH MEDICAL EXPENSES FOR PATIENTS WHO MEET SPECIFIED FINANCIAL CRITERIA AND REQUEST SUCH ASSISTANCE. A PATIENT WHO IS ELIGIBLE FOR FINANCIAL ASSISTANCE WILL NOT BE CHARGED MORE THAN THE AMOUNT GENERALLY BILLED TO OTHER PAYERS.

PART II, COMMUNITY BUILDING ACTIVITIES:

SUPPORT SYSTEMS ENHANCEMENT INCLUDES EMERGENCY MANAGEMENT ACTIVITIES, ALTERNATE CARE SITE NAVAL SUPPORT ACTIVITY, OTHER DRILLS AND REAL TIME ACTIVITIES. THE HOSPITAL HAS A DISASTER PREPAREDNESS COORDINATOR THAT IS RESPONSIBLE FOR STAFF TRAINING, COORDINATING DISASTER DRILLS AND KEEPING THE HOSPITAL'S DISASTER PREPAREDNESS INVENTORY UP TO DATE. FOR FY2020, COVID-19 PREPARATION AND PLANNING WAS ALSO INCLUDED AS DISASTER PREP. WE DID RECEIVE FUNDING THAT COVERED COVID-19 EMERGENCY PREP.

COALITION BUILDING INCLUDES HOSPITAL REPRESENTATION TO COMMUNITY COALITIONS, COLLABORATIVE PARTNERSHIPS WITH COMMUNITY GROUPS TO IMPROVE COMMUNITY HEALTH, COMMUNITY MEETING COSTS, VISIONING SESSIONS AND COSTS FOR TASK FORCE SPECIFIC PROJECTS AND INITIATIVES. THE HOSPITALS ONGOING WORK WITH COMMUNITY GROUPS AND PARTICIPATION IN ADVISORY COMMITTEES AND COUNCILS CREATE A CONTINUOUS COMMUNICATIONS PROCESS, BRINGING NEW IDEAS FROM ANNE ARUNDEL COUNTY RESIDENTS AND ORGANIZATIONS INTO THE HOSPITAL'S

**Part VI** Supplemental Information (Continuation)

COMMUNITY BENEFIT PLANNING PROCESS.

AAMC IS COMMITTED TO ADDRESSING THE MOST SIGNIFICANT HEALTH NEED IN THE COUNTY WHICH IS BEHAVIORAL HEALTH. AAMC RUNS AN OUTPATIENT MENTAL HEALTH CLINIC WITH MENTAL HEALTH SERVICES FOR PATIENTS AGE 13 AND OLDER. LUMINIS HEALTH J. KENT MCNEW FAMILY MEDICAL CENTER, INC. OPENED IN MAY 2020 WITH 16 MENTAL HEALTH, IN-PATIENT BEDS.

PART III, LINE 2:

SEE PART III, LINE 3 FOR EXPLANATION

PART III, LINE 3:

THE HOSPITAL HAS ADOPTED HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION STATEMENT #15. THE HOSPITAL'S POLICY IS TO WRITE OFF ALL PATIENT ACCOUNTS THAT HAVE BEEN IDENTIFIED AS UNCOLLECTIBLE. AN ALLOWANCE FOR DOUBTFUL ACCOUNTS IS RECORDED FOR ACCOUNTS NOT YET WRITTEN OFF THAT ARE ANTICIPATED TO BECOME UNCOLLECTIBLE IN FUTURE PERIODS. INSURANCE COVERAGE AND CREDIT INFORMATION ARE OBTAINED FROM PATIENTS WHEN AVAILABLE. NO COLLATERAL IS OBTAINED FOR ACCOUNTS RECEIVABLE. BAD DEBT EXPENSE AT COST WAS DETERMINED BY USING A COST TO CHARGE RATIO. THE BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY WAS DETERMINED BY SPECIFIC IDENTIFICATION REVIEWING BAD DEBT RECORDS AND DETERMINING WHO WOULD HAVE BECOME ELIGIBLE FOR CHARITY CARE IF ALL INFORMATION HAD BEEN OBTAINED FROM THE PATIENTS.

PART III, LINE 4:

SEE FOOTNOTE #2 OF AUDITED FINANCIAL STATEMENTS - PAGES 20-22

**Part VI** Supplemental Information (Continuation)

PART III, LINE 8:

COMMUNITY BENEFIT QUESTION IS NOT APPLICABLE IN MARYLAND AS MARYLAND HOSPITALS ARE REIMBURSED UNDER THE HSCRC WAIVER PROGRAM WHEREIN NET REVENUE (REIMBURSEMENT) IS BASED ON A PERCENTAGE OF REGULATED CHARGES. COSTING METHODOLOGY BASED ON TRIAL BALANCE EXPENSES ADJUSTED TO ALLOWABLE EXPENSE IN ACCORDANCE WITH MEDICARE COST REPORTING RULES AND REGULATIONS. COST NUMBERS REPORTED ARE CONSISTENT WITH AAMC'S MEDICARE COST REPORT FILING.

PART III, LINE 9B:

EACH AAMC PATIENT BILL INCLUDES CONTACT INFORMATION FOR FINANCIAL ASSISTANCE AND STATES WHERE TO CALL TO REQUEST A PAYMENT PLAN. SHORT AND LONG TERM INTEREST FREE PAYMENT PLANS ARE AVAILABLE. THE HOSPITAL TAKES INTO ACCOUNT THE BALANCE OF THE BILL AND THE PATIENT'S FINANCIAL CIRCUMSTANCES IN DETERMINING THE APPROPRIATE AGREEMENT. SHOULD THE PATIENT CONTACT PATIENT FINANCIAL SERVICES CUSTOMER SERVICE UNIT REGARDING INABILITY TO PAY, FINANCIAL ASSISTANCE IS OFFERED, THE AMOUNT OF WHICH IS BASED ON THE FINANCIAL ASSISTANCE SCREENING PROCESS. IF THERE IS NO INDICATION FROM THE PATIENT OR A REPRESENTATIVE THAT THEY CANNOT PAY AND NO ATTEMPT AT PAYMENT OR REASONABLE PAYMENT ARRANGEMENTS ARE MADE, THE ACCOUNT IS REFERRED TO A COLLECTION AGENCY. THE COLLECTION AGENCY IS EDUCATED ON HOW TO MAKE REFERRALS TO AAMC'S FINANCIAL COUNSELING DEPARTMENT FOR INDIVIDUALS INDICATING THEY HAVE AN INABILITY TO PAY. THE HOSPITAL COLLECTION POLICY ALLOWS THE HOSPITAL TO TAKE INTO ACCOUNT PATIENT CIRCUMSTANCES SUCH AS THE AMOUNT OF THE BILL AND AMOUNTS OWED TO OTHER PROVIDERS IN DETERMINATION OF ULTIMATE AMOUNT TO BE PAID.

PART VI, LINE 2:

**Part VI** Supplemental Information (Continuation)

THE SUMMATIVE (QUANTITATIVE) DATA CONTAINED IN THIS NEEDS ASSESSMENT WAS GATHERED FROM A VARIETY OF LOCAL, STATE AND NATIONAL SOURCES. POPULATION AND SOCIO-ECONOMIC STATISTICS WERE COMPILED USING DATA FROM THE UNITED STATES (U.S.) CENSUS BUREAU'S POPULATION ESTIMATES PROGRAM AND THE AMERICAN COMMUNITY SURVEY 1-YEAR AND 5 YEAR ESTIMATES. THESE DATA SHOULD BE CONSIDERED LESS RELIABLE DUE TO THE GAP OF EIGHT YEARS SINCE THE LAST FULL CENSUS. ALL DATA HERE ARE BASED ON CENSUS ESTIMATES. BIRTH AND DEATH DATA FILES WERE OBTAINED FROM THE MARYLAND DEPARTMENT OF HEALTH AND MENTAL HYGIENE, VITAL STATISTICS ADMINISTRATION. THE EMERGENCY DEPARTMENT AND INPATIENT HOSPITAL DISCHARGE DATA FILES WERE OBTAINED FROM THE MARYLAND HEALTH SERVICES COST REVIEW COMMISSION FOR TOPICS LIKE BIRTH, MORTALITY AND HOSPITAL UTILIZATION. OTHER DATA SOURCES USED FOR THIS REPORT WERE: MARYLAND VITAL STATISTICS ANNUAL REPORTS, MARYLAND DEPARTMENT OF HEALTH AND MENTAL HYGIENE'S ANNUAL CANCER REPORTS, BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM (BRFSS), CENTERS FOR DISEASE CONTROL AND PREVENTION'S CDC WONDER ONLINE DATABASE, CENTERS FOR MEDICARE AND MEDICAID SERVICES, NATIONAL VITAL STATISTICS REPORTS AND COUNTY HEALTH RANKINGS, AND A VARIETY OF LOCAL DATABASES. THE SPECIFIC DATA SOURCES ARE LISTED THROUGHOUT THE REPORT.

THE FY2019 CHNA DRAWS ON QUALITATIVE DATA GATHERED FROM 26 KEY INFORMANTS AND 11 FOCUS GROUPS. FOCUS GROUP AREAS INCLUDED EMERGENCY DEPARTMENT PERSONNEL, LOW INCOME YOUTH, BEHAVIORAL HEALTH PROVIDERS, HISPANIC RESIDENTS, ADVOCATES, DOMESTIC VIOLENCE VICTIMS AND A HOST OF OTHERS REPRESENTING A TOTAL OF 185 PARTICIPANTS. A FULL LIST OF FOCUS GROUPS AND KEY INFORMANTS CAN BE FOUND BELOW. INTERVIEWS AND CONVERSATIONS WERE RECORDED, WITH THE PERMISSION OF PARTICIPANTS, AND TRANSCRIBED VERBATIM. THE AUTHOR THANKS LISA KOVACS, ADMINISTRATIVE COORDINATOR AT THE ANNE

**Part VI** Supplemental Information (Continuation)

ARUNDEL COUNTY PARTNERSHIP FOR CHILDREN, YOUTH AND FAMILIES, FOR THE HOURS OF TRANSCRIPTION TIME SPENT ENSURING THIS CHNA ACCURATELY REPRESENTS THE VOICES OF OUR COMMUNITY. THE DATA WAS READ AND REREAD UNTIL DOMINANT THEMES EMERGED WHICH BECAME THE SUBTEXT OF THE REPORT. ALL PARTICIPANTS GAVE PERMISSION FOR THEIR WORDS TO BE USED IN THE FINAL REPORT, ALTHOUGH THEIR IDENTITIES ARE PROTECTED.

THE FY2019 CHNA DRAWS ON QUALITATIVE DATA GATHERED FROM 26 KEY INFORMANTS AS FOLLOWS:

CEO, LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER (AAMC)

CEO, UNIVERSITY OF MARYLAND BALTIMORE WASHINGTON MEDICAL CENTER

ANNE ARUNDEL COUNTY HEALTH OFFICER

EXECUTIVE DIRECTOR, ANNE ARUNDEL COUNTY MENTAL HEALTH AGENCY

DIRECTOR, ANNE ARUNDEL COUNTY CRISIS RESPONSE

CLINICAL DIRECTOR, ANNE ARUNDEL COUNTY MENTAL HEALTH AGENCY

DOMESTIC VIOLENCE COORDINATOR, AAMC

COUNTY LEGISLATIVE LEADER

DIRECTOR, DEPARTMENT OF SOCIAL SERVICES

SCHOOLS SUPERINTENDENT

MIDDLE SCHOOL AMBASSADOR

THREE DOMESTIC VIOLENCE VICTIMS

DIRECTOR, ANNE ARUNDEL COUNTY DEPARTMENT OF AGING AND DISABILITIES

HISPANIC COMMUNITY LEADER

ANNE ARUNDEL COUNTY CHIEF OF POLICE

ANNE ARUNDEL COUNTY TRANSPORTATION DIRECTOR

COUNTY EXECUTIVE

COUNTY ADMINISTRATIVE OFFICER

FAITH LEADER

**Part VI** Supplemental Information (Continuation)

PUBLIC HOUSING RESIDENT

FORMALLY HOMELESS YOUTH

EXECUTIVE DIRECTOR, COMMUNITY HEALTH AGENCY

EXECUTIVE DIRECTOR, YWCA

EXECUTIVE DIRECTOR OF ALTERNATE EDUCATION FOR THE PUBLIC SCHOOL SYSTEM

ELEVEN FOCUS GROUPS CONTRIBUTED TO THE REPORT AS FOLLOWS:

AAAMC AND UMBWMC EMERGENCY DEPARTMENT AND EMERGENCY RESPONSE (14).

LOW-INCOME YOUTH FROM PUBLIC HOUSING (32).

BEHAVIORAL HEALTH PROVIDERS (40)

DOMESTIC VIOLENCE AND SEXUAL ASSAULT VICTIMS (7)

SENIORS (10)

HISPANIC COMMUNITY (5)

HUMAN SERVICES PROVIDERS AND ADVOCATES (14)

EARLY CHILDHOOD ADVOCATES (10)

COMMUNITY HEALTH PROVIDERS (4)

AGING AND DISABILITIES PROVIDERS (7)

PUPIL PERSONNEL WORKERS (20)

ANNE ARUNDEL COUNTY HEALTH DEPARTMENT SENIOR STAFF (12)

CRIMINAL JUSTICE REPRESENTATIVES (5)

THE CHNA CAN BE ACCESSED ONLINE VIA

[HTTPS://WWW.AAHEALTH.ORG/HEALTHYANNEARUNDEL/CHNA/](https://www.aahealth.org/healthyannearundel/chna/)

PART VI, LINE 3:

PUBLIC NOTICE AND INFORMATION REGARDING THE LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER'S CHARITY CARE POLICY INCLUDES THE FOLLOWING:

**Part VI** Supplemental Information (Continuation)

A) ANNUAL NOTICE THAT CHARITY CARE IS PROVIDED AND THE CRITERIA IS PROVIDED AND PUBLISHED IN THE LOCAL NEWSPAPER, THE CAPITAL.

B) THE NOTICE PROVIDED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES REGARDING MEDICAL CARE FOR THOSE WHO CANNOT AFFORD TO PAY IS POSTED AT THE POINT OF ADMISSION, THE BUSINESS OFFICE, CASHIER, AND EMERGENCY ROOM.

C) INDIVIDUAL NOTICE IS PROVIDED TO EACH PERSON SEEKING SERVICE AT THE TIME OF ADMISSION OR PRE-ADMISSION TESTING.

D) INFORMATION ON HOW TO OBTAIN FINANCIAL ASSISTANCE IS INCLUDED ON EVERY PATIENT LETTER AND STATEMENT.

E) THE MEDICAL CENTER'S CALL CENTER REPRESENTATIVES AND COLLECTORS INFORM PATIENTS OF FINANCIAL ASSISTANCE AVAILABILITY IF THE PATIENT INDICATES THEY ARE UNABLE TO PAY THEIR BILL.

F) FINANCIAL ASSISTANCE APPLICATION FORMS, IN ENGLISH AND SPANISH, ARE AVAILABLE ON THE MEDICAL CENTER'S WEBSITE.

G) THE MEDICAL CENTER'S FINANCIAL ASSISTANCE POLICY, IN ENGLISH AND SPANISH, IS AVAILABLE ON THE MEDICAL CENTER'S WEBSITE.

H) PAMPHLETS EXPLAINING FINANCIAL ASSISTANCE ARE AVAILABLE AT THE INFORMATION DESK AS WELL AS REGISTRATION STATIONS, INCLUDING THE EMERGENCY ROOM THROUGHOUT THE MEDICAL CENTER.

**Part VI** Supplemental Information (Continuation)

PART VI, LINE 4:

ANNE ARUNDEL COUNTY IS THE FIFTH LARGEST COUNTY IN THE STATE COVERING 415 SQUARE MILES. IT HAS 534 MILES OF NATURAL SHORELINE. FOR THE MAJORITY OF RESIDENTS THE COUNTY IS A WONDERFUL PLACE TO LIVE. MOST RECENT HOUSEHOLD MEDIAN INCOME ESTIMATES STAND AT \$91,918 (US CENSUS ESTIMATES, 2016.) THE UNEMPLOYMENT RATE (AS OF JANUARY 2018) IS 3.9 PERCENT, LOWER THAN THE STATE AVERAGE OF 4.6 PERCENT. HOWEVER, THERE ARE 32,368 ANNE ARUNDEL COUNTY RESIDENTS (5.8 PERCENT) LIVING BELOW THE POVERTY LEVEL. THE RATE OF POVERTY FOR CHILDREN IS MUCH HIGHER, AT 9.3 PERCENT. SINGLE FEMALE HEAD OF HOUSEHOLD NUMBERS ARE EVEN HIGHER AND THERE ARE RACIAL DISPARITIES; 14.8 PERCENT OF WHITE AND 19.3 OF AFRICAN AMERICAN SINGLE FEMALE HEAD OF HOUSEHOLDS ARE AT OR BELOW THE POVERTY LEVEL. ALTHOUGH ANNE ARUNDEL COUNTY HAS A HIGH STANDARD OF LIVING OVERALL, ECONOMIC DISTRESS IS SPREAD UNEQUALLY THROUGHOUT THE COUNTY WITH POCKETS OF LOW INCOME AND POVERTY LEVEL FAMILIES CLUSTERED IN NORTH AND SOUTH COUNTY AREAS AND IN ANNAPOLIS. AS A RESULT, SOCIAL DETERMINANTS OF HEALTH ARE A CONSIDERABLE FACTOR FOR INDIVIDUALS AND FAMILIES LIVING IN POVERTY. ACCESS TO HEALTHY FOOD, EMOTIONAL STABILITY, THE CLEANLINESS AND SAFETY OF THE ENVIRONMENT, TRANSPORTATION, AND ACCESS TO HEALTH SERVICES ALL IMPACT HEALTH AND WELLNESS .

THE GAP BETWEEN RICH AND POOR CONTINUES TO WIDEN. THE NUMBER OF RESIDENT HOUSEHOLDS WITH AN INCOME ABOVE \$200,000 HAS GROWN BY OVER 38 PERCENT. THOSE HOUSEHOLDS WITH AN INCOME BELOW \$25,000 HAVE SHRUNK, BUT ONLY SLIGHTLY. THE ANNE ARUNDEL COUNTY ECONOMIC DEVELOPMENT CORPORATION OFFERS MORE RECENT INCOME ESTIMATES THAN CENSUS DATA SUGGESTING THAT IN 2018, THE MEDIAN HOUSEHOLD INCOME FOR THE COUNTY IS NOW STANDING AT \$99,652; 19 PERCENT MORE THAN THE STATE AND 65 PERCENT MORE THAN THE NATION.



**Part VI** Supplemental Information (Continuation)

THE WHITE CAUCASIAN POPULATION IS DIMINISHING TO 70.3 PERCENT OF THE POPULATION, THE BLACK POPULATION HAS REMAINED RELATIVELY FLAT AT 15.6 PERCENT OF THE POPULATION. HOWEVER, THE HISPANIC POPULATION IS GROWING MORE SIGNIFICANTLY THAN ALL RACES/ETHNICITIES AND IS NOW AT 7.9 PERCENT (STILL LOWER THAN THE STATE AVERAGE OF 9.8 PERCENT.) THE COUNTY HAS THE FOURTH LARGEST HISPANIC POPULATION BY PERCENTAGE AMONG MARYLAND COUNTIES. THE DISTRIBUTION OF THE POPULATION IS UNEVEN IN THE COUNTY WITH A HIGH OF 20.3 PERCENT HISPANIC IN THE CITY OF ANNAPOLIS. THE LARGEST SECTOR OF THE HISPANIC POPULATION IS FROM CENTRAL AMERICAN COUNTRIES, INCLUDING A GROWING POPULATION FROM EL SALVADOR. THIS IS SIGNIFICANTLY DIFFERENT FROM THE OVERALL U.S. HISPANIC POPULATION, WHICH IS OVERWHELMINGLY MEXICAN (63 PERCENT.)

THE NUMBER OF AMERICANS OVER THE AGE OF 60 IS CONTINUING TO INCREASE. THE LARGE DEMOGRAPHIC OF BABY BOOMERS (THOSE BORN BETWEEN 1946 AND 1964) IS NOW DEFINING THE AGING POPULATION; 10,000 PEOPLE IN THE NATION TURN 65 EVERY DAY (U.S. HEALTH AND HUMAN SERVICES, 2018.) SENIORS ARE ALSO LIVING LONGER THROUGH ADVANCED MEDICAL CARE, EARLY DIAGNOSIS AND TREATMENT, AND BETTER NUTRITION.

IN 2016, THERE WERE 4,380 DEATHS IN ANNE ARUNDEL COUNTY, AND LIFE EXPECTANCY WAS 79.6 YEARS. ACCIDENTAL (UNINTENTIONAL INJURY) DEATHS ROSE TO THE FOURTH LEADING CAUSE OF DEATH DRIVEN BY INCREASES IN OPIOID OVERDOSE DEATHS. CANCER WAS THE LEADING CAUSE OF DEATH, ALTHOUGH THESE NUMBERS HAVE SEEN A 1 PERCENT DECREASE SINCE 2013. OVERWEIGHT AND OBESITY CONTINUE TO DRIVE POOR HEALTH OUTCOMES FOR THE COUNTY, INCLUDING SECONDARY ISSUES SUCH AS DIABETES. HEART DISEASE IS STILL THE SECOND CAUSE OF DEATH

**Part VI** Supplemental Information (Continuation)

IN THE COUNTY. INFANT MORTALITY AND LOW BIRTH WEIGHT CONTINUES TO  
NEGATIVELY IMPACT OUR FAMILIES. OTHER DRIVERS IN THE COUNTY INCLUDE A  
RISING RATE OF REPORTED DOMESTIC VIOLENCE AND HUMAN TRAFFICKING CASES.  
THERE IS AN EPIDEMIC RELATED TO OPIOID OVERDOSES AND DEATHS INCLUDING A  
LACK OF SPECIALTY PROVIDERS AND MENTAL HEALTH PROVIDERS, IN PARTICULAR  
SPANISH SPEAKING PROVIDERS. THE EMERGENCY ROOMS ARE OVERCROWDED AS A  
RESULT.

PART VI, LINE 5:

THE FOLLOWING ARE SEVERAL EXAMPLES OF HOSPITAL ACTIVITIES AND INITIATIVES:

THE HOSPITAL HAS DOCTOR ON-CALL ROTATIONS IN EVERY SPECIALTY FOR WHICH  
THERE MAY BE AN EMERGENCY OR INPATIENT NEED. ON-CALL COVERAGE IS PROVIDED  
TO ALL PATIENTS REGARDLESS OF INSURANCE STATUS. THERE ARE NO GAPS IN  
AVAILABILITY OF ANY SPECIALTY FOR UNINSURED OR UNDERSERVED PATIENTS. IN  
ADDITION, THE HOSPITAL HAS HOSPITALIST PROGRAMS IN MEDICINE, PEDIATRICS,  
GENERAL SURGERY, OBSTETRICS AND AN INTENSIVIST PROGRAM. THESE PHYSICIANS  
PROVIDE 24-HOUR IN-HOUSE COVERAGE FOR EACH OF THESE AREAS FOR ALL PATIENTS  
REGARDLESS OF INSURANCE STATUS. THE HOSPITAL ALSO PROVIDES SPECIALTY  
PROGRAMS FOR THORACIC SURGERY, NEONATAL OPHTHALMOLOGY, GYN ONCOLOGY,  
PALLIATIVE CARE, NEUROLOGY/STROKE, WOMEN'S PELVIC HEALTH, SURGICAL  
ONCOLOGY, AND THE BREAST CENTER.

THE HOSPITAL AND MANY OF ITS PHYSICIANS SUPPORT THE ANNE ARUNDEL COUNTY  
HEALTH DEPARTMENT'S REACH PROGRAM (RESIDENTS ACCESS TO A COALITION OF  
HEALTH), WHICH OFFERS ACCESS TO AFFORDABLE HEALTH SERVICES FOR LOW-INCOME  
UNINSURED INDIVIDUALS IN ANNE ARUNDEL COUNTY.

**Part VI** Supplemental Information (Continuation)

THE HOSPITAL CONTINUES ITS "GREEN INITIATIVE" PROGRAM IN ORDER TO IMPROVE AND PROTECT THE HEALTH OF STAFF AND THE COMMUNITY BY IMPLEMENTING ENVIRONMENTALLY FRIENDLY INITIATIVES. THE HOSPITAL PAVILION SOUTH TOWER IS THE FIRST 24/7 HOSPITAL TO BE LEED GOLD CERTIFIED. VARIOUS PROGRAMS UNDER THIS INITIATIVE INCLUDE BATTERY RECYCLING, REUSABLE SHARPS CONTAINERS, REPROCESSING TO REDUCE MEDICAL WASTE, AND USE OF GREEN SEAL CERTIFIED CLEANERS. THE HOSPITAL EMPLOYS A SUSTAINABILITY MANAGER AS PART OF THIS PROGRAM.

THE HOSPITAL ALSO HAS A DISASTER PREPAREDNESS COORDINATOR THAT IS RESPONSIBLE TO PROVIDE STAFF TRAINING, COORDINATE DISASTER DRILLS, AND KEEP THE HOSPITAL'S DISASTER PREPAREDNESS SUPPLY INVENTORY UP TO DATE. HOSPITAL EMPLOYEES HAVE COMPLETED FEMA EMERGENCY PREPARATION COURSES TO BETTER COLLABORATE WITH OTHER COUNTY SERVICE PROVIDERS TO BETTER SERVE THE COMMUNITY. THESE STAFF MEMBERS PARTICIPATED IN A NUMBER OF COLLABORATIVE PLANNING MEETINGS AND DRILLS WITH DESIGNATED COUNTY SERVICES AND FIRST RESPONDERS.

COMMUNITY ACCESS IS ALWAYS AVAILABLE THROUGH THE HOSPITAL'S ASK-A-NURSE PROGRAM CALLED ASKAAMC. THE ASK-A-NURSE PROGRAM PROVIDES THE COMMUNITY AROUND THE CLOCK TELEPHONE ACCESS TO REGISTERED NURSES.

EACH YEAR, THE HEALTH SYSTEM'S COMMUNITY HEALTH AND WELLNESS DEPARTMENT PARTNERS WITH THE ANNAPOLIS AND ANNE ARUNDEL COUNTY COALITION TO END HOMELESSNESS IN ORGANIZING THE COUNTY'S ANNUAL HOMELESS RESOURCE DAY. THIS YEAR MORE THAN 64 COUNTY SERVICE PROVIDERS ATTENDED AND MORE THAN 307 GUESTS, INCLUDING 267 ADULTS AND 40 CHILDREN, OF THE AREAS HOMELESS WERE ASSISTED IN OBTAINING ACCESS TO NEEDED HEALTH AND HUMAN SERVICES. AAMC

**Part VI** Supplemental Information (Continuation)

NURSES MANAGED A TRIAGE TABLE COMPLETING HEALTH DATABASES, BLOOD PRESSURE SCREENINGS, MEDICATION RECONCILIATION AND EDUCATION, ALONG WITH DENTAL, VISION AND SOCIAL SERVICES REFERRALS.

PART VI, LINE 6:

THE HEALTH SYSTEM'S LUMINIS HEALTH COMMUNITY CLINICS, LLC (FKA AAMC COMMUNITY CLINICS, LLC), A GROUP WITHIN PHYSICIAN ENTERPRISE, LLC CURRENTLY HAS (4) LOCATIONS: MORRIS BLUM, FOREST DRIVE, ARUNDEL LODGE, AND STANTON CENTER.

THE MOST SIGNIFICANT EFFORT PUT FORTH IN FY2020 WAS TO CONTINUE TO FOCUS ON THE UNDERSERVED POPULATION. RESOURCES WERE ALLOCATED TO THE CONTINUED OPERATIONS OF THE COMMUNITY HEALTH CENTER ON FOREST DRIVE IN ANNAPOLIS AND OF THE MORRIS BLUM COMMUNITY HEALTH CENTER WITHIN THE STATE-DESIGNATED HEALTH ENTERPRISE ZONE (HEZ) IN ANNAPOLIS ON GLENWOOD STREET. INCLUDED IN THE HEZ EFFORT IS THE ANNAPOLIS COMMUNITY HEALTH PARTNERSHIP, WHICH CONSISTS OF LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, THE HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS, THE CITY OF ANNAPOLIS, THE ANNE ARUNDEL COUNTY DEPARTMENT OF HEALTH AND THE ANNE ARUNDEL COUNTY DEPARTMENT OF AGING AND DISABILITIES.

THE ANNAPOLIS COMMUNITY HEALTH PARTNERSHIP IS FOCUSING ON A CURRENTLY MEDICALLY UNDERSERVED NEIGHBORHOOD WITH HIGH RATES OF EMERGENCY ROOM UTILIZATION, HOSPITAL ADMISSIONS AND READMISSIONS, AND A LARGE VOLUME OF MEDICAL 911 CALLS. THROUGH FUNDING PROVIDED BY THE HEZ DESIGNATION, THE PARTNERSHIP ESTABLISHED A PATIENT-CENTERED MEDICAL HOME AT THE MORRIS H. BLUM SENIOR APARTMENTS BUILDING. THIS MEDICAL OFFICE, NESTLED IN THE COMMUNITY IT IS MEANT TO SERVE, IS EASILY ACCESSIBLE BY FOOT OR PUBLIC

**Part VI** Supplemental Information (Continuation)

TRANSPORTATION. THE PRIMARY CARE MEDICAL HOME PERSONNEL PROVIDE MEDICAL TREATMENT TO PATIENTS AGE SIX YEARS OLD TO ADULTS. THE MORRIS BLUM MEDICAL CLINIC PROVIDES MEDICAL CARE TO THE RESIDENTS OF THE BUILDING AND THE SURROUNDING COMMUNITY WHO ARE UNINSURED AND UNDER-SERVED. THE AAMC COMMUNITY CLINICS ACCEPT MOST MAJOR INSURANCE COMPANIES AND HAS A SLIDING FEE SCALE FOR INDIVIDUALS WHO LACK INSURANCE COVERAGE. THE SLIDING SCALE IS BASED ON FEDERAL POVERTY GUIDELINES, GROSS HOUSEHOLD INCOME AND NUMBER OF HOUSEHOLD DEPENDENTS. BY HAVING A REGULAR DOCTOR IN A REGULAR SITE, PATIENT-PHYSICIAN RELATIONSHIPS STRENGTHEN AND CARE IMPROVES.

HEALTH OUTCOMES ARE BEING MONITORED AND DEMONSTRATED BY MEASURING PATIENT SATISFACTION, IMPROVING MANAGEMENT OF CHRONIC DISEASE AND DECREASING PREVENTABLE MEDICAL 911 CALLS, EMERGENCY ROOM VISITS AND HOSPITAL ADMISSIONS. THERE WERE 2,063 PATIENT VISITS AT MORRIS BLUM IN FY2020.

THE FOREST DRIVE CLINIC ALSO PROVIDES PRIMARY CARE SERVICES TO PATIENTS IN ALL STAGES OF LIFE (NEWBORN-GERIATRIC). MEDICAL SERVICES ARE PROVIDED BY QUALIFIED, PROFESSIONAL EMPLOYED STAFF, AND IS CONVENIENTLY LOCATED ON SEVERAL LOCAL BUS ROUTES. THE PRIMARY CARE SITE PROVIDES 24 HOUR CALL COVERAGE FOR PATIENT CALLS AND ALL CLINICS UTILIZE ELECTRONIC MEDICAL RECORDS. IN FY2020 FOREST DRIVE HAD 7,076 PATIENT VISITS.

DENTAL SERVICES ARE PROVIDED AT THE STANTON CENTER AND ARE PROVIDED SOLELY BY VOLUNTEER STAFF. THE VOLUNTEER STAFF CURRENTLY CONSISTS OF MORE THAN 90 DENTISTS + 3 SUPPORT STAFF (ADMIN-DENTAL ASSISTANTS-INTERPRETERS). THE DENTAL CLINIC IS OPEN 2 HALF DAYS PER WEEK WITH NO WAITING LIST. THE DENTAL CLINIC DOES NOT BILL INSURANCE FOR SERVICES. PATIENTS MUST QUALIFY FOR FREE OR REDUCED COST DENTAL SERVICES BASED ON GROSS HOUSEHOLD INCOME

**Part VI** Supplemental Information (Continuation)

PLUS NUMBER OF HOUSEHOLD DEPENDENTS. THERE WERE 188 PATIENT VISITS AT THE STANTON CENTER IN FY2020.

ALL CLINIC LOCATIONS PROVIDE INTERPRETERS VIA IN PERSON AND/OR TELEPHONIC. THERE ARE (6) BI-LINGUAL STAFF BETWEEN THE 4 CLINICS. IN THE EVENT WE ARE UNABLE TO PROVIDE 1-1 INTERPRETATION, TELEPHONIC INTERPRETATION AND/OR VIDEO INTERPRETATION VIA MARTTI IS PROVIDED 24/7.

PATIENTS AT THE LUMINIS HEALTH COMMUNITY CLINICS MUST PRESENT PROOF OF INCOME AND UNDERGO A FINANCIAL ANALYSIS AT THE TIME OF THE INITIAL APPOINTMENT AND ON AN ANNUAL BASIS THEREAFTER. IF THE PATIENT'S INCOME INCREASES OR DECREASES A NEW FINANCIAL ANALYSIS IS COMPLETED. PATIENTS WHO MAY QUALIFY FOR INSURANCE ARE REFERRED TO THE AAHS FINANCIAL ASSISTORS TO REVIEW HIS/HER ELIGIBILITY. ALL PATIENTS ARE TREATED WITH DIGNITY, RESPECT, CONFIDENTIALITY WITHOUT JUDGMENT IN A WELCOMING ATTRACTIVE CLINIC.

ADDITIONAL COMMUNITY BENEFIT EXPENSES INCURRED BY AFFILIATED ENTITIES WITHIN THE HEALTH SYSTEM INCLUDE:

RESEARCH EXPENSE - \$1,089,590 INCURRED BY LUMINIS HEALTH ANNE ARUNDEL RESEARCH INSTITUTE, INC. (FKA ANNE ARUNDEL RESEARCH INSTITUTE, INC.)

SUBSIDIZED HEALTH SERVICES - \$241,664 INCURRED BY LUMINIS HEALTH IMAGING, INC. (FKA ANNE ARUNDEL HEALTH CARE SERVICES, INC.)

CHARITY CARE AND EDUCATION - \$235,721 INCURRED BY LUMINIS HEALTH PATHWAYS, INC. (FKA ANNE ARUNDEL GENERAL TREATMENT SERVICES, INC.)

WHEN CONSIDERING THE ADDITIONAL EXPENSE OF COMMUNITY BENEFIT ACTIVITIES PROVIDED BY AFFILIATED ENTITIES IN COMBINATION WITH THE COST REPORTED AT

**Part VI** Supplemental Information (Continuation)

PART I, LINE 7, TOTAL COMMUNITY BENEFIT EXPENSE AS A PERCENTAGE OF AAMC  
EXPENSES WOULD INCREASE TO 10.42%.

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

MD

**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

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

▶ **Attach to Form 990.**

▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.**

OMB No. 1545-0047

**2019**

**Open to Public  
Inspection**

Name of the organization **LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

**Employer identification number  
52-1169362**

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

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

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

<b>1 (a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section (if applicable)	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of noncash assistance	<b>(h)</b> Purpose of grant or assistance
PHYSICIAN ENTERPRISE, LLC 2000 MEDICAL PARKWAY, SUITE 606 ANNAPOLIS, MD 21401	27-0263214	501(C)(3)	427,732.	0.			TO SUPPORT OPERATIONS OF PHYSICIAN ENTERPRISE, LLC

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

**3** Enter total number of other organizations listed in the line 1 table ..... ▶ 0

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

Schedule I (Form 990) (2019)



LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

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

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

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

PART I, LINE 2:

THE ORGANIZATION CONTRIBUTED FUNDS TO A RELATED ORGANIZATION TO SUPPORT ITS  
EXEMPT PURPOSE. THE ORGANIZATION MONITORS THE USE OF THESE FUNDS THROUGH  
BOARD MEETINGS AND THROUGH THE REVIEW OF THE ENTITY'S FINANCIAL  
INFORMATION.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2019**

Open to Public Inspection

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

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

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

Name of the organization **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.**

Employer identification number  
**52-1169362**

**Part I Questions Regarding Compensation**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Yes	No
<b>1a</b>		
<b>1b</b>		
<b>2</b>		
<b>3</b>		
<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>		

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

Schedule J (Form 990) 2019

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

52-1169362

Schedule J (Form 990) 2019

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) VICTORIA BAYLESS CEO	(i)	958,976.	642,339.	432,593.	213,200.	0.	2,247,108.	345,800.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) MARY CLANCE BOARD MEMBER	(i)	258,493.	0.	11,806.	7,522.	0.	277,821.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) ROBERT REILLY TREASURER/ CFO	(i)	468,159.	285,150.	28,454.	12,600.	17,657.	812,020.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) MAULIK JOSHI CHIEF OPERATING OFFICER	(i)	449,486.	309,247.	134,005.	37,207.	31,891.	961,836.	46,178.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) MITCHELL SCHWARTZ, M.D. CHIEF MEDICAL OFFICER	(i)	501,349.	262,501.	94,208.	66,721.	22,803.	947,582.	60,540.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) PAULA WIDERLITE CHIEF STRATEGY OFFICER	(i)	369,416.	242,055.	24,460.	8,400.	2,550.	646,881.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) SHIRLEY KNELLY CHIEF COMPLIANCE/PATIENT SAFETY OFFI	(i)	320,850.	133,563.	54,581.	36,010.	11,087.	556,091.	22,238.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) DAVID LEHR CHIEF INFORMATION OFFICER	(i)	333,579.	142,765.	28,275.	34,949.	11,059.	550,627.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) BARBARA JACOBS CHIEF NURSING OFFICER	(i)	319,528.	130,632.	23,996.	3,075.	11,128.	488,359.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) JENNIFER HARRINGTON VP SUPPORT & CLINICAL SERVICES	(i)	287,795.	116,095.	25,124.	22,097.	16,207.	467,318.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) ADRIAN PARK SURGERY DIVISION CHAIR	(i)	680,098.	235,538.	23,462.	62,595.	17,700.	1,019,393.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) JULIA MCGOVERN HUMAN RESOURCES OFFICER	(i)	328,675.	162,650.	22,884.	8,400.	0.	522,609.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) STEPHEN CLARKE VP AMBULATORY SERVICES	(i)	284,563.	113,130.	25,452.	11,573.	16,121.	450,839.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(14) JOSH JACOBS VP STRATEGIC PLANNING	(i)	250,092.	107,779.	54,500.	16,838.	1,422.	430,631.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(15) CATHERINE YURKON VP OF FINANCE	(i)	261,787.	105,626.	25,416.	11,695.	9,309.	413,833.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							

**Part III** Supplemental Information

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

**PART I, LINE 4B:**

**THE FOLLOWING PARTICIPATED IN THE ORGANIZATION'S 457(F) PLAN:**

VICTORIA BAYLESS	\$200,600
MAULIK JOSHI	\$ 28,807
MITCHELL SCHWARTZ, M.D.	\$ 58,321
JENNIFER HARRINGTON	\$ 13,724
ADRIAN PARK, M.D.	\$ 54,195
SHIRLEY KNELLY	\$ 26,541
DAVID LEHR	\$ 26,549
JOSH JACOBS	\$ 8,888
CATHERINE YURKON	\$ 10,772

**DURING THE YEAR, THE FOLLOWING DIRECTORS AND OFFICERS RECEIVED PAYMENTS AS  
PART OF THEIR PARTICIPATION IN THE ORGANIZATION'S 457(F) PLAN:**

VICTORIA BAYLESS	\$345,800
JULIA MCGOVERN	\$ 242
MAULIK JOSHI	\$ 46,178
MITCHELL SCHWARTZ, M.D.	\$ 60,540
SHIRLEY KNELLY	\$ 22,238

**Supplemental Information on Tax-Exempt Bonds**

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

▶ **Attach to Form 990.** ▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

Name of the organization **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.** Employer identification number **52-1169362**

<b>Part I Bond Issues</b>											
<b>SEE PART VI FOR COLUMNS (A) AND (F) CONTINUATIONS</b>											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
<b>A</b> MARYLAND HEALTH AND HIGHER EDUCATION FACILIT	52-0936091	5742173V5	02/19/09	60000000.	FINANCE ACQUISITION/CONST		X		X		X
<b>B</b> MARYLAND HEALTH AND HIGHER EDUCATION FACILIT	52-0936091	574218LP6	11/01/12	80370836.	FINANCE ACQUISITION/REFUN		X		X		X
<b>C</b> MARYLAND HEALTH AND HIGHER EDUCATION FACILIT	52-0936091	574218TJ2	11/01/14	134824993.	FINANCE ACQUISITION/ADVAN		X		X		X
<b>D</b> MARYLAND HEALTH AND HIGHER EDUCATION FACILIT	52-0936091	574218Z5	11/01/17	46852994.	FINANCE ACQUISITION/ADVAN		X		X		X

<b>Part II Proceeds</b>										
	A		B		C		D			
<b>1</b> Amount of bonds retired			16,745,000.		13,460,000.		3,525,000.			
<b>2</b> Amount of bonds legally defeased										
<b>3</b> Total proceeds of issue	60,000,000.		80,370,836.		134,824,993.		46,852,994.			
<b>4</b> Gross proceeds in reserve funds			3,458,575.		6,446,856.					
<b>5</b> Capitalized interest from proceeds	3,741,749.				15,734,149.					
<b>6</b> Proceeds in refunding escrows										
<b>7</b> Issuance costs from proceeds	1,098,549.		1,147,195.		749,019.		486,585.			
<b>8</b> Credit enhancement from proceeds	332,092.									
<b>9</b> Working capital expenditures from proceeds										
<b>10</b> Capital expenditures from proceeds	22,060,522.									
<b>11</b> Other spent proceeds	32,767,088.		75,765,066.		111,894,969.		46,366,409.			
<b>12</b> Other unspent proceeds										
<b>13</b> Year of substantial completion	2011		2012		2014		2017			
	Yes	No	Yes	No	Yes	No	Yes	No		
<b>14</b> Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?		X	X			X		X		
<b>15</b> Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		X	X		X			
<b>16</b> Has the final allocation of proceeds been made?	X		X		X		X			
<b>17</b> Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X			

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

Schedule K (Form 990) 2019

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

**Part III Private Business Use**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? .....		X		X		X		X
2 Are there any lease arrangements that may result in private business use of bond-financed property? .....		X		X		X		X
3a Are there any management or service contracts that may result in private business use of bond-financed property? .....		X		X		X		X
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property? .....		X		X	X			X
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? .....					X			
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....		.00 %		.00 %		.00 %		.00 %
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government .....		.00 %		.00 %		.18 %		.00 %
6 Total of lines 4 and 5 .....		.00 %		.00 %		.18 %		.00 %
7 Does the bond issue meet the private security or payment test? .....		X		X		X		X
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of .....		%		%		%		%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? .....								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? .....	X		X		X		X	

**Part IV Arbitrage**

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

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>4a</b> Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? .....	X			X		X		X
<b>b</b> Name of provider .....	CITIBANK							
<b>c</b> Term of hedge .....	39.7000000							
<b>d</b> Was the hedge superintegrated? .....		X						
<b>e</b> Was the hedge terminated? .....		X						
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)? .....		X		X		X		X
<b>b</b> Name of provider .....								
<b>c</b> Term of GIC .....								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? .....								
<b>6</b> Were any gross proceeds invested beyond an available temporary period? .....		X		X		X		X
<b>7</b> Has the organization established written procedures to monitor the requirements of section 148? .....	X		X		X		X	

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation isn't available under applicable regulations? .....	X		X		X		X	

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

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

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:  
FINANCE ACQUISITION/CONSTRUCT./RENOVATION/EQUIP.OF NEW & EXISTING FACILITIE

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE:  
FINANCE ACQUISITION/REFUND 1998 AND 2004A BONDS

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE: FINANCE ACQUISITION/ADVANCE FUNDING 2009 BONDS

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

(F) DESCRIPTION OF PURPOSE: FINANCE ACQUISITION/ADVANCE REFUND 2010 BONDS

**SCHEDULE K, PART IV, ARBITRAGE, LINE 2C:**

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY  
DATE THE REBATE COMPUTATION WAS PERFORMED: 07/01/2019

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

52-1169362

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

DATE THE REBATE COMPUTATION WAS PERFORMED: 07/01/2019

(A) ISSUER NAME: MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY

DATE THE REBATE COMPUTATION WAS PERFORMED: 07/01/2019



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

Department of the Treasury  
Internal Revenue Service

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

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

▶ Attach to Form 990 or 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

TREATMENT AND REHABILITATION, THIS VISION IS ACCOMPLISHED BY EXPANDING HEALTH CARE OUTSIDE OF THE HOSPITAL WALLS, STRENGTHENING COMMUNITY HEALTH THROUGH COMPREHENSIVE HEALTH MAINTENANCE AND EDUCATION OUTREACH.

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

OUR GOAL IS FOR EACH MOTHER AND HER FAMILY TO FEEL RESPECTED AND TO EXPERIENCE THE BIRTHING PROCESS AND POSTPARTUM EXPERIENCE THEY DESIRE. LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER DELIVERS MORE THAN 5,000 BABIES EACH YEAR, THE SECOND HIGHEST NUMBER OF DELIVERIES IN THE STATE OF MARYLAND.

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER'S NEONATAL INTENSIVE CARE UNIT (NICU) IS DESIGNATED AS A LEVEL III NICU, AND IS ABLE TO CARE FOR THE MOST CRITICALLY ILL NEWBORNS, ALLOWING BABIES BORN EARLY OR WITH COMPLICATIONS TO STAY WITH THEIR MOTHERS AT AAMC. HOSPITALS THAT DO NOT HAVE THIS LEVEL OF NICU CARE OFTEN MUST TRANSFER BABIES TO OTHER HEALTH CARE FACILITIES, MEANING THAT MOTHERS AND BABIES CANNOT REMAIN TOGETHER.

THE AAMC NICU, ALSO KNOWN AS "TEDDY'S PLACE", IS A STATE-OF-THE-ART 30-BED UNIT, EQUIPPED WITH LIFE-SAVING TECHNOLOGY AND STAFFED BY FULL- AND PART-TIME NEONATOLOGISTS, NEONATAL NURSE PRACTITIONERS, AND NURSES WITH SPECIALIZED NICU TRAINING. ON AVERAGE, 15 BABIES A DAY ARE CARED FOR IN OUR NICU, AND APPROXIMATELY 11 PERCENT OF ALL BABIES DELIVERED AT AAMC WILL SPEND SOME TIME IN THE NICU.

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

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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AT AAMC, THE CENTER FOR MATERNAL-FETAL MEDICINE OFFERS WOMEN THE HIGHEST LEVEL OF OBSTETRIC CARE, WITH THREE HIGHLY TRAINED PHYSICIANS ABLE TO PERFORM AND OVERSEE A WIDE RANGE OF COMPLICATIONS. THE AAMC CENTER FOR MATERNAL-FETAL MEDICINE OFFERS CARE TO WOMEN WHO COME FROM AS FAR AWAY AS MARYLAND'S CHARLES AND ST. MARY'S COUNTIES, AS WELL AS DELAWARE. TYPICAL PATIENTS INCLUDE WOMEN WHO ARE CARRYING TWINS OR TRIPLETS, WOMEN REQUIRING DIABETES EDUCATION OR SPECIALIZED TESTING, SUCH AS AMNIOCENTESIS, OR WOMEN WHO WILL BE 35 OR OLDER AT THE TIME OF DELIVERY.

THE AAMC WOMEN'S CENTER FOR PELVIC HEALTH PROVIDES COMPREHENSIVE AND INNOVATIVE PELVIC HEALTH CARE FOR WOMEN OF ALL AGES SUFFERING FROM PROBLEMS AND DISORDERS OF THE PELVIC REGION. OUR EXPERIENCED SPECIALISTS EMPLOY A COMPASSIONATE AND PROFESSIONAL APPROACH TO DIAGNOSE AND TREAT ALL COMPONENTS OF PELVIC PROBLEMS, WITH THE GOAL OF ENSURING WELLNESS AND MAINTAINING DIGNITY. THE AAMC WOMEN'S CENTER FOR PELVIC HEALTH ADDRESSES ISSUES INCLUDING: URINARY INCONTINENCE, PELVIC SUPPORT PROBLEMS, FECAL INCONTINENCE, CHILDBIRTH AND PREGNANCY RELATED PELVIC FLOOR DISORDERS, INCONTINENCE CLEARLY LINKED TO PROLAPSE OR PELVIC FLOOR DYSFUNCTION, AND PELVIC ORGAN PROLAPSE (CYSTOCELE, RECTOCELE, UTERINE, VAGINAL VAULT, PERINEAL). IN 2017, AAMC'S WOMEN'S CENTER FOR PELVIC HEALTH WAS AWARDED THE SAFETY CERTIFICATION IN OUTPATIENT PRACTICE EXCELLENCE (SCOPE) FOR WOMEN'S HEALTH. IT IS ONE OF ONLY TWO WOMEN'S HEALTH PRACTICES IN THE STATE AND AMONG ONLY 95 IN THE COUNTRY TO RECEIVE THIS DESIGNATION.

STROKE

AAMC HAS EARNED CERTIFICATION AS A PRIMARY STROKE CENTER FROM THE JOINT

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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COMMISSION, AND WAS THE FIRST HOSPITAL IN THE REGION (AND ONE OF THE FIRST EIGHT IN THE STATE) TO HAVE EARNED THIS HIGHLY SPECIALIZED DESIGNATION. BECAUSE SUCCESSFUL TREATMENT OF STROKE PATIENTS IS SO TIME-CRITICAL, THE PRESENCE OF A CERTIFIED STROKE CENTER IN ANNE ARUNDEL COUNTY IS SIGNIFICANT FOR THE RESIDENTS OF THE REGION BECAUSE THEY NO LONGER HAVE TO WASTE PRECIOUS TIME AND TRAVEL 30 OR MORE MILES TO GET LIFE-SAVING TREATMENT.

THE JOINT COMMISSION CERTIFICATION MEANS AAMC HAS DEMONSTRATED THAT ITS STROKE PROGRAM FOLLOWS NATIONAL STANDARDS AND GUIDELINES THAT CAN SIGNIFICANTLY IMPROVE OUTCOMES FOR STROKE PATIENTS. IN MARYLAND, SOMEONE IS HOSPITALIZED FOR A STROKE EVERY 30 MINUTES AND SOMEONE DIES EVERY THREE HOURS, ACCORDING TO THE MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS (MIEMSS). STROKE IS THE 3RD LEADING CAUSE OF DEATH IN MARYLAND.

IN 2016 AAMC RECEIVED THE STROKE GOLD PLUS ACHIEVEMENT AWARD FROM THE AMERICAN HEART ASSOCIATION/AMERICAN STROKE ASSOCIATION, THE HIGHEST AWARD GIVEN TO STROKE PROGRAMS NATIONALLY.

AAMC OFFERS TREATMENT WITH TPA - TISSUE PLASMINOGEN ACTIVATOR, A CLOT-BUSTING MEDICATION APPROVED FOR USE IN CERTAIN PATIENTS HAVING A STROKE. TPA MUST BE GIVEN WITHIN A FEW HOURS AFTER SYMPTOMS BEGIN. THE PROCEDURE IS DONE THROUGH AN INTRAVENOUS (IV) LINE BY SPECIALLY TRAINED HOSPITAL PERSONNEL.

AAMC TREATED MORE THAN 700 STROKE PATIENTS DURING FISCAL YEAR 2020.

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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HEART AND VASCULAR INSTITUTE

THE AAMC HEART AND VASCULAR INSTITUTE IS A COMPREHENSIVE PROGRAM OFFERING EXCEPTIONAL EMERGENCY, INTERVENTIONAL AND SURGICAL CARE TO OUR COMMUNITY. THE HEART AND VASCULAR INSTITUTE FEATURES A DEDICATED HEART AND VASCULAR UNIT, VASCULAR SCREENING, SURGERY AND TREATMENT, CARDIAC-CATHERIZATION, INTERVENTIONAL MEDICINE, EMERGENCY ANGIOPLASTY, CARDIOPULMONARY REHABILITATION AND INTERVENTIONAL RADIOLOGY. A REGIONAL RESOURCE TO OUR COMMUNITY, THE AAMC HEART AND VASCULAR INSTITUTE IS NATIONALLY RECOGNIZED AS A STANDARD FOR CARE AND TREATMENT OF HEART ATTACK PATIENTS AND RECIPIENT OF THE 2011 GOLD PERFORMANCE ACHIEVEMENT AWARD FROM THE AMERICAN COLLEGE OF CARDIOLOGY. AAMC IS ALSO A PARTICIPANT IN THE C-PORT E PROGRAM, OFFERING ELECTIVE ANGIOPLASTY SERVICES TO OUR COMMUNITY.

IN 2015 AAMC ALSO RECEIVED A PERFORMANCE ACHIEVEMENT AWARD FROM THE AMERICAN COLLEGE OF CARDIOLOGY WHICH RECOGNIZED AAMC FOR CONSISTENTLY FOLLOWING HEART ATTACK TREATMENT GUIDELINES AND IMPROVING OUTCOMES FOR HIGH-RISK PATIENTS. ONLY 319 HOSPITALS NATIONWIDE RECEIVE THIS HONOR.

SURGICAL SERVICES

AAMC SURGEONS PERFORM A VARIETY OF INPATIENT AND OUTPATIENT SURGICAL PROCEDURES FROM THE ROUTINE TO THE TECHNOLOGICALLY ADVANCED, SUCH AS ROBOTICS. IN ADDITION TO GENERAL SURGERIES, THEY SPECIALIZE IN BREAST, COLON AND RECTAL, ORTHOPEDIC, PEDIATRIC, RETINAL, THORACIC, VASCULAR, UROLOGY, GYNECOLOGY, UROGYNECOLOGY, OPHTHALMOLOGY, AND EAR, NOSE AND THROAT SURGERY, AS WELL AS NEUROSURGERY AND PLASTIC RECONSTRUCTIVE SURGERY. BOARD-CERTIFIED ANESTHESIOLOGISTS PLAN AND SUPERVISE ANESTHESIA CARE FOR ALL PATIENTS. IN ADDITION, 24-HOUR PHYSICIAN CARE

Name of the organization LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number 52-1169362
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THROUGH THE HOSPITALIST AND INTENSIVIST PROGRAMS MEANS A DOCTOR IS ALWAYS NEARBY TO MAKE SURE RECOVERY FOR INPATIENTS IS PROGRESSING SMOOTHLY.

AAMC'S BARIATRIC SURGERY PROGRAM OPENED IN 2012 AND AAMC IS NOW A LEVEL 1 FACILITY, NATIONALLY ACCREDITED BY THE AMERICAN COLLEGE OF SURGEONS FOR PROVIDING A HIGH QUALITY OF CARE AND EXCELLENT OUTCOMES.

IN 2017, AAMC'S WEIGHT LOSS AND METABOLIC SURGERY PROGRAM BECAME ACCREDITED AS A COMPREHENSIVE CENTER BY THE METABOLIC AND BARIATRIC SURGERY ACCREDITATION AND QUALITY IMPROVEMENT PROGRAM, SIGNIFYING THE PROGRAM MEETS THE HIGHEST STANDARDS FOR PATIENT SAFETY AND QUALITY CARE. SINCE INCEPTION OVER 4,300 WEIGHT LOSS SURGERIES HAVE BEEN PERFORMED.

AT THE AAMC JOINT CENTER, OUR SURGEONS HOLD SUPERIOR CREDENTIALS AND MANY OF OUR SURGEONS SPECIALIZE IN KNEE AND HIP REPLACEMENT. OUR VOLUME OF SURGERY ALSO CONTRIBUTES TO OUR MEDICAL EXPERTISE. AAMC PERFORMS MORE THAN 1,800 JOINT REPLACEMENTS PER YEAR, WHICH MAKES US CONSISTENTLY ONE OF THE HIGHEST VOLUME JOINT REPLACEMENT CENTERS IN THE STATE. OVER THE PAST FIVE YEARS, AAMC PERFORMED MORE JOINT REPLACEMENTS THAN ANY OTHER HOSPITAL IN THE STATE.

JOINT CAMP ANOTHER UNIQUE PART OF THE AAMC JOINT CENTER IS OUR "JOINT CAMP". AN IMPORTANT PART OF THE PROGRAM, THE JOINT CAMP GETS ITS NAME IN PART FROM THE SENSE OF SHARED EXPERIENCES, CAMARADERIE AND COMPANIONSHIP MANY PATIENTS FEEL TOWARD ONE ANOTHER. THE PHILOSOPHY OF JOINT CAMP IS

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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THAT YOU AND YOUR FAMILY ARE NOT BYSTANDERS, BUT RATHER ACTIVE PARTICIPANTS WITH A COMMON GOAL. A TRAINED COORDINATOR HELPS GUIDE AND ASSIST YOU EVERY STEP OF THE WAY.

OUTPATIENT

THE AAMC GEATON AND JOANN DECESARIS CANCER INSTITUTE AT LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER ENCOMPASSES A LARGE ARRAY OF SERVICES RANGING FROM PREVENTION, SCREENING, DIAGNOSIS AND TREATMENT THROUGH SURVIVORSHIP. MANY DIFFERENT TYPES OF CANCER SPECIALISTS CONTRIBUTE TO THE CARE OF PATIENTS IN OUR PROGRAMS. IT IS OUR GOAL TO PROVIDE THE BEST EXPERIENCE POSSIBLE, NO MATTER WHERE OR HOW A PERSON ENCOUNTERS OUR CANCER CENTER SERVICES.

(CONTINUED ON PAGE 87)

FORM 990, PART VI, SECTION A, LINE 4:

THE ORGANIZATION CHANGED ITS NAME TO LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC. (FKA ANNE ARUNDEL MEDICAL CENTER, INC.)

FORM 990, PART VI, SECTION A, LINE 6:

THE SOLE STOCKHOLDER OF THE ORGANIZATION IS LUMINIS HEALTH, INC., A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM.

FORM 990, PART VI, SECTION A, LINE 7A:

THE SOLE STOCKHOLDER OF THE ORGANIZATION IS LUMINIS HEALTH, INC., A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM. LUMINIS HEALTH, INC. HAS THE EXPRESS POWER AND

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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RESPONSIBILITY TO ELECT AND REMOVE THE BOARD OF DIRECTORS AND OFFICERS OF THE CORPORATION.

FORM 990, PART VI, SECTION A, LINE 7B:

THE SOLE STOCKHOLDER OF THE ORGANIZATION IS LUMINIS HEALTH, INC., A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM. LUMINIS HEALTH, INC. HAS THE EXPRESS POWER AND RESPONSIBILITY TO APPROVE DECISIONS OF THE BOARD OF DIRECTORS.

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

RESPONSIBILITY FOR THE DETAILED REVIEW OF THE FORM 990 HAS BEEN ASSIGNED TO THE AUDIT AND COMPLIANCE COMMITTEE OF LUMINIS HEALTH, INC. THE AUDIT AND COMPLIANCE COMMITTEE REVIEWS THE FORM 990 AND PROVIDES SUMMARY INFORMATION TO THE FULL BOARD. THE FORM 990 IS MADE AVAILABLE TO THE FULL BOARD FOR REVIEW PRIOR TO ITS FILING.

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

THE ORGANIZATION REQUIRES THAT SENIOR EXECUTIVE LEADERS AND EACH MEMBER OF THE BOARD REVIEW THE ORGANIZATION'S CONFLICT OF INTEREST POLICY ON AN ANNUAL BASIS AND RETURN AN ACKNOWLEDGEMENT OF RECEIPT AND DISCLOSURE OF ANY POTENTIAL CONFLICTS OF INTEREST. SUBSEQUENT TO THE COMPLETION OF THE ANNUAL CONFLICT OF INTEREST QUESTIONNAIRE, IF A COVERED INDIVIDUAL BECOMES AWARE OF AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST, THE COVERED INDIVIDUAL SHALL PROMPTLY DISCLOSE IT TO THE PRESIDENT OF LUMINIS HEALTH, INC. IF LUMINIS HEALTH, INC. HAS REASONABLE CAUSE TO BELIEVE THAT A COVERED INDIVIDUAL HAS FAILED TO DISCLOSE A POTENTIAL CONFLICT OF INTEREST, IT SHALL INFORM THE COVERED INDIVIDUAL OF THE BASIS FOR SUCH BELIEF AND PROVIDE THE COVERED INDIVIDUAL AN OPPORTUNITY TO EXPLAIN THE ALLEGED

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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FAILURE TO DISCLOSE.

AFTER DISCLOSURE OF AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST BY A MEMBER OF THE BOARD OF TRUSTEES OR AN OFFICER OR SENIOR EXECUTIVE, THE EXECUTIVE COMMITTEE OF THE LUMINIS HEALTH BOARD SHALL DECIDE IF A CONFLICT OF INTEREST EXISTS. IF THE INTERESTED PERSON IS A MEMBER OF THE EXECUTIVE COMMITTEE, AFTER ANY DISCUSSION WITH THE INTERESTED MEMBER SUCH MEMBER SHALL LEAVE THE EXECUTIVE COMMITTEE MEETING WHILE THE DETERMINATION OF A CONFLICT OF INTEREST IS DISCUSSED AND VOTED UPON. THE EXECUTIVE COMMITTEE MAY REQUEST THAT LEGAL COUNSEL OR OTHER ADVISORS ASSIST AND ADVISE THE COMMITTEE IN CONNECTION WITH THE INVESTIGATION AND DETERMINATION OF ANY CONFLICT OF INTEREST ISSUE.

IF A CONFLICT OR POTENTIAL CONFLICT IS DEEMED TO EXIST, THE MEMBER MUST REMOVE HIMSELF OR HERSELF FROM THE ROOM DURING ANY DISCUSSION OF THE MATTER, REFRAIN FROM PARTICIPATING IN DISCUSSION AND VOTING UPON OR OTHER DECISION MAKING IN REGARD TO THE MATTER, AVOID USING HIS OR HER PERSONAL INFLUENCE, AVOID MAKING AN ADMINISTRATIVE DECISION ON THE MATTER, AND, IN THE CASE OF A DIRECTOR, MUST NOT BE COUNTED IN DETERMINING THE QUORUM FOR ACTION ON THE MATTER, EVEN WHERE PERMITTED BY THE BY-LAWS.

IF A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT IS NOT REASONABLY ATTAINABLE UNDER CIRCUMSTANCES THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST, THE EXECUTIVE COMMITTEE SHALL DETERMINE BY A MAJORITY VOTE WHETHER THE TRANSACTION OR ARRANGEMENT IS IN THE ORGANIZATION'S BEST INTEREST AND FOR ITS OWN BENEFIT AND WHETHER THE TRANSACTION IS FAIR AND REASONABLE TO THE ORGANIZATION AND SHALL MAKE ITS DECISIONS AS TO WHETHER TO ENTER INTO THE TRANSACTION OR ARRANGEMENT IN CONFORMITY WITH SUCH DETERMINATION. IF THE EXECUTIVE COMMITTEE DETERMINES THAT THE TRANSACTION IS IN THE BEST INTEREST OF LUMINIS HEALTH, THE COMMITTEE MAY IMPOSE SUCH CONDITIONS OR REQUIREMENTS ON THE COVERED INDIVIDUAL INCLUDING, BUT NOT



Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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LIMITED TO REQUIRING THAT THE COVERED INDIVIDUAL RECUSE HER/HIMSELF FROM DELIBERATIONS AND DECISIONS RELATING TO THOSE MATTERS WHERE THE INDIVIDUAL HAS A PERSONAL INTEREST WHICH COULD CONFLICT, OR APPEAR TO CONFLICT, WITH HER/HIS DUTY OF LOYALTY TO THE BEST INTERESTS OF THE ORGANIZATION AND LUMINIS HEALTH.

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

LUMINIS HEALTH INC'S AND LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER'S EXECUTIVE COMPENSATION COMMITTEE DETERMINES THE PRESIDENT AND CHIEF EXECUTIVE OFFICER'S COMPENSATION FOLLOWING THE IRC SECTION 4958 REBUTTABLE PRESUMPTION TEST. ALL OTHER COMPENSATION IS DETERMINED THROUGH CONSULTATION WITH AN INDEPENDENT OUTSIDE COMPENSATION CONSULTING FIRM.

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

THE ORGANIZATION'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE RETAINED IN THE FINANCE OFFICE AND ARE AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST. FORM 990 IS AVAILABLE BY REQUEST TO THE FINANCIAL SERVICES OFFICE OR CAN BE OBTAINED ONLINE AT WWW.GUIDESTAR.ORG.

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

SERVICE CONTRACTS:

PROGRAM SERVICE EXPENSES	5,833,477.
MANAGEMENT AND GENERAL EXPENSES	3,639,678.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	9,473,155.

PROFESSIONAL FEES:

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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PROGRAM SERVICE EXPENSES	5,057,755.
MANAGEMENT AND GENERAL EXPENSES	338,587.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	5,396,342.

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**CONTRACTED SERVICES:**

PROGRAM SERVICE EXPENSES	5,401,140.
MANAGEMENT AND GENERAL EXPENSES	14,811,255.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	20,212,395.

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**MEDICAL WASTE MANAGEMENT:**

PROGRAM SERVICE EXPENSES	492,107.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	492,107.

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**MISCELLANEOUS DIRECT EXPENSES:**

PROGRAM SERVICE EXPENSES	5,549,342.
MANAGEMENT AND GENERAL EXPENSES	5,460,878.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	11,010,220.

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**RECRUITING:**

PROGRAM SERVICE EXPENSES	8,085.
MANAGEMENT AND GENERAL EXPENSES	778,074.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	786,159.

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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PROFESSIONAL HOSPITAL SERVICES - PHYSICIAN ENTERPRISES:

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PROGRAM SERVICE EXPENSES	32,995,434.
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MANAGEMENT AND GENERAL EXPENSES	0.
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FUNDRAISING EXPENSES	0.
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TOTAL EXPENSES	32,995,434.
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TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A	80,365,812.
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FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

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CHANGE IN BENEFICIAL INTEREST IN LUMINIS HEALTH AAMC

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FOUNDATION, INC.	-1,090,292.
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OTHER CHANGES	-472,630.
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TRANSFER FROM LUMINIS HEALTH AAMC FOUNDATION, INC.	1,837,190.
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UNREALIZED GAIN FOR CONTRACTS UNDER SFAS 133	-57,177,708.
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INCOME FROM JOINT VENTURE	-3,656,763.
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CHANGE IN PENSION FUND STATUS	-11,410,789.
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COTTAGE CLAIM PAID BY LUMINIS HEALTH AAMC	6,000,000.
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TOTAL TO FORM 990, PART XI, LINE 9	-65,970,992.
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FORM 990, PAGE 12, PART XII, LINE 2C:

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THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

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FORM 990, PAGE 2, PART III, LINE 4A - CONTINUED:

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THE DECESARIS CANCER INSTITUTE WAS AWARDED THE COMMISSION ON CANCER

(COC) OUTSTANDING ACHIEVEMENT AWARD FOR 2008 FOLLOWING AN INTENSIVE

ON-SITE SURVEY COMPLETED IN NOVEMBER 2008. IN 2011, THE COC GRANTED A

THREE-YEAR ACCREDITATION WITH COMMENDATION TO THE DECESARIS CANCER

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Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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INSTITUTE, RECOGNIZING ITS CANCER COMMITTEE LEADERSHIP, CANCER DATA MANAGEMENT, CLINICAL SERVICES, RESEARCH, COMMUNITY OUTREACH, AND QUALITY IMPROVEMENT. THE DECESARIS CANCER INSTITUTE RECEIVED A 2014 AACC INNOVATOR AWARD FROM THE ASSOCIATION OF COMMUNITY CANCER CENTERS FOR ITS INNOVATIVE SYMPTOM MANAGEMENT CLINIC. ONLY SIX CANCER PROGRAMS NATIONWIDE RECEIVED THIS HONOR.

IT IS ONE OF ONLY FOUR CANCER PROGRAMS IN MARYLAND (AND ONE OF ONLY 95 PROGRAMS NATIONWIDE) TO RECEIVE THE PRESTIGIOUS AWARD FROM THE COC, AN ORGANIZATION ESTABLISHED BY THE AMERICAN COLLEGE OF SURGEONS. THE AWARD WAS ESTABLISHED IN 1994 TO RECOGNIZE CANCER PROGRAMS DEMONSTRATING EXCELLENCE IN PROVIDING QUALITY CARE TO CANCER PATIENTS. A FACILITY RECEIVES THE AWARD ONLY IF DEMONSTRATING A "COMMENDATION" LEVEL OF COMPLIANCE WITH SEVEN COC-ESTABLISHED STANDARDS OF CARE. AAMC DEMONSTRATED COMMENDATION-LEVEL COMPLIANCE IN SIX AREAS; CANCER COMMITTEE LEADERSHIP, CANCER DATA MANAGEMENT, CLINICAL SERVICES, RESEARCH, COMMUNITY OUTREACH, AND QUALITY IMPROVEMENT.

IN 2014 AAMC'S GEATON & JOANN DECESARIS CANCER INSTITUTE RECEIVED AACC INNOVATOR AWARD, ONLY 1 OF 6 HOSPITALS NATIONWIDE TO RECEIVE SUCH ACCOLADES. THIS WAS AWARDED FOR AAMC'S INNOVATIVE SYSTEM MANAGEMENT CLINIC.

THE REBECCA FORTNEY BREAST CENTER IS NATIONALLY RECOGNIZED FOR ITS OUTSTANDING CARE, RESEARCH AND COMPREHENSIVE PROGRAMS. IT OFFERS KIND, SENSITIVE, AND TAILORED BREAST DISEASE TREATMENT AND CARE FOR WOMEN. WITH OUR HIGHLY EXPERIENCED BREAST SPECIALISTS AND SPECIALTY TRAINED STAFF PLUS STATE-OF-THE-ART FACILITIES, WE ARE A BREAST CENTER

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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DEDICATED TO GIVING YOU NEW HOPE AND GOOD HEALTH. IN 2017, THE NATIONAL ACCREDITATION PROGRAM FOR BREAST CENTERS (NAPBC) REGRANTED ANOTHER THREE YEAR ACCREDITATION DESIGNATION TO THE BREAST CANCER CENTER.

IN THE SUMMER OF 2009, AAMC MADE A COMMITMENT TO FURTHER SERVE BREAST PATIENTS IN THE REGION BY OPENING A NEW, EXPANDED BREAST CENTER UNDER THE UMBRELLA OF THE DECESARIS CANCER INSTITUTE, AND ADDING A THIRD FELLOWSHIP-TRAINED BREAST SURGEON TO THE CARE TEAM.

THE CANCER INSTITUTE OFFERS A WIDE RANGE OF SUPPORT GROUPS TO PATIENTS AS A SOURCE OF COMFORT, ENCOURAGEMENT AND INFORMATION, AND AS A WAY TO CONNECT WITH OTHERS WHO KNOW WHAT THE PATIENTS ARE GOING THROUGH AS A PATIENT, FAMILY MEMBER OR CAREGIVER. SOME OF OUR SUPPORT GROUPS INCLUDE: GENERAL CANCER SUPPORT GROUP; MONTHLY LUNG CANCER SUPPORT GROUP; MOVING FORWARD, A MONTHLY MEETING FOR WOMEN DIAGNOSED WITH BREAST CANCER WITHIN THE LAST TWO YEARS; SISTER TO SISTER, PROVIDING SPECIALIZED SUPPORT FOR AFRICAN-AMERICAN WOMEN; AND SURVIVORS OFFERING SUPPORT, WHERE BREAST CANCER SURVIVORS ARE TRAINED TO PROVIDE ONE ON ONE MENTORING TO NEWLY DIAGNOSED PATIENTS THROUGH THEIR FIRST YEAR OF TREATMENT.

#### EMERGENCY SERVICES

THE AAMC EMERGENCY ROOM IS ONE OF THE BUSIEST IN THE AREA, SERVING MORE THAN 90,000 PATIENTS EACH YEAR. AAMC'S EMERGENCY DEPARTMENT EMPLOYS TRAINED PHYSICIANS, PHYSICIAN ASSISTANTS, AND NURSE PRACTITIONERS WHO ARE ON DUTY 24 HOURS A DAY, SEVEN DAYS A WEEK, AND SPECIALISTS ARE ON CALL FOR CONSULTATION.

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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AAMC'S EMERGENCY DEPARTMENT INCLUDES:

- EMERGENCY TRAINED NURSES AND MEDICAL TECHNICIANS WHO PROVIDE CARE AND MONITOR PATIENT CONDITIONS THROUGHOUT THE EPISODE OF CARE. ALL PATIENTS ARE TRIAGED AND ASSIGNED A PRIORITY BASED ON THE ASSESSED MEDICAL NEED. THOSE PATIENTS WITH MORE SERIOUS CONDITIONS ARE GENERALLY TREATED IN THE MAIN ED AREA WHILE PATIENTS WITH LESS SEVERE OR MINOR CONDITIONS ARE TREATED IN THE RAPID CLINICAL EVALUATION AND INTERMEDIATE CARE AREAS. THE DEPARTMENT HAS THIRTY-THREE MAIN SIDE BEDS AND TEN INTERMEDIATE CARE BEDS. ADDITIONALLY, THERE IS A TEN BED AREA FOR HOLDING ADULT PATIENTS AND AN 8 BED AREA FOR HOLDING PEDIATRIC PATIENTS WAITING FOR ADMISSION. A PRIVATE SIX BED AREA IS AVAILABLE FOR PATIENTS WITH MENTAL HEALTH PROBLEMS.

- SUTURING, SPLINTING AND CASTING SERVICES ARE AVAILABLE FOR MINOR TRAUMA. HIGH-LEVEL TRAUMA PATIENTS ARE STABILIZED AND TRANSFERRED TO NEARBY TRAUMA CENTERS. THE HOSPITAL IS CHEST PAIN CERTIFIED AND HAS A VERY ROBUST CARDIAC PROGRAM INCLUDING RAPID STABILIZATION AND TRANSFER TO THE CATH LAB WHEN INDICATED. AAMC IS ALSO STROKE CERTIFIED AND EQUIPPED TO MANAGE PATIENTS ARRIVING WITH ACUTE STROKE SYMPTOMS.

- X-RAY SERVICES AVAILABLE WITHIN THE ED TO EXPEDITE DIAGNOSIS AND TREATMENT INCLUDE TWO RADIOLOGY ROOMS AND A STATE OF THE ART CT SCANNER. NEW TECHNOLOGY ALLOWS X-RAYS TO BE TRANSMITTED ELECTRONICALLY ENABLING THE ED DOCTORS, SPECIALISTS, AND PRIMARY CARE PHYSICIANS TO VIEW X-RAYS AND OTHER DIAGNOSTIC TESTS ON A COMPUTER WITHIN MINUTES OF BEING TAKEN.

- HOSPITALISTS AND INTENSIVISTS (DOCTORS SPECIALLY TRAINED IN CRITICAL CARE AND INPATIENT CARE) ADMIT PATIENTS TO THE ACUTE CARE PAVILION ONCE THE DETERMINATION IS MADE THAT FURTHER MEDICAL AND NURSING ARE NEEDED.

Name of the organization <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
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- MENTAL HEALTH ASSESSMENT AND PLACEMENT SERVICES ARE PROVIDED BY LICENSED MENTAL HEALTH CLINICIANS.

- DOMESTIC VIOLENCE ASSESSMENT AND SUPPORT SERVICES ARE PROVIDED BY TRAINED COUNSELORS.

-PATIENT ADVOCATES AND VOLUNTEERS ARE AVAILABLE TO ASSIST FAMILIES WITH PERSONAL NEEDS AND COMFORT CARE.

-COMMUNITY HEALTH EDUCATION AND SUPPORT. COMMUNITY HEALTH EDUCATION SERVICES ENCOURAGE HEALTHY LIFESTYLES AND DISEASE PREVENTION. IN MOST CASES, AAMC PROVIDED THESE SERVICES AT MINIMAL OR NO COST. AAMC PHYSICIANS, PHARMACISTS, REGISTERED NURSES, DIETITIANS AND OTHER PROFESSIONALS VOLUNTEER THEIR TIME AND EXPERTISE TO PROVIDE UP-TO-DATE INFORMATION ON DISEASE PREVENTION AND OTHER HEALTH-RELATED ISSUES THROUGH FREE SEMINARS AND PROGRAMS. THESE PROGRAMS, DESIGNED TO MEET THE HEALTH NEEDS OF THE COMMUNITY ARE COORDINATED AND PROVIDED BY COMMUNITY HEALTH AND WELLNESS, PATHWAYS, AND CANCER PREVENTION AND OFFERED TO LOCAL CLUBS, SCHOOLS, CORPORATIONS, CIVIC ORGANIZATIONS AND THE GENERAL PUBLIC. CLASS TOPICS ARE BASED ON COMMUNITY HEALTH ASSESSMENTS, RESULTS OF CUSTOMER INTEREST SURVEYS, FOCUS GROUPS, AND FEEDBACK PROVIDED ON PROGRAM EVALUATIONS. TOPICS INCLUDE CANCER PREVENTION AND RISK REDUCTION, CARDIAC RISK, VASCULAR DISEASE, BACK CARE, ARTHRITIS, PAIN MANAGEMENT, DIABETES, WOMEN'S CARE, SUBSTANCE USE REDUCTION, TOBACCO USE REDUCTION, AND HEALTHCARE DECISIONS. MORE THAN 50,000 PEOPLE PARTICIPATE IN AAMC CLASSES AND SPECIAL EDUCATION EVENTS EACH YEAR. MOST CLASSES WERE OFFERED AT A BREAK-EVEN COST OR A LOSS TO THE MEDICAL CENTER.

Name of the organization	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number	52-1169362
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IN 2011, THE COMMUNITY CLINIC AT FOREST DRIVE OPENED AND HAS BECOME A TRUSTED COMMUNITY RESOURCE. IN 2014, A PRIMARY CARE CLINIC OPENED IN THE MORRIS BLUM BUILDING, A SENIOR HOUSING PROJECT IN ANNAPOLIS. THE CLINICS ARE LOCATED WITHIN AND HAVE BECOME A PART OF THE COMMUNITY. THE CLINICS ARE A PATIENT CENTERED MEDICAL HOME FOR NEW AND/OR ESTABLISHED PATIENTS WHO NEED SERVICES RANGING FROM PREVENTATIVE, ACUTE AND/OR CHRONIC CARE. THE GOAL OF THE COMMUNITY CLINICS IS TO BUILD A PROVIDER-PATIENT PARTNERSHIP WITH A FOCUS ON PATIENT EDUCATION AND CONTINUITY OF CARE, THEREBY REDUCING UNNECESSARY EMERGENCY ROOM VISITS. PATIENTS RECEIVE CARE AT ALL OF OUR COMMUNITY CLINICS REGARDLESS OF ABILITY TO PAY. EACH SELF-PAY PATIENT MEETS WITH A STAFF MEMBER TO DETERMINE HIS/HER ABILITY TO PAY BASED ON A SLIDING FEE SCALE, INCLUDING ZERO PAYMENT. THE SLIDING FEE SCALE IS IN ACCORDANCE WITH FEDERAL POVERTY GUIDELINES BASED ON GROSS HOUSEHOLD INCOME AND NUMBER OF DEPENDENTS IN THE HOUSEHOLD. OVER 5,000 PATIENTS RECEIVE CARE IN THE COMMUNITY CLINICS EACH YEAR.

IN FEBRUARY 2013 AAMC OPENED THE JAMES AND SYLVIA EARL SIMULATION TO ADVANCE INNOVATION AND LEARNING CENTER (SAIL). THIS FACILITY IS DEDICATED TO THE ADVANCEMENT AND PRACTICE OF MEDICINE THROUGH RESEARCH, TRAINING AND INNOVATION DESIGNED TO IMPROVE SURGICAL AND MEDICAL PROCEDURES AND OUTCOMES FOR PATIENTS. THIS TYPE OF TRAINING IS TYPICALLY ONLY AVAILABLE IN MAJOR ACADEMIC MEDICAL CENTERS AND INCLUDES SOPHISTICATED LIFE LIKE TECHNOLOGY FEATURING HIGH FIDELITY MANNEQUINS THAT SIMULATE REAL LIFE MEDICAL SITUATIONS. PARTICIPANTS INCLUDED SURGEONS, RESIDENTS, MEDICAL STUDENTS, NURSES, EMERGENCY MEDICAL TECHNICIANS, MILITARY PERSONNEL AND ALLIED HEALTH PROFESSIONALS.



Name of the organization LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	Employer identification number 52-1169362
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ADDITIONALLY, IN FEBRUARY 2013 AAMC OPENED THE HACKERMAN-PATZ HOSPITALITY HOUSE. THIS HOMELIKE LODGING FACILITY IS DESIGNED TO MEET THE NEEDS OF PATIENTS AND THEIR FAMILIES SO THEY MAY STAY CLOSE TO THE HOSPITAL WHERE LOVED ONES RECEIVE TREATMENT. THE FACILITY HOUSES 20 PRIVATE GUEST ROOMS AS WELL AS A GREAT ROOM, FULLY FURNISHED KITCHEN AND PLAYROOM.

NOTE THAT AAMC'S VISIT COUNTS INCLUDED ABOVE ARE FOR FISCAL YEAR 2020 AND ARE LOWER THAN TYPICAL BASED ON THE COVID AFFECT ON Q4 OF FISCAL YEAR 2020.

FORM 990, PAGE 3, PART IV, LINE 10 FUNDS ARE HELD IN AN ENDOWMENT AND ARE REPORTED ON THE FORM 990 FOR THE LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER FOUNDATION. THE FOUNDATION PROVIDES THESE FUNDS TO THE AFFILIATED ANNE ARUNDEL ENTITIES, INCLUDING LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, IN ORDER TO FURTHER THE EXEMPT PURPOSE OF THE HEALTH SYSTEM.

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

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

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019**

Open to Public Inspection

Name of the organization **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.** Employer identification number **52-1169362**

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
LUMINIS HEALTH PATHWAYS, INC. - 52-1722088 2000 MEDICAL PARKWAY, SUITE 606 ANNAPOLIS, MD 21401	ALCOHOL & DRUG ABUSE TREATMENT SERVICES	MARYLAND	501(C)(3)	LINE 3	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER,	X	
LUMINIS HEALTH IMAGING, INC. - 52-1467734 2000 MEDICAL PARKWAY, SUITE 606 ANNAPOLIS, MD 21401	OUTPATIENT DIAGNOSTICS AND IMAGING SERVICES	MARYLAND	501(C)(3)	LINE 3	LUMINIS HEALTH, INC.		X
LUMINIS HEALTH, INC. - 52-1622253 2000 MEDICAL PARKWAY, SUITE 606 ANNAPOLIS, MD 21401	SUPPORT HEALTH CARE RELATED ENTITIES	MARYLAND	501(C)(3)	LINE 10	N/A		X
LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER FOUNDATION, INC. - 52-1331298, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	SUPPORTING ORGANIZATION OF LUMINIS HEALTH, INC. AND SUBSIDIARIES	MARYLAND	501(C)(3)	LINE 12B, II	LUMINIS HEALTH, INC.		X

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

Schedule R (Form 990) 2019

SEE PART VII FOR CONTINUATIONS

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

Schedule R (Form 990)

52-1169362

**Part II** Continuation of Identification of Related Tax-Exempt Organizations

(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 organization?	
						Yes	No
LUMINIS HEALTH REAL ESTATE HOLDING COMPANY, INC. - 52-1622251, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	REAL ESTATE HOLDING COMPANY	MARYLAND	501(C)(2)		LUMINIS HEALTH, INC.		X
LUMINIS HEALTH RESEARCH INSTITUTE, INC. - 26-3038406, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	MEDICAL RESEARCH	MARYLAND	501(C)(3)	LINE 4	LUMINIS HEALTH, INC.		X
PHYSICIAN ENTERPRISE, LLC - 27-0263214 2000 MEDICAL PARKWAY, SUITE 606 ANNAPOLIS, MD 21401	EMPLOYS PHYSICIANS	MARYLAND	501(C)(3)	LINE 3	LUMINIS HEALTH, INC.		X
LUMINIS HEALTH J. KENT MCNEW FAMILY MEDICAL CENTER, INC. - 83-3856917, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES	MARYLAND	501(C)(3)	LINE 3	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER,	X	
LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER, INC. - 52-1638026, 8118 GOOD LUCK ROAD, LANHAM, MD 20706	HOSPITAL	MARYLAND	501(C)(3)	LINE 3	LUMINIS HEALTH, INC.		X
LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER FOUNDATION, INC. - 52-171233, 8118 GOOD LUCK ROAD, LANHAM, MD 20706	SUPPORTING ORGANIZATION OF LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER	MARYLAND	501(C)(3)	LINE 12A, I	LUMINIS HEALTH, INC.		X
DOCTORS HEALTH SYSTEM INC. - 37-1908564 8118 GOOD LUCK ROAD LANHAM, MD 20706	SUPPORTING ORGANIZATION OF LUMINIS HEALTH DOCTORS COMMUNITY MEDICAL CENTER	MARYLAND	501(C)(3)	LINE 12B, II	LUMINIS HEALTH, INC.		X

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
MEDICAL OFFICE, LLC - 20-2290229, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	MEDICAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
ANNAPOLIS EXCHANGE, LOT IV, LLC - 52-2020156, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	COMMERCIAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
ANNAPOLIS EXCHANGE, LOT V, LLC - 52-2020157, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	MEDICAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
KENT ISLAND MEDICAL ARTS, LLC - 26-0623450, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	MEDICAL REAL ESTATE LEASING	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
LUMINIS HEALTH CARE SERVICES, INC. - 52-1646304, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	MEDICAL SERVICES	MD	N/A	C CORP	N/A	N/A	N/A		X
PAVILION PARK, INC. - 52-1890034 2000 MEDICAL PARKWAY, SUITE 606 ANNAPOLIS, MD 21401	REAL ESTATE LEASING	MD	N/A	C CORP	N/A	N/A	N/A		X
COTTAGE INSURANCE COMPANY, LTD. - 98-0461499 P.O. BOX 10233 GRAND CAYMAN, CAYMAN ISLANDS CJ KY1-110	CAPTIVE INSURER - PROFESSIONAL LIABILITY INSURANCE	CAYMAN ISLANDS	LUMINIS HEALTH ANNE ARUNDEL MEDICAL	C CORP	-2,125,243.	38,974,288.	100%	X	
DOCTORS COMMUNITY HEALTH VENTURES, INC. - 52-1884380, 8118 GOOD LUCK ROAD, LANHAM, MD 20706	WHOLLY OWNED FOR PROFIT ENTITY OF LUMINIS HEALTH	MD	N/A	C CORP	N/A	N/A	N/A		X

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

Schedule R (Form 990)

52-1169362

**Part III** Continuation of Identification of Related Organizations Taxable as a Partnership

(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) Disproportion- ate 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	
ANNE ARUNDEL - SCA SURGICENTER, LLC - 82-4763728, 2000 MEDICAL PARKWAY, SUITE 606,	AMBULATORY SURGICENTER	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
ANNE ARUNDEL - SCA HOLDINGS, LLC - 82-5124069, 2000 MEDICAL PARKWAY, SUITE 606, ANNAPOLIS, MD 21401	AMBULATORY SURGICENTER HOLDING COMPANY	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
DOCTORS REGIONAL CANCER CENTER, LLC - 20-8889327, 8118 GOOD LUCK ROAD, LANHAM, MD 20706	CANCER TREATMENT SERVICES FOR RESIDENTS OF	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MAGNOLIA GARDENS NURSING HOME - 52-1961563, 8200 GOOD LUCK ROAD, LANHAM, MD 20706	NURSING HOME	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
SOUTHERN MARYLAND INTEGRATED CARE, LLC - 45-5627098, 8118 GOOD LUCK ROAD, LANHAM, MD 20706	MEDICARE SHARED SAVINGS	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
UNIVERSITY CENTER FOR AMBULATORY SURGICAL SERVICES CENTER, LLC - 52-2149129, 6505 KENILWORTH AVE,	SURGERY CENTER	MD	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

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

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

	Yes	No
<b>1</b> 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?		
<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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) MEDICAL OFFICE, LLC	A	172,728.	FMV
(2) MEDICAL OFFICE, LLC	A	65,657.	FMV
(3) PHYSICIAN ENTERPRISE LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER	B	32,995,434.	FMV
(4) FOUNDATION, INC.	C	2,272,854.	FMV
(5) LUMINIS HEALTH RESEARCH INSTITUTE, INC. LUMINIS HEALTH REAL ESTATE HOLDING	J	106,525.	FMV
(6) COMPANY, INC. (BLUE BUILDING)	J	859,500.	FMV

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

Schedule R (Form 990)

52-1169362

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(7) ANNAPOLIS EXCHANGE LOT IV LUMINIS HEALTH REAL ESTATE HOLDING	K	324,699.	FMV
(8) COMPANY, INC. (BLUE BUILDING)	K	3,181,401.	FMV
(9) KENT ISLAND MEDICAL ARTS, LLC	K	105,878.	FMV
(10) MEDICAL OFFICE, LLC	K	616,897.	FMV
(11) LUMINIS HEALTH PATHWAYS, INC.	Q	231,557.	FMV
(12) LUMINIS HEALTH CARE SERVICES, INC.	Q	353,689.	FMV
(13) LUMINIS HEALTH CARE SERVICES, INC.	Q	222,252.	FMV
(14) COTTAGE INSURANCE COMPANY, LTD.	R	8,120,509.	FMV
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			





**Part VII Supplemental Information**

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

**PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:**

NAME OF RELATED ORGANIZATION:

LUMINIS HEALTH PATHWAYS, INC.

DIRECT CONTROLLING ENTITY: LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

NAME OF RELATED ORGANIZATION:

LUMINIS HEALTH J. KENT MCNEW FAMILY MEDICAL CENTER, INC.

DIRECT CONTROLLING ENTITY: LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

**PART III, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS PARTNERSHIP:**

NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:

ANNE ARUNDEL - SCA SURGICENTER, LLC

EIN: 82-4763728

2000 MEDICAL PARKWAY, SUITE 606

ANNAPOLIS, MD 21401

NAME OF RELATED ORGANIZATION:

DOCTORS REGIONAL CANCER CENTER, LLC

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

NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:

UNIVERSITY CENTER FOR AMBULATORY SURGICAL SERVICES CENTER, LLC

**Part VII** Supplemental Information

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

EIN: 52-2149129

6505 KENILWORTH AVE

RIVERDALE, MD 20737

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

NAME OF RELATED ORGANIZATION:

COTTAGE INSURANCE COMPANY, LTD.

DIRECT CONTROLLING ENTITY: LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC

NAME OF RELATED ORGANIZATION:

DOCTORS COMMUNITY HEALTH VENTURES, INC.

PRIMARY ACTIVITY: WHOLLY OWNED FOR PROFIT ENTITY OF LUMINIS HEALTH DOCTORS COMMUNITY MED CTR



**Part III Total Unrelated Business Taxable Income**

32	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	32	54,719.
33	Amounts paid for disallowed fringes	33	
34	Charitable contributions (see instructions for limitation rules)	34	0.
35	Total unrelated business taxable income before pre-2018 NOLs and specific deduction. Subtract line 34 from the sum of lines 32 and 33	35	54,719.
36	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	36	
37	Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35	37	54,719.
38	Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions)	38	1,000.
39	<b>Unrelated business taxable income.</b> Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37	39	53,719.

**Part IV Tax Computation**

40	<b>Organizations Taxable as Corporations.</b> Multiply line 39 by 21% (0.21)	40	11,281.
41	<b>Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 39 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	41	
42	<b>Proxy tax.</b> See instructions	42	
43	Alternative minimum tax (trusts only)	43	
44	<b>Tax on Noncompliant Facility Income.</b> See instructions	44	
45	<b>Total.</b> Add lines 42, 43, and 44 to line 40 or 41, whichever applies	45	11,281.

**Part V Tax and Payments**

46a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	46a	
b	Other credits (see instructions)	46b	
c	General business credit. Attach Form 3800	46c	
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	46d	
e	<b>Total credits.</b> Add lines 46a through 46d	46e	
47	Subtract line 46e from line 45	47	11,281.
48	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	48	
49	<b>Total tax.</b> Add lines 47 and 48 (see instructions)	49	11,281.
50	2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3	50	0.
51a	Payments: A 2018 overpayment credited to 2019	51a	
b	2019 estimated tax payments	51b	15,000.
c	Tax deposited with Form 8868	51c	8,000.
d	Foreign organizations: Tax paid or withheld at source (see instructions)	51d	
e	Backup withholding (see instructions)	51e	
f	Credit for small employer health insurance premiums (attach Form 8941)	51f	
g	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	51g	
52	<b>Total payments.</b> Add lines 51a through 51g	52	23,000.
53	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	53	94.
54	<b>Tax due.</b> If line 52 is less than the total of lines 49, 50, and 53, enter amount owed	54	
55	<b>Overpayment.</b> If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid	55	11,625.
56	Enter the amount of line 55 you want: <b>Credited to 2020 estimated tax</b> 11,625. <b>Refunded</b>	56	0.

**Part VI Statements Regarding Certain Activities and Other Information** (see instructions)

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

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

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_ **CFO** Title \_\_\_\_\_  
 May the IRS discuss this return with the preparer shown below (see instructions)?  Yes  No

**Paid Preparer Use Only**  
 Print/Type preparer's name: **LORI S. BURGHAUSER**  
 Preparer's signature: \_\_\_\_\_ Date: **05/08/21**  
 Check  if self-employed PTIN: **P00370694**  
 Firm's name: **SC&H GROUP, INC.** Firm's EIN: **20-5991824**  
 Firm's address: **910 RIDGEBROOK ROAD SPARKS, MD 21152** Phone no.: **(410) 403-1500**

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

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

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

(see instructions)

1. Description of property

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

2. Rent received or accrued

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

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

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

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

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

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

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

**Nonexempt Controlled Organizations**

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

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

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

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

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

**Schedule J - Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

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

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

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

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

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

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FORM 990-T      PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER      STATEMENT 1

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CORPORATION'S NAME

IDENTIFYING NO

LUMINIS HEALTH, INC.

52-1622253



**SCHEDULE M  
(Form 990-T)**

**Unrelated Business Taxable Income from an  
Unrelated Trade or Business**

ENTITY 2

OMB No. 1545-0047

**2019**

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

▶ Go to [www.irs.gov/Form990T](http://www.irs.gov/Form990T) for instructions and the latest information.

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

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

Department of the Treasury  
Internal Revenue Service

Name of the organization **LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Employer identification number  
**52-1169362**

Unrelated Business Activity Code (see instructions) ▶ \_\_\_\_\_

Describe the unrelated trade or business ▶ **PARTNERSHIP PASSTHROUGH INCOME**

<b>Part I Unrelated Trade or Business Income</b>		(A) Income	(B) Expenses	(C) Net
<b>1 a</b> Gross receipts or sales				
<b>b</b> Less returns and allowances	<b>c</b> Balance ▶	<b>1c</b>		
<b>2</b> Cost of goods sold (Schedule A, line 7)		<b>2</b>		
<b>3</b> Gross profit. Subtract line 2 from line 1c		<b>3</b>		
<b>4 a</b> Capital gain net income (attach Schedule D)		<b>4a</b>		
<b>b</b> Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)		<b>4b</b>		
<b>c</b> Capital loss deduction for trusts		<b>4c</b>		
<b>5</b> Income (loss) from a partnership or an S corporation (attach statement) <b>STATEMENT 2</b>		<b>5</b> 66,220.		66,220.
<b>6</b> Rent income (Schedule C)		<b>6</b>		
<b>7</b> Unrelated debt-financed income (Schedule E)		<b>7</b>		
<b>8</b> Interest, annuities, royalties, and rents from a controlled organization (Schedule F)		<b>8</b>		
<b>9</b> Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		<b>9</b>		
<b>10</b> Exploited exempt activity income (Schedule I)		<b>10</b>		
<b>11</b> Advertising income (Schedule J)		<b>11</b>		
<b>12</b> Other income (See instructions; attach schedule)		<b>12</b>		
<b>13 Total.</b> Combine lines 3 through 12		<b>13</b> 66,220.		66,220.

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions.) (Deductions must be directly connected with the unrelated business income.)

<b>14</b> Compensation of officers, directors, and trustees (Schedule K)		<b>14</b>		
<b>15</b> Salaries and wages		<b>15</b>		
<b>16</b> Repairs and maintenance		<b>16</b>		
<b>17</b> Bad debts		<b>17</b>		
<b>18</b> Interest (attach schedule) (see instructions)		<b>18</b>		
<b>19</b> Taxes and licenses		<b>19</b>		10,501.
<b>20</b> Depreciation (attach Form 4562)	<b>20</b>			
<b>21</b> Less depreciation claimed on Schedule A and elsewhere on return	<b>21a</b>			
<b>22</b> Depletion		<b>22</b>		
<b>23</b> Contributions to deferred compensation plans		<b>23</b>		
<b>24</b> Employee benefit programs		<b>24</b>		
<b>25</b> Excess exempt expenses (Schedule I)		<b>25</b>		
<b>26</b> Excess readership costs (Schedule J)		<b>26</b>		
<b>27</b> Other deductions (attach schedule) <b>SEE STATEMENT 3</b>		<b>27</b>		1,000.
<b>28 Total deductions.</b> Add lines 14 through 27		<b>28</b>		11,501.
<b>29</b> Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13		<b>29</b>		54,719.
<b>30</b> Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		<b>30</b>		0.
<b>31</b> Unrelated business taxable income. Subtract line 30 from line 29		<b>31</b>		54,719.

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2019

FORM 990-T (M)	INCOME (LOSS) FROM PARTNERSHIPS	STATEMENT 2
DESCRIPTION		NET INCOME OR (LOSS)
PREMIER PURCHASING PARTNERS, LP - ORDINARY BUSINESS INCOME (LOSS)		67,768.
HARVEST MLP INCOME FUND II LLC - ORDINARY BUSINESS INCOME (LOSS)		176.
GREENSPRING GLOBAL PARTNERS VIII-B, L.P. - ORDINARY BUSINESS INCOME (LOSS)		-1,724.
TOTAL INCLUDED ON SCHEDULE M, PART I, LINE 5		66,220.

FORM 990-T (M)	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
ACCOUNTING FEES		1,000.
TOTAL TO SCHEDULE M, PART II, LINE 27		1,000.

**SCHEDULE O  
(Form 1120)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Consent Plan and Apportionment Schedule  
for a Controlled Group**

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, or 1120-RIC.  
▶ Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

OMB No. 1545-0123

Name <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
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**Part I Apportionment Plan Information**

1 Type of controlled group:

- a  Parent-subsidiary group
- b  Brother-sister group
- c  Combined group
- d  Life insurance companies only

2 This corporation has been a member of this group:

- a  For the entire year.
- b  From \_\_\_\_\_, until \_\_\_\_\_.

3 This corporation consents and represents to:

- a  Adopt an apportionment plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on \_\_\_\_\_, and for all succeeding tax years.
- b  Amend the current apportionment plan. All the other members of this group are currently amending a previously adopted plan, which was in effect for the tax year ending \_\_\_\_\_, and for all succeeding tax years.
- c  Terminate the current apportionment plan and not adopt a new plan. All the other members of this group are not adopting an apportionment plan.
- d  Terminate the current apportionment plan and adopt a new plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on \_\_\_\_\_, and for all succeeding tax years.

4 If you checked box 3c or 3d above, check the applicable box below to indicate if the termination of the current apportionment plan was:

- a  Elected by the component members of the group.
- b  Required for the component members of the group.

5 If you did not check a box on line 3 above, check the applicable box below concerning the status of the group's apportionment plan (see instructions).

- a  No apportionment plan is in effect and none is being adopted.
- b  An apportionment plan is already in effect. It was adopted for the tax year ending JUNE 30, 2019, and for all succeeding tax years.

6 If all the members of this group are adopting a plan or amending the current plan for a tax year after the due date (including extensions) of the tax return for this corporation, is there at least one year remaining on the statute of limitations from the date this corporation filed its amended return for such tax year for assessing any resulting deficiency? See instructions.

- a  Yes.
  - (i)  The statute of limitations for this year will expire on \_\_\_\_\_.
  - (ii)  On \_\_\_\_\_, this corporation entered into an agreement with the Internal Revenue Service to extend the statute of limitations for purposes of assessment until \_\_\_\_\_.
- b  No. The members may not adopt or amend an apportionment plan.

7  If the corporation has a short tax year that does not include December 31, check the box. See instructions.

**Part II Apportionment** (See instructions)

(a) Group member's name and employer identification number		(b) Tax year end (Yr-Mo)	Apportionment		
			(c) Accumulated earnings credit	(d) Penalty for failure to pay estimated tax	(e) Other
1	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	52-1169362	20-06		
2	PAVILION PARK, INC.	52-1890034	20-06		
3	LUMINIS HEALTH REAL ESTATE HOLDING CO., INC.	52-1622251	20-06		
4	LUMINIS HEALTH CARE SERVICES, INC. INC.	52-1646304	20-06		
5	PHYSICIAN ENTERPRISE, LLC	27-0263214	20-06		
6					
7					
8					
9					
10					
<b>Total</b>					

Schedule O (Form 1120) (Rev. 12-2018)



# Underpayment of Estimated Tax by Corporations

Department of the Treasury  
Internal Revenue Service

▶ Attach to the corporation's tax return.

FORM 990-T

**2019**

▶ Go to [www.irs.gov/Form2220](http://www.irs.gov/Form2220) for instructions and the latest information.

Name **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.**

Employer identification number  
**52-1169362**

**Note:** Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38, on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

**Part I Required Annual Payment**

1	Total tax (see instructions)		1	11,281.
2a	Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	2a		
2b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method	2b		
2c	Credit for federal tax paid on fuels (see instructions)	2c		
2d	<b>Total.</b> Add lines 2a through 2c	2d		
3	Subtract line 2d from line 1. If the result is less than \$500, <b>do not</b> complete or file this form. The corporation does not owe the penalty	3		11,281.
4	Enter the tax shown on the corporation's 2018 income tax return. See instructions. <b>Caution:</b> If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5	4		13,460.
5	<b>Required annual payment.</b> Enter the <b>smaller</b> of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3	5		11,281.

**Part II Reasons for Filing** - Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty. See instructions.

- 6  The corporation is using the adjusted seasonal installment method.
- 7  The corporation is using the annualized income installment method.
- 8  The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

**Part III Figuring the Underpayment**

	(a)	(b)	(c)	(d)
9 <b>Installment due dates.</b> Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year	10/15/19	12/15/19	03/15/20	06/15/20
10 <b>Required installments.</b> If the box on line 6 and/or line 7 above is checked, enter the amounts from Sch A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% (0.25) of line 5 above in each column	2,820.	2,821.	2,820.	2,820.
11 <b>Estimated tax paid or credited for each period.</b> For column (a) only, enter the amount from line 11 on line 15. See instructions			12,000.	
<b>Complete lines 12 through 18 of one column before going to the next column.</b>				
12 Enter amount, if any, from line 18 of the preceding column				3,539.
13 Add lines 11 and 12			12,000.	3,539.
14 Add amounts on lines 16 and 17 of the preceding column		2,820.	5,641.	
15 Subtract line 14 from line 13. If zero or less, enter -0-	0.	0.	6,359.	3,539.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-		2,820.	0.	
17 <b>Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18	2,820.	2,821.		
18 <b>Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column			3,539.	

Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 - no penalty is owed.

**Part IV Figuring the Penalty**

	(a)	(b)	(c)	(d)
<b>19</b> Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. <b>(C corporations with tax years ending June 30 and S corporations:</b> Use 3rd month instead of 4th month. <b>Form 990-PF and Form 990-T filers:</b> Use 5th month instead of 4th month.) See instructions .....	<b>19</b>			
<b>20</b> Number of days from due date of installment on line 9 to the date shown on line 19 .....	<b>20</b>			
<b>21</b> Number of days on line 20 after 4/15/2019 and before 7/1/2019 .....	<b>21</b>			
<b>22</b> Underpayment on line 17 x $\frac{\text{Number of days on line 21} \times 6\% (0.06)}{365}$ ...	<b>22</b> \$	\$	\$	\$
<b>23</b> Number of days on line 20 after 06/30/2019 and before 10/1/2019 .....	<b>23</b>			
<b>24</b> Underpayment on line 17 x $\frac{\text{Number of days on line 23} \times 5\% (0.05)}{365}$ ...	<b>24</b> \$	\$	\$	\$
<b>25</b> Number of days on line 20 after 9/30/2019 and before 1/1/2020 .....	<b>25</b>			
<b>26</b> Underpayment on line 17 x $\frac{\text{Number of days on line 25} \times 5\% (0.05)}{365}$ ...	<b>26</b> \$	\$	\$	\$
<b>27</b> Number of days on line 20 after 12/31/2019 and before 4/1/2020 .....	<b>27</b>	<b>SEE ATTACHED WORKSHEET</b>		
<b>28</b> Underpayment on line 17 x $\frac{\text{Number of days on line 27} \times 5\% (0.05)}{366}$ ...	<b>28</b> \$	\$	\$	\$
<b>29</b> Number of days on line 20 after 3/31/2020 and before 7/1/2020 .....	<b>29</b>			
<b>30</b> Underpayment on line 17 x $\frac{\text{Number of days on line 29} \times \%}{366}$ .....	<b>30</b> \$	\$	\$	\$
<b>31</b> Number of days on line 20 after 6/30/2020 and before 10/1/2020 .....	<b>31</b>			
<b>32</b> Underpayment on line 17 x $\frac{\text{Number of days on line 31} \times \%}{366}$ .....	<b>32</b> \$	\$	\$	\$
<b>33</b> Number of days on line 20 after 9/30/2020 and before 1/1/2021 .....	<b>33</b>			
<b>34</b> Underpayment on line 17 x $\frac{\text{Number of days on line 33} \times \%}{366}$ .....	<b>34</b> \$	\$	\$	\$
<b>35</b> Number of days on line 20 after 12/31/2020 and before 3/16/2021 .....	<b>35</b>			
<b>36</b> Underpayment on line 17 x $\frac{\text{Number of days on line 35} \times \%}{365}$ .....	<b>36</b> \$	\$	\$	\$
<b>37</b> Add lines 22, 24, 26, 28, 30, 32, 34, and 36 .....	<b>37</b> \$	\$	\$	\$
<b>38 Penalty.</b> Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 34; or the comparable line for other income tax returns .....	<b>38</b> \$			<b>94.</b>

\* Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-4933 to get interest rate information.





**Information Return of U.S. Persons With Respect to Certain Foreign Corporations**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **JUL 1, 2019**, and ending **JUN 30, 2020**

Attachment  
Sequence No. **121**

Name of person filing this return <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b> Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) <b>2000 MEDICAL PARKWAY, NO. 606</b> City or town, state, and ZIP code <b>ANNAPOLIS, MD 21401</b>	<b>A Identifying number</b> <b>52-1169362</b> <b>B Category of filer (See instructions. Check applicable box(es)):</b> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/> <b>C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period</b> <b>100.00 %</b> Filer's tax year beginning <b>JUL 1, 2019</b> , and ending <b>JUN 30, 2020</b>
--	---

**D** Check box if this is a final Form 5471 for the foreign corporation

**E** Check if any excepted specified foreign financial assets are reported on this form (see instructions)

**F** Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
LUMINIS HEALTH, INC.	2000 MEDICAL PARKWAY, STE 606 ANNAPOLIS MD 21401	52-1622253	X		

**Important:** Fill in all applicable lines and schedules. All information **must** be in English. All amounts **must** be stated in U.S. dollars unless otherwise indicated.

<b>1a</b> Name and address of foreign corporation <b>COTTAGE INSURANCE COMPANY, LTD</b> <b>P.O. BOX 10233</b> <b>GRAND CAYMAN KY1-1002</b> <b>CAYMAN ISLANDS</b>	<b>b(1)</b> Employer identification number, if any <b>98-0461499</b> <b>b(2)</b> Reference ID number (see instructions)  <b>c</b> Country under whose laws incorporated <b>CAYMAN ISLANDS</b>
--	--

<b>d</b> Date of incorporation	<b>e</b> Principal place of business	<b>f</b> Principal business activity code number	<b>g</b> Principal business activity	<b>h</b> Functional currency
06/06/05	CAYMAN ISLANDS	524150	SELF INSURANCE	UNITED STATES, DOLLAR

**2** Provide the following information for the foreign corporation's accounting period stated above.

<b>a</b> Name, address, and identifying number of branch office or agent (if any) in the United States	<b>b</b> If a U.S. income tax return was filed, enter: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;"><b>(i)</b> Taxable income or (loss)</td> <td style="width:50%;"><b>(ii)</b> U.S. income tax paid (after all credits)</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>	<b>(i)</b> Taxable income or (loss)	<b>(ii)</b> U.S. income tax paid (after all credits)		
<b>(i)</b> Taxable income or (loss)	<b>(ii)</b> U.S. income tax paid (after all credits)				

<b>c</b> Name and address of foreign corporation's statutory or resident agent in country of incorporation  <b>ARTEX RISK SOLUTIONS (CAYMAN) LTD</b> <b>P.O. BOX 10233</b> <b>GRAND CAYMAN KY1-1002</b> <b>CAYMAN ISLANDS</b>	<b>d</b> Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different
--	---

<b>Schedule A Stock of the Foreign Corporation</b>		
(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	120,000	120,000



**Schedule C Income Statement**

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
<b>Income</b>	<b>1a</b> Gross receipts or sales .....	<b>1a</b>	8,120,509.
	<b>b</b> Returns and allowances .....	<b>1b</b>	
	<b>c</b> Subtract line 1b from line 1a .....	<b>1c</b>	8,120,509.
	<b>2</b> Cost of goods sold .....	<b>2</b>	
	<b>3</b> Gross profit (subtract line 2 from line 1c) .....	<b>3</b>	8,120,509.
	<b>4</b> Dividends .....	<b>4</b>	1,037,365.
	<b>5</b> Interest .....	<b>5</b>	
	<b>6a</b> Gross rents .....	<b>6a</b>	
	<b>b</b> Gross royalties and license fees .....	<b>6b</b>	
	<b>7</b> Net gain or (loss) on sale of capital assets .....	<b>7</b>	-515,421.
<b>8a</b> Foreign currency transaction gain or loss - unrealized .....	<b>8a</b>		
	<b>b</b> Foreign currency transaction gain or loss - realized .....	<b>8b</b>	
<b>9</b> Other income (attach statement) <b>SEE STATEMENT 4</b> .....	<b>9</b>		-984,585.
<b>10</b> Total income (add lines 3 through 9) .....	<b>10</b>		7,657,868.
<b>Deductions</b>	<b>11</b> Compensation not deducted elsewhere .....	<b>11</b>	
	<b>12a</b> Rents .....	<b>12a</b>	
	<b>b</b> Royalties and license fees .....	<b>12b</b>	
	<b>13</b> Interest .....	<b>13</b>	
	<b>14</b> Depreciation not deducted elsewhere .....	<b>14</b>	
	<b>15</b> Depletion .....	<b>15</b>	
	<b>16</b> Taxes (exclude income tax expense (benefit)) .....	<b>16</b>	
	<b>17</b> Other deductions (attach statement - exclude income tax expense (benefit)) <b>SEE STATEMENT 5</b> .....	<b>17</b>	
<b>18</b> Total deductions (add lines 11 through 17) .....	<b>18</b>		9,783,110.
<b>Net Income</b>	<b>19</b> Net income or (loss) before unusual or infrequently occurring items, and income tax expense (benefit) (subtract line 18 from line 10) .....	<b>19</b>	-2,125,242.
	<b>20</b> Unusual or infrequently occurring items .....	<b>20</b>	
	<b>21a</b> Income tax expense (benefit) - current .....	<b>21a</b>	
	<b>b</b> Income tax expense (benefit) - deferred .....	<b>21b</b>	
<b>22</b> Current year net income or (loss) per books (combine lines 19 through 21b) .....	<b>22</b>		-2,125,242.
<b>Other Comprehensive Income</b>	<b>23a</b> Foreign currency translation adjustments .....	<b>23a</b>	
	<b>b</b> Other .....	<b>23b</b>	
	<b>c</b> Income tax expense (benefit) related to other comprehensive income .....	<b>23c</b>	
	<b>24</b> Other comprehensive income (loss), net of tax (line 23a plus line 23b less line 23c) .....	<b>24</b>	

**Schedule F Balance Sheet**

**Important:** Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash .....	1	2,821,624.	3,400,185.
2a Trade notes and accounts receivable .....	2a		
b Less allowance for bad debts .....	2b	( )	( )
3 Derivatives .....	3		
4 Inventories .....	4		
5 Other current assets (attach statement) .....	5	17,379,433.	10,043,050.
6 Loans to shareholders and other related persons .....	6		
7 Investment in subsidiaries (attach statement) .....	7		
8 Other investments (attach statement) .....	8	19,332,285.	25,531,053.
9a Buildings and other depreciable assets .....	9a		
b Less accumulated depreciation .....	9b	( )	( )
10a Depletable assets .....	10a		
b Less accumulated depletion .....	10b	( )	( )
11 Land (net of any amortization) .....	11		
12 Intangible assets:			
a Goodwill .....	12a		
b Organization costs .....	12b		
c Patents, trademarks, and other intangible assets .....	12c		
d Less accumulated amortization for lines 12a, 12b, and 12c .....	12d	( )	( )
13 Other assets (attach statement) .....	13		
14 Total assets .....	14	39,533,342.	38,974,288.
<b>Liabilities and Shareholders' Equity</b>			
15 Accounts payable .....	15	91,152.	56,087.
16 Other current liabilities (attach statement) .....	16		
17 Derivatives .....	17		
18 Loans from shareholders and other related persons .....	18		
19 Other liabilities (attach statement) .....	19	36,842,635.	32,443,888.
20 Capital stock:			
a Preferred stock .....	20a		
b Common stock .....	20b	120,000.	120,000.
21 Paid-in or capital surplus (attach reconciliation) .....	21	2,463,021.	8,463,021.
22 Retained earnings .....	22	16,534.	-2,108,708.
23 Less cost of treasury stock .....	23	( )	( )
24 Total liabilities and shareholders' equity .....	24	39,533,342.	38,974,288.

**Schedule G Other Information**

	Yes	No
1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," see the instructions for required statement.		
2 During the tax year, did the foreign corporation own an interest in any trust? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as separate from their owner under Regulations sections 301.7701-2 and 301.7701-3 or did the foreign corporation own any foreign branches (see instructions)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," you are generally required to attach Form 8858 for each entity or branch (see instructions).		
4a During the tax year, did the filer pay or accrue any base erosion payment under section 59A(d) to the foreign corporation or did the filer have a base erosion tax benefit under section 59A(c)(2) with respect to a base erosion payment made or accrued to the foreign corporation (see instructions)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," complete lines 4b and 4c.		
b Enter the total amount of the base erosion payments .....		\$ _____
c Enter the total amount of the base erosion tax benefit .....		\$ _____
5a During the tax year, did the foreign corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," complete line 5b.		
b Enter the total amount of the disallowed deductions (see instructions) .....		\$ _____

FORM 5471	OTHER INCOME	STATEMENT 4	
DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
UNREALIZED LOSS			-984,585.
TOTAL TO 5471, SCHEDULE C, LINE 9			-984,585.

FORM 5471	OTHER DEDUCTIONS	STATEMENT 5	
DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
UNDERWRITING EXPENSES			9,388,009.
ADMINISTRATIVE EXPENSES			395,101.
TOTAL TO 5471, SCHEDULE C, LINE 17			9,783,110.

FORM 5471	OTHER CURRENT ASSETS	STATEMENT 10	
DESCRIPTION		BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
INTEREST RECEIVABLE		20,021.	22,138.
OUTSTANDING CLAIMS RESERVES RECOVERABLE		17,285,870.	9,884,461.
PREPAID EXPENSES		5,793.	6,878.
ESCROW ACCOUNT		47,390.	129,573.
REINSURANCE RECOVERY RECEIVABLE		20,359.	0.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 5		17,379,433.	10,043,050.

FORM 5471

OTHER INVESTMENTS

STATEMENT 11

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
EQUITY MUTUAL FUNDS	4,789,870.	5,933,362.
FIXED INCOME MUTUAL FUNDS	10,213,526.	14,197,099.
EXCHANGE TRADED FUNDS	4,328,889.	5,400,592.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 8	<u>19,332,285.</u>	<u>25,531,053.</u>

FORM 5471

OTHER LIABILITIES

STATEMENT 12

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
PROVISION FOR ADVERSE CLAIMS DEVELOPMENT	18,339,185.	21,556,480.
PROVISION FOR REPORTED CLAIMS	18,503,450.	10,887,408.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 19	<u>36,842,635.</u>	<u>32,443,888.</u>

FORM 5471

RECONCILIATION OF PAID-IN OR CAPITAL SURPLUS

STATEMENT 13

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
ADDITIONAL PAID-IN CAPITAL	2,463,021.	8,463,021.

Schedule G Other Information (continued)

Table with columns 'Yes' and 'No' and rows 6a through 21. Includes questions about foreign-derived intangible income deduction, gross income from sales/leases/exchanges, cost sharing arrangements, platform contributions, and foreign taxes.

FORM 5471

SCHEDULE G LINE 19 STATEMENT

STATEMENT 17

CODE	DESCRIPTION	AMOUNT
DED	DEDUCTIONS TAKEN INTO ACCOUNT	12,370.
EP	EXCESS SUBPART F INCOME OVER EARNINGS AND PROFITS	2,499,394.



**Schedule I Summary of Shareholder's Income From Foreign Corporation**

If item F on page 1 is completed, a separate Schedule I must be filed for each Category 4 or 5 filer for whom reporting is furnished on this Form 5471. This Schedule I is being completed for:

Name of U.S. shareholder ▶	Identifying number ▶	
<b>1a</b> Section 964(e)(4) Subpart F dividend income from the sale of stock of a lower-tier foreign corporation (see instructions) .....		<b>1a</b>
<b>b</b> Section 245A(e)(2) Subpart F income from hybrid dividends of tiered corporations (see instructions) .....		<b>1b</b>
<b>c</b> Section 954(c) Subpart F Foreign Personal Holding Company Income (enter result from Worksheet A) .....		<b>1c</b>
<b>d</b> Section 954(d) Subpart F Foreign Base Company Sales Income (enter result from Worksheet A) .....		<b>1d</b>
<b>e</b> Section 954(e) Subpart F Foreign Base Company Services Income (enter result from Worksheet A) .....		<b>1e</b>
<b>f</b> Other subpart F income (see instructions) .....		<b>1f</b>
<b>2</b> Earnings invested in U.S. property (enter the result from Worksheet B in the instructions) .....		<b>2</b>
<b>3</b> Section 245A eligible dividends (see instructions) .....		<b>3</b>
<b>4</b> Factoring income .....		<b>4</b>
See instructions for reporting amounts on lines 1, 2, and 4 on your income tax return.		
<b>5</b> Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....		<b>5</b>
<b>6</b> Exchange gain or (loss) on a distribution of previously taxed earnings and profits .....		<b>6</b>

	Yes	No
• Was any income of the foreign corporation blocked? .....		<b>X</b>
• Did any such income become unblocked during the tax year (see section 964(b))? .....		<b>X</b>

If the answer to either question is "Yes," attach an explanation.

**SCHEDULE E  
(Form 5471)**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

**Income, War Profits, and Excess Profits Taxes Paid or Accrued**

▶ **Attach to Form 5471.**

OMB No. 1545-0123

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>COTTAGE INSURANCE COMPANY, LTD</b>	EIN (if any) <b>98-0461499</b>	Reference ID number (see instructions) <b>PAS</b>
<b>a</b> Separate Category (Enter code - see instructions.) ..... ▶		
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**Part I Taxes for Which a Foreign Tax Credit Is Allowed**

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Country or U.S. Possession to Which Tax Is Paid (Enter code-see instructions. Use a separate line for each.)	(d) Foreign Tax Year of Foreign Corporation to Which Tax Relates (Year/Month/Day)	(e) U.S. Tax Year of Foreign Corporation to Which Tax Relates (Year/Month/Day)
1					
2					
3					
4					
5					
6					
7					
	(f) Income Subject to Tax in the Foreign Jurisdiction (see instructions)	(g) Tax Paid or Accrued (in local currency in which the tax is payable)	(h) Conversion Rate to U.S. Dollars	(i) In U.S. Dollars (divide column (g) by column (h))	(j) In Functional Currency of Foreign Corporation
1					
2					
3					
4					
5					
6					
7					
<b>8</b>	Total (combine lines 1 through 7 of column (i)). Report amount on Schedule E-1, line 4 ..... ▶				
<b>9</b>	Total (combine lines 1 through 7 of column (j)). See instructions for Schedule H, line 2g ..... ▶				

**Part II Election**

For tax years beginning after December 31, 2004, has an election been made under section 986(a)(1)(D) to translate taxes using the exchange rate on the date of payment?

Yes  No If "Yes," state date of election ▶

**Part III Taxes for Which a Foreign Tax Credit Is Disallowed** (Enter in functional currency of foreign corporation.)

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Section 901(j)	(d) Section 901(k) and (l)	(e) Section 901(m)	(f) U.S. Taxes	(g) Other	(h) Total
1								
2								
<b>3</b>	In functional currency (combine lines 1 and 2) ..... ▶							
<b>4</b>	In U.S. dollars (translated at the average exchange rate, as defined in section 989(b)(3) and related regulations (see instructions)) ..... ▶							

**Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation**

<b>IMPORTANT:</b> Enter amounts in U.S. dollars unless otherwise noted (see instructions).		Taxes related to:			
		(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance) (in functional currency)	(d) Hovering Deficit and Suspended Taxes
1a	Balance at beginning of year (as reported in prior year Schedule E-1)				
b	Beginning balance adjustments (attach statement)				
c	Adjusted beginning balance (combine lines 1a and 1b)				
2	Adjustment for redetermination of prior year U.S. tax liability				
3a	Taxes unsuspending under anti-splitter rules				
b	Taxes suspended under anti-splitter rules				
4	Taxes reported on Schedule E, Part I, line 8, column (i)				
5a	Taxes carried over in nonrecognition transactions				
b	Taxes reclassified as related to hovering deficit after nonrecognition transaction				
6	Other adjustments (attach statement)				
7	Taxes paid or accrued on accumulated E&P (combine lines 1c through 6)				
8	Taxes deemed paid with respect to inclusions under section 951(a)(1) (see instructions)				
9	Taxes deemed paid with respect to inclusions under section 951A (see instructions)				
10	Taxes deemed paid with respect to actual distributions				
11	Taxes on amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P				
12	Other (attach statement)				
13	Taxes related to hovering deficit offset of undistributed post-transaction E&P				
14	Balance at beginning of next year (combine lines 7 through 13)				

**(e) Taxes related to previously taxed E&P** (see instructions)

	(i) Section 965(a) Inclusion (section 959(c)(1)(A))	(ii) Section 965(b)(4)(A) (section 959(c)(1)(A))	(iii) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(iv) Section 951A Inclusion (section 959(c)(1)(A))	(v) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(vi) Section 959(e) (section 959(c)(1)(A))	(vii) Section 964(e)(4) Inclusion (section 959(c)(1)(A))	(viii) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))
1a								
b								
c								
2								
3a								
b								
4								
5a								
b								
6								
7								
8								
9								
10								
11								
12								
13								
14								

**Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation** *(continued)*

**(e) Taxes related to previously taxed E&P** (see instructions)

	<b>(ix)</b> Earnings Invested Excess Passive Assets (section 959(c)(1)(B))	<b>(x)</b> Section 965(a) Inclusion (section 959(c)(2))	<b>(xi)</b> Section 965(b)(4)(A) (section 959(c)(2))	<b>(xii)</b> Section 951A Inclusion (section 959(c)(2))	<b>(xiii)</b> Section 245A(e)(2) Inclusion (section 959(c)(2))	<b>(xiv)</b> Section 959(e) (section 959(c)(2))	<b>(xv)</b> Section 964(e)(4) Inclusion (section 959(c)(2))	<b>(xvi)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(2))
<b>1a</b>								
<b>b</b>								
<b>c</b>								
<b>2</b>								
<b>3a</b>								
<b>b</b>								
<b>4</b>								
<b>5a</b>								
<b>b</b>								
<b>6</b>								
<b>7</b>								
<b>8</b>								
<b>9</b>								
<b>10</b>								
<b>11</b>								
<b>12</b>								
<b>13</b>								
<b>14</b>								

**SCHEDULE H  
(Form 5471)**

(December 2018)  
Department of the Treasury  
Internal Revenue Service

**Current Earnings and Profits**

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>COTTAGE INSURANCE COMPANY, LTD</b>	EIN (if any) <b>98-0461499</b>	Reference ID number (see instr.)
<b>a</b> Separate Category (Enter code-see instructions.) ..... ▶		<b>PAS</b>
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**IMPORTANT:** Enter the amounts on lines 1 through 5c in **functional** currency.

<b>1</b>	Current year net income or (loss) per foreign books of account .....	<b>1</b>	<b>-2,125,242.</b>
<b>2</b>	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
		Net Additions	Net Subtractions
<b>a</b>	Capital gains or losses .....	<b>2a</b>	<b>984,585.</b>
<b>b</b>	Depreciation and amortization .....	<b>2b</b>	
<b>c</b>	Depletion .....	<b>2c</b>	
<b>d</b>	Investment or incentive allowance .....	<b>2d</b>	
<b>e</b>	Charges to statutory reserves .....	<b>2e</b>	
<b>f</b>	Inventory adjustments .....	<b>2f</b>	
<b>g</b>	Income taxes (see Schedule E, Part I, line 9, column (j)) .....	<b>2g</b>	
<b>h</b>	Foreign currency gains or losses .....	<b>2h</b>	
<b>i</b>	Other (attach statement) ..... <b>SEE STATEMENT 18</b>	<b>2i</b>	<b>7,786,767. 8,120,509.</b>
<b>3</b>	Total net additions .....	<b>3</b>	<b>8,771,352.</b>
<b>4</b>	Total net subtractions .....	<b>4</b>	<b>8,120,509.</b>
<b>5a</b>	Current earnings and profits (line 1 plus line 3 minus line 4) .....	<b>5a</b>	<b>-1,474,399.</b>
<b>b</b>	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions) .....	<b>5b</b>	
<b>c</b>	Combine lines 5a and 5b .....	<b>5c</b>	<b>-1,474,399.</b>
<b>d</b>	Current earnings and profits in U.S. dollars (line 5c translated at the average exchange rate, as defined in section 989(b)(3) and the related regulations (see instructions)) .....	<b>5d</b>	<b>-1,474,399.</b>
	Enter exchange rate used for line 5d ▶		<b>1.000000</b>

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule H (Form 5471) (12-2018)

FORM 5471

OTHER NET ADJUSTMENTS

STATEMENT 18

<u>DESCRIPTION</u>	<u>NET ADDITIONS</u>	<u>NET SUBTRACTIONS</u>
RELATED PARTY PREMIUMS	0.	8,120,509.
RELATED PARTY CLAIMS PAID	7,786,767.	0.
TOTAL TO 5471, SCHEDULE H, LINE 2I	<u>7,786,767.</u>	<u>8,120,509.</u>

Foreign Corporation COTTAGE INSURANCE COMPANY, LTD

98-0461499

Schedule I Shareholder's Income From Foreign Corporation

Name of shareholder described in Category 5

Identifying number

LUMINIS HEALTH AAMC

52-1169362

Shareholder's income from foreign corporation

Table with 2 columns: Description and Line Number. Rows include: 1a Section 964(e)(4) Subpart F dividend income from the sale of stock of lower-tier foreign corporation, 1b Section 245A(e)(2) Subpart F income from hybrid dividends of tiered corporation, 1c Section 954(c) Subpart F Foreign Personal Holding Company Income, 1d Section 954(d) Subpart F Foreign Base Company Sales Income, 1e Section 954(e) Subpart F Foreign Base Company Services Income, 1f Other Subpart F income, 2 Earnings invested in U.S. property, 3 Section 245A eligible dividends, 4 Factoring income, 5 Dividends received (translated at spot rate on payment date under section 989(b)(1)), 6 Exchange gain or (loss) on a distribution of previously taxed earnings and profits.

**SCHEDULE I-1  
(Form 5471)**

(Rev. December 2019)

Department of the Treasury  
Internal Revenue Service

**Information for Global Intangible Low-Taxed Income**

▶ **Attach to Form 5471.**

OMB No. 1545-0704

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

Name of person filing Form 5471  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL**

Identifying number  
**52-1169362**

Name of foreign corporation  
**COTTAGE INSURANCE COMPANY, LTD**

EIN (if any)  
**98-0461499**

Reference ID number (see instr.)

Separate Category (Enter code - see instructions) ..... ▶ **PAS**

		Functional Currency	Conversion Rate	U.S. Dollars
<b>1</b>	Gross income .....	<b>1</b> 7657868.		
<b>2</b>	Exclusions			
<b>a</b>	Effectively connected income .....	<b>2a</b>		
<b>b</b>	Subpart F income .....	<b>2b</b> 7657868.		
<b>c</b>	High-tax exception income per section 954(b)(4) .....	<b>2c</b>		
<b>d</b>	Related party dividends .....	<b>2d</b>		
<b>e</b>	Foreign oil and gas extraction income .....	<b>2e</b>		
<b>3</b>	Total exclusions (total of lines 2a-2e) .....	<b>3</b> 7657868.		
<b>4</b>	Gross income less total exclusions (line 1 minus line 3) .....	<b>4</b> 0.		
<b>5</b>	Deductions properly allocable to amount on line 4 .....	<b>5</b>		
<b>6</b>	Tested income (loss) (line 4 minus line 5) .....	<b>6</b> 0.	1.000000	
<b>7</b>	Tested foreign income taxes .....	<b>7</b>	1.000000	
<b>8</b>	Qualified business asset investment (QBAI) .....	<b>8</b>	1.000000	
<b>9a</b>	Interest expense included on line 5 .....	<b>9a</b>		
<b>b</b>	Qualified interest expense .....	<b>9b</b>		
<b>c</b>	Tested loss QBAI amount .....	<b>9c</b>		
<b>d</b>	Tested interest expense (line 9a minus the sum of line 9b and line 9c). If zero or less, enter -0- .....	<b>9d</b>	1.000000	
<b>10a</b>	Interest income included in line 4 .....	<b>10a</b>		
<b>b</b>	Qualified interest income .....	<b>10b</b>		
<b>c</b>	Tested interest income (line 10a minus line 10b). If zero or less, enter -0- .....	<b>10c</b>	1.000000	

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule I-1 (Form 5471) (Rev. 12-2019)



**SCHEDULE J  
(Form 5471)**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

**Accumulated Earnings & Profits (E&P) of Controlled Foreign Corporation**

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471

**LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Identifying number

**52-1169362**

Name of foreign corporation

**COTTAGE INSURANCE COMPANY, LTD**

EIN (if any)

**98-0461499**

Reference ID number

**a** Separate Category (Enter code - see instructions.) ..... ▶ **PAS**  
**b** If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶

**Part I Accumulated E&P of Controlled Foreign Corporation**

Check the box if person filing return does not have all U.S. shareholders' information to complete amount for columns (e)(i), (e)(ii), (e)(iv), and (e)(x) through (e)(xii) (see instructions).

**Important:** Enter amounts in functional currency.

		(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance)	(d) Hovering Deficit and Deduction for Suspended Taxes	(e) Previously Taxed E&P (see instructions)	
						(i) Section 965(a) Inclusion (section 959(c)(1)(A))	(ii) Section 965(b)(4)(A) (section 959(c)(1)(A))
<b>1a</b>	Balance at beginning of year (as reported on prior year Schedule J) .....	- 938,885.	- 3,087,972.				
<b>b</b>	Beginning balance adjustments (attach statement) .....						
<b>c</b>	Adjusted beginning balance (combine lines 1a and 1b) .....	- 938,885.	- 3,087,972.				
<b>2a</b>	Reduction for taxes unsuspending under anti-splitter rules						
<b>b</b>	Disallowed deduction for taxes suspended under anti-splitter rules .....						
<b>3</b>	Current year E&P (or deficit in E&P) .....	- 1,474,399.					
<b>4</b>	E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....						
<b>5a</b>	E&P carried over in nonrecognition transaction .....						
<b>b</b>	Reclassify deficit in E&P as hovering deficit after nonrecognition transaction .....						
<b>6</b>	Other adjustments (attach statement) .....						
<b>7</b>	Total current and accumulated E&P (combine lines 1c through 6) .....	- 2,413,284.	- 3,087,972.				
<b>8</b>	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....						
<b>9</b>	Actual distributions .....						
<b>10</b>	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....						
<b>11</b>	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)						
<b>12</b>	Other adjustments (attach statement) .....						
<b>13</b>	Hovering deficit offset of undistributed posttransaction E&P (see instructions) .....						
<b>14</b>	Balance at beginning of next year (combine lines 7 through 13) .....	- 2,413,284.	- 3,087,972.				

**Part I Accumulated E&P of Controlled Foreign Corporation** *(continued)*

	(e) Previously Taxed E&P (see instructions)							(x) Section 965(a) Inclusion (section 959(c)(2))
	(iii) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(iv) Section 951A Inclusion (section 959(c)(1)(A))	(v) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(vi) Section 959(e) (section 959(c)(1)(A))	(vii) Section 964(e)(4) Inclusion (section 959(c)(1)(A))	(viii) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	(ix) Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	
1a								
b								
c								
2a								
b								
3								
4								
5a								
b								
6								
7								
8								
9								
10								
11								
12								
13								
14								

	(e) Previously Taxed E&P (see instructions)						(f) Total Section 964(a) E&P (combine columns (a), (b), (c), and (e)(i) through (e)(xvi))
	(xi) Section 965(b)(4)(A) (section 959(c)(2))	(xii) Section 951A Inclusion (section 959(c)(2))	(xiii) Section 245A(e)(2) Inclusion (section 959(c)(2))	(xiv) Section 959(e) (section 959(c)(2))	(xv) Section 964(e)(4) Inclusion (section 959(c)(2))	(xvi) Section 951(a)(1)(A) Inclusion (section 959(c)(2))	
1a							-4,026,857.
b							
c							-4,026,857.
2a							
b							
3							-1,474,399.
4							
5a							
b							
6							
7							-5,501,256.
8							
9							
10							
11							
12							
13							
14							-5,501,256.

**Part II Nonpreviously Taxed E&P Subject to Recapture as Subpart F Income (section 952(c)(2))**

**Important:** Enter amounts in functional currency.

<b>1</b>	Balance at beginning of year .....	▶	<b>1</b>	
<b>2</b>	Additions (amounts subject to future recapture) .....	▶	<b>2</b>	
<b>3</b>	Subtractions (amounts recaptured in current year) .....	▶	<b>3</b>	
<b>4</b>	Balance at end of year (combine lines 1 through 3) .....	▶	<b>4</b>	

Schedule J (Form 5471) (Rev. 12-2019)

**SCHEDULE M  
(Form 5471)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0123

▶ Attach to Form 5471.

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Identifying number  
**52-1169362**

Name of foreign corporation  
**COTTAGE INSURANCE COMPANY, LTD**

EIN (if any)  
**98-0461499**

Reference ID number

**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ **UNITED STATES, DOLLAR** **1.000000**

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory) ...					
2 Sales of tangible property other than stock in trade .....					
3 Sales of property rights (patents, trademarks, etc.) .....					
4 Platform contribution transaction payments received .....					
5 Cost sharing transaction payments received					
6 Compensation received for technical, managerial, engineering, construction, or like services .....					
7 Commissions received .....					
8 Rents, royalties, and license fees received ...					
9 Hybrid dividends received (see instr.) ...					
10 Dividends received (exclude hybrid dividends, deemed distributions under subpart F, and distributions of previously taxed income) .....					
11 Interest received .....					
12 Premiums received for insurance or reinsurance .....	2,443,110.				
13 Add lines 1 through 12 .....	2,443,110.				
14 Purchases of stock in trade (inventory)					
15 Purchases of tangible property other than stock in trade .....					
16 Purchases of property rights (patents, trademarks, etc.) .....					
17 Platform contribution transaction payments paid					
18 Cost sharing transaction payments paid					
19 Compensation paid for technical, managerial, engineering, construction, or like services .....					
20 Commissions paid .....					
21 Rents, royalties, and license fees paid					
22 Hybrid dividends paid (see instructions)					
23 Dividends paid (exclude hybrid dividends paid) .....					
24 Interest paid .....					
25 Premiums paid for insurance or reinsurance					
26 Add lines 14 through 25 .....					
27 Accounts Payable .....					
28 Amounts borrowed (enter the maximum loan balance during the year) - see instr.					
29 Accounts Receivable .....					
30 Amounts loaned (enter the maximum loan balance during the year) - see instr.					

**SCHEDULE P  
(Form 5471)**

(Rev. December 2019)

Department of the Treasury  
Internal Revenue Service

**Previously Taxed Earnings and Profits of U.S. Shareholder  
of Certain Foreign Corporations**

▶ **Attach to Form 5471.**

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

OMB No. 1545-0123

Name of U.S. shareholder <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>COTTAGE INSURANCE COMPANY, LTD</b>	EIN (if any) <b>98-0461499</b>	Reference ID number (see instructions) <b>PAS</b>
<b>a</b> Separate Category (Enter code - see instructions.) ..... ▶		
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**Part I Previously Taxed E&P in Functional Currency** (see instructions)

	(a) Section 965(a) Inclusion (section 959(c)(1)(A))	(b) Section 965(b)(4)(A) (section 959(c)(1)(A))	(c) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(d) Section 951A Inclusion (section 959(c)(1)(A))	(e) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(f) Section 959(e) (section 959(c)(1)(A))	(g) Section 964(e)(4) Inclusion (section 959(c)(1)(A))
<b>1a</b> Balance at beginning of year (see instructions) .....							
<b>b</b> Beginning balance adjustments (attach statement) .....							
<b>c</b> Adjusted beginning balance (combine lines 1a and 1b) .....							
<b>2</b> Reduction for taxes unsuspended under anti-splitter rules .....							
<b>3</b> Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....							
<b>4</b> Previously taxed E&P carried over in nonrecognition transaction .....							
<b>5</b> Other adjustments (attach statement) .....							
<b>6</b> Total previously taxed E&P (combine lines 1c through 5) .....							
<b>7</b> Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....							
<b>8</b> Actual distributions of previously taxed E&P ...							
<b>9</b> Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....							
<b>10</b> Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions) ...							
<b>11</b> Other adjustments (attach statement) ...							
<b>12</b> Balance at beginning of next year (combine lines 6 through 11) .....							

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule P (Form 5471) (Rev. 12-2019)

**Part I** **Previously Taxed E&P in Functional Currency** (see instructions) *(continued)*

	<b>(h)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	<b>(i)</b> Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	<b>(j)</b> Section 965(a) Inclusion (section 959(c)(2))	<b>(k)</b> Section 965(b)(4)(A) (section 959(c)(2))	<b>(l)</b> Section 951A Inclusion (section 959(c)(2))	<b>(m)</b> Section 245A(e)(2) Inclusion (section 959(c)(2))	<b>(n)</b> Section 959(e) (section 959(c)(2))	<b>(o)</b> Section 964(e)(4) Inclusion (section 959(c)(2))	<b>(p)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(2))	<b>(q)</b> Total
<b>1a</b>										
<b>b</b>										
<b>c</b>										
<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 II Previously Taxed E&P in U.S. Dollars**

	(a) Section 965(a) Inclusion (section 959(c)(1)(A))	(b) Section 965(b)(4)(A) (section 959(c)(1)(A))	(c) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(d) Section 951A Inclusion (section 959(c)(1)(A))	(e) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(f) Section 959(e) (section 959(c)(1)(A))	(g) Section 964(e)(4) Inclusion (section 959(c)(1)(A))
<b>1a</b> Balance at beginning of year (see instructions)							
<b>b</b> Beginning balance adjustments (attach statement) .....							
<b>c</b> Adjusted beginning balance (combine lines 1a and 1b) .....							
<b>2</b> Reduction for taxes unsuspended under anti-splitter rules .....							
<b>3</b> Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....							
<b>4</b> Previously taxed E&P carried over in nonrecognition transaction .....							
<b>5</b> Other adjustments (attach statement) .....							
<b>6</b> Total previously taxed E&P (combine lines 1c through 5) .....							
<b>7</b> Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....							
<b>8</b> Actual distributions of previously taxed E&P							
<b>9</b> Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....							
<b>10</b> Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions) .....							
<b>11</b> Other adjustments (attach statement) .....							
<b>12</b> Balance at beginning of next year (combine lines 6 through 11) .....							

Schedule P (Form 5471) (Rev. 12-2019)

**Part II** Previously Taxed E&P in U.S. Dollars *(continued)*

	<b>(h)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	<b>(i)</b> Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	<b>(j)</b> Section 965(a) Inclusion (section 959(c)(2))	<b>(k)</b> Section 965(b)(4)(A) (section 959(c)(2))	<b>(l)</b> Section 951A Inclusion (section 959(c)(2))	<b>(m)</b> Section 245A(e)(2) Inclusion (section 959(c)(2))	<b>(n)</b> Section 959(e) (section 959(c)(2))	<b>(o)</b> Section 964(e)(4) Inclusion (section 959(c)(2))	<b>(p)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(2))	<b>(q)</b> Total
<b>1a</b>										
<b>b</b>										
<b>c</b>										
<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>										



**Information Return of U.S. Persons With Respect to Certain Foreign Corporations**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **JUL 1, 2019**, and ending **JUN 30, 2020**

Attachment  
Sequence No. **121**

Name of person filing this return <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b> Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) <b>2000 MEDICAL PARKWAY, NO. 606</b> City or town, state, and ZIP code <b>ANNAPOLIS, MD 21401</b> Filer's tax year beginning <b>JUL 1, 2019</b> , and ending <b>JUN 30, 2020</b>	<b>A Identifying number</b> <b>52-1169362</b> <b>B Category of filer (See instructions. Check applicable box(es)):</b> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/> <b>C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period</b> <b>45.78 %</b> <b>D Check box if this is a final Form 5471 for the foreign corporation</b> <input type="checkbox"/> <b>E Check if any excepted specified foreign financial assets are reported on this form (see instructions)</b> <input type="checkbox"/> <b>F Person(s) on whose behalf this information return is filed:</b>
--	---

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
LUMINIS HEALTH, INC.	2000 MEDICAL PARKWAY, STE 606 ANNAPOLIS MD 21401	52-1162253	X		

**Important:** Fill in all applicable lines and schedules. All information **must** be in English. All amounts **must** be stated in U.S. dollars unless otherwise indicated.

<b>1a Name and address of foreign corporation</b> <b>THE EMERGING MARKETS EQUITY FUND, LTD.</b> <b>201 WASHINGTON STREET, 29TH FLOOR</b> <b>BOSTON MA 02108</b>				<b>b(1) Employer identification number, if any</b>  <b>b(2) Reference ID number (see instructions)</b> <b>EMER2021</b> <b>c Country under whose laws incorporated</b> <b>CAYMAN ISLANDS</b>	
<b>d Date of incorporation</b>	<b>e Principal place of business</b>	<b>f Principal business activity code number</b>	<b>g Principal business activity</b>	<b>h Functional currency</b>	
10/01/14	CJ	523900	INVESTING	UNITED STATES, DOLLAR	

<b>2 Provide the following information for the foreign corporation's accounting period stated above.</b> <b>a Name, address, and identifying number of branch office or agent (if any) in the United States</b>			<b>b If a U.S. income tax return was filed, enter:</b> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;"><b>(i) Taxable income or (loss)</b></td> <td style="width:50%;"><b>(ii) U.S. income tax paid (after all credits)</b></td> </tr> <tr> <td> </td> <td> </td> </tr> </table>		<b>(i) Taxable income or (loss)</b>	<b>(ii) U.S. income tax paid (after all credits)</b>		
<b>(i) Taxable income or (loss)</b>	<b>(ii) U.S. income tax paid (after all credits)</b>							
<b>c Name and address of foreign corporation's statutory or resident agent in country of incorporation</b>		<b>d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different</b>  <b>ATLANTIC FUND ADMINISTRATION, LLC</b> <b>THREE CANAL PLAZA</b> <b>PORTLAND ME 04101</b>						

Schedule A Stock of the Foreign Corporation		
(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	779,409	258,167



**Schedule C** **Income Statement**

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
<b>Income</b>	<b>1a</b> Gross receipts or sales .....	<b>1a</b>	
	<b>b</b> Returns and allowances .....	<b>1b</b>	
	<b>c</b> Subtract line 1b from line 1a .....	<b>1c</b>	
	<b>2</b> Cost of goods sold .....	<b>2</b>	
	<b>3</b> Gross profit (subtract line 2 from line 1c) .....	<b>3</b>	
	<b>4</b> Dividends .....	<b>4</b>	1,139,660.
	<b>5</b> Interest .....	<b>5</b>	
	<b>6a</b> Gross rents .....	<b>6a</b>	
	<b>b</b> Gross royalties and license fees .....	<b>6b</b>	
	<b>7</b> Net gain or (loss) on sale of capital assets .....	<b>7</b>	2,861,647.
<b>8a</b> Foreign currency transaction gain or loss - unrealized .....	<b>8a</b>		-5,441.
	<b>b</b> Foreign currency transaction gain or loss - realized .....	<b>8b</b>	-69,271.
	<b>9</b> Other income (attach statement) <b>SEE STATEMENT 8</b> .....	<b>9</b>	-6,981,740.
	<b>10</b> Total income (add lines 3 through 9) .....	<b>10</b>	-3,055,145.
<b>Deductions</b>	<b>11</b> Compensation not deducted elsewhere .....	<b>11</b>	
	<b>12a</b> Rents .....	<b>12a</b>	
	<b>b</b> Royalties and license fees .....	<b>12b</b>	
	<b>13</b> Interest .....	<b>13</b>	
	<b>14</b> Depreciation not deducted elsewhere .....	<b>14</b>	
	<b>15</b> Depletion .....	<b>15</b>	
	<b>16</b> Taxes (exclude income tax expense (benefit)) .....	<b>16</b>	
	<b>17</b> Other deductions (attach statement - exclude income tax expense (benefit)) <b>SEE STATEMENT 9</b> .....	<b>17</b>	245,515.
<b>18</b> Total deductions (add lines 11 through 17) .....	<b>18</b>	245,515.	
<b>Net Income</b>	<b>19</b> Net income or (loss) before unusual or infrequently occurring items, and income tax expense (benefit) (subtract line 18 from line 10) .....	<b>19</b>	-3,300,660.
	<b>20</b> Unusual or infrequently occurring items .....	<b>20</b>	
	<b>21a</b> Income tax expense (benefit) - current .....	<b>21a</b>	
	<b>b</b> Income tax expense (benefit) - deferred .....	<b>21b</b>	
<b>22</b> Current year net income or (loss) per books (combine lines 19 through 21b) .....	<b>22</b>	-3,300,660.	
<b>Other Comprehensive Income</b>	<b>23a</b> Foreign currency translation adjustments .....	<b>23a</b>	
	<b>b</b> Other .....	<b>23b</b>	
	<b>c</b> Income tax expense (benefit) related to other comprehensive income .....	<b>23c</b>	
	<b>24</b> Other comprehensive income (loss), net of tax (line 23a plus line 23b less line 23c) .....	<b>24</b>	

**Schedule F Balance Sheet**

**Important:** Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash .....	1	1,259,413.	430,494.
2a Trade notes and accounts receivable .....	2a		
b Less allowance for bad debts .....	2b	( )	( )
3 Derivatives .....	3		
4 Inventories .....	4		
5 Other current assets (attach statement) .....	5	615,368.	305,679.
6 Loans to shareholders and other related persons .....	6		
7 Investment in subsidiaries (attach statement) .....	7		
8 Other investments (attach statement) .....	8	79,280,017.	23,656,606.
9a Buildings and other depreciable assets .....	9a		
b Less accumulated depreciation .....	9b	( )	( )
10a Depletable assets .....	10a		
b Less accumulated depletion .....	10b	( )	( )
11 Land (net of any amortization) .....	11		
12 Intangible assets:			
a Goodwill .....	12a		
b Organization costs .....	12b		
c Patents, trademarks, and other intangible assets .....	12c		
d Less accumulated amortization for lines 12a, 12b, and 12c .....	12d	( )	( )
13 Other assets (attach statement) .....	13		
14 Total assets .....	14	81,154,798.	24,392,779.
<b>Liabilities and Shareholders' Equity</b>			
15 Accounts payable .....	15		
16 Other current liabilities (attach statement) .....	16	293,636.	696.
17 Derivatives .....	17		
18 Loans from shareholders and other related persons .....	18		
19 Other liabilities (attach statement) .....	19		
20 Capital stock:			
a Preferred stock .....	20a	80,861,162.	24,392,083.
b Common stock .....	20b		
21 Paid-in or capital surplus (attach reconciliation) .....	21		
22 Retained earnings .....	22		
23 Less cost of treasury stock .....	23	( )	( )
24 Total liabilities and shareholders' equity .....	24	81,154,798.	24,392,779.

**Schedule G Other Information**

	Yes	No
1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," see the instructions for required statement.		
2 During the tax year, did the foreign corporation own an interest in any trust? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as separate from their owner under Regulations sections 301.7701-2 and 301.7701-3 or did the foreign corporation own any foreign branches (see instructions)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," you are generally required to attach Form 8858 for each entity or branch (see instructions).		
4a During the tax year, did the filer pay or accrue any base erosion payment under section 59A(d) to the foreign corporation or did the filer have a base erosion tax benefit under section 59A(c)(2) with respect to a base erosion payment made or accrued to the foreign corporation (see instructions)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," complete lines 4b and 4c.		
b Enter the total amount of the base erosion payments .....		\$ _____
c Enter the total amount of the base erosion tax benefit .....		\$ _____
5a During the tax year, did the foreign corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," complete line 5b.		
b Enter the total amount of the disallowed deductions (see instructions) .....		\$ _____

FORM 5471 AMOUNT AND TYPE OF INDEBTEDNESS OF FOREIGN CORPORATION TO THE RELATED PERSONS DESCRIBED IN REGULATIONS SECTION 1.6046-1(B)(11) STATEMENT 6

AMOUNT	DESCRIPTION
0.	N/A

FORM 5471 NAME, ADDRESS, IDENTIFYING NUMBER AND NUMBER OF SHARES SUBSCRIBED TO BY EACH SUBSCRIBER TO THE STOCK OF THE FOREIGN CORPORATION STATEMENT 7

NAME AND ADDRESS	IDENTIFYING NUMBER	NUMBER OF SHARES
N/A		

FORM 5471 OTHER INCOME STATEMENT 8

DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
UNREALIZED LOSS			-6,981,740.
TOTAL TO 5471, SCHEDULE C, LINE 9			-6,981,740.

FORM 5471 OTHER DEDUCTIONS STATEMENT 9

DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
OPERATING FEE			245,515.
TOTAL TO 5471, SCHEDULE C, LINE 17			245,515.

FORM 5471

OTHER CURRENT ASSETS

STATEMENT 14

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
FOREIGN CURRENCY	69,970.	16,761.
INVESTMENTS SOLD RECEIVABLE	0.	99,902.
DIVIDENDS RECEIVABLE	503,058.	189,016.
OTHER ASSETS	5,485.	0.
DUE FROM INVESTMENT MANAGER	36,855.	0.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 5	<u>615,368.</u>	<u>305,679.</u>

FORM 5471

OTHER INVESTMENTS

STATEMENT 15

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
INVESTMENTS IN SECURITIES	79,280,017.	23,656,606.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 8	<u>79,280,017.</u>	<u>23,656,606.</u>

FORM 5471

OTHER CURRENT LIABILITIES

STATEMENT 16

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
FOREIGN CAPITAL GAINS TAX PAYABLE	195,841.	696.
MANAGEMENT FEES PAYABLE	48,545.	0.
PROFESSIONAL FEES PAYABLE	36,541.	0.
OTHER LIABILITIES	12,709.	0.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 16	<u>293,636.</u>	<u>696.</u>

Schedule G Other Information (continued)

Table with 2 columns: Yes, No. Rows 6a-21 containing tax questions and answers. Includes monetary values and checkboxes for various methods.

**Schedule I Summary of Shareholder's Income From Foreign Corporation**

If item F on page 1 is completed, a separate Schedule I must be filed for each Category 4 or 5 filer for whom reporting is furnished on this Form 5471. This Schedule I is being completed for:

Name of U.S. shareholder ▶	Identifying number ▶		
<b>1a</b> Section 964(e)(4) Subpart F dividend income from the sale of stock of a lower-tier foreign corporation (see instructions) .....		<b>1a</b>	
<b>b</b> Section 245A(e)(2) Subpart F income from hybrid dividends of tiered corporations (see instructions) .....		<b>1b</b>	
<b>c</b> Section 954(c) Subpart F Foreign Personal Holding Company Income (enter result from Worksheet A) .....		<b>1c</b>	
<b>d</b> Section 954(d) Subpart F Foreign Base Company Sales Income (enter result from Worksheet A) .....		<b>1d</b>	
<b>e</b> Section 954(e) Subpart F Foreign Base Company Services Income (enter result from Worksheet A) .....		<b>1e</b>	
<b>f</b> Other subpart F income (see instructions) .....		<b>1f</b>	<b>521,736.</b>
<b>2</b> Earnings invested in U.S. property (enter the result from Worksheet B in the instructions) .....		<b>2</b>	
<b>3</b> Section 245A eligible dividends (see instructions) .....		<b>3</b>	
<b>4</b> Factoring income .....		<b>4</b>	
See instructions for reporting amounts on lines 1, 2, and 4 on your income tax return.			
<b>5</b> Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....		<b>5</b>	
<b>6</b> Exchange gain or (loss) on a distribution of previously taxed earnings and profits .....		<b>6</b>	

	Yes	No
• Was any income of the foreign corporation blocked? .....		
• Did any such income become unblocked during the tax year (see section 964(b))? .....		

If the answer to either question is "Yes," attach an explanation.



**SCHEDULE E  
(Form 5471)**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

**Income, War Profits, and Excess Profits Taxes Paid or Accrued**

▶ **Attach to Form 5471.**

OMB No. 1545-0123

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>THE EMERGING MARKETS EQUITY FUND, LTD.</b>	EIN (if any)	Reference ID number (see instructions) <b>EMER2021</b>
a Separate Category (Enter code - see instructions.)		▶ <b>GEN</b>
b If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions)		▶

**Part I Taxes for Which a Foreign Tax Credit Is Allowed**

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Country or U.S. Possession to Which Tax Is Paid (Enter code-see instructions. Use a separate line for each.)	(d) Foreign Tax Year of Foreign Corporation to Which Tax Relates (Year/Month/Day)	(e) U.S. Tax Year of Foreign Corporation to Which Tax Relates (Year/Month/Day)
1					
2					
3					
4					
5					
6					
7					
	(f) Income Subject to Tax in the Foreign Jurisdiction (see instructions)	(g) Tax Paid or Accrued (in local currency in which the tax is payable)	(h) Conversion Rate to U.S. Dollars	(i) In U.S. Dollars (divide column (g) by column (h))	(j) In Functional Currency of Foreign Corporation
1					
2					
3					
4					
5					
6					
7					
<b>8</b>	Total (combine lines 1 through 7 of column (i)). Report amount on Schedule E-1, line 4				▶
<b>9</b>	Total (combine lines 1 through 7 of column (j)). See instructions for Schedule H, line 2g				▶

**Part II Election**

For tax years beginning after December 31, 2004, has an election been made under section 986(a)(1)(D) to translate taxes using the exchange rate on the date of payment?

Yes  No If "Yes," state date of election ▶

**Part III Taxes for Which a Foreign Tax Credit Is Disallowed** (Enter in functional currency of foreign corporation.)

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Section 901(j)	(d) Section 901(k) and (l)	(e) Section 901(m)	(f) U.S. Taxes	(g) Other	(h) Total
1								
2								
<b>3</b>	In functional currency (combine lines 1 and 2)							▶
<b>4</b>	In U.S. dollars (translated at the average exchange rate, as defined in section 989(b)(3) and related regulations (see instructions))							▶

**Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation**

<b>IMPORTANT:</b> Enter amounts in U.S. dollars unless otherwise noted (see instructions).		Taxes related to:			
		(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance) (in functional currency)	(d) Hovering Deficit and Suspended Taxes
1a	Balance at beginning of year (as reported in prior year Schedule E-1)				
b	Beginning balance adjustments (attach statement)				
c	Adjusted beginning balance (combine lines 1a and 1b)				
2	Adjustment for redetermination of prior year U.S. tax liability				
3a	Taxes unsuspending under anti-splitter rules				
b	Taxes suspended under anti-splitter rules				
4	Taxes reported on Schedule E, Part I, line 8, column (i)				
5a	Taxes carried over in nonrecognition transactions				
b	Taxes reclassified as related to hovering deficit after nonrecognition transaction				
6	Other adjustments (attach statement)				
7	Taxes paid or accrued on accumulated E&P (combine lines 1c through 6)				
8	Taxes deemed paid with respect to inclusions under section 951(a)(1) (see instructions)				
9	Taxes deemed paid with respect to inclusions under section 951A (see instructions)				
10	Taxes deemed paid with respect to actual distributions				
11	Taxes on amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P				
12	Other (attach statement)				
13	Taxes related to hovering deficit offset of undistributed post-transaction E&P				
14	Balance at beginning of next year (combine lines 7 through 13)				

**(e) Taxes related to previously taxed E&P** (see instructions)

	(i) Section 965(a) Inclusion (section 959(c)(1)(A))	(ii) Section 965(b)(4)(A) (section 959(c)(1)(A))	(iii) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(iv) Section 951A Inclusion (section 959(c)(1)(A))	(v) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(vi) Section 959(e) (section 959(c)(1)(A))	(vii) Section 964(e)(4) Inclusion (section 959(c)(1)(A))	(viii) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))
1a								
b								
c								
2								
3a								
b								
4								
5a								
b								
6								
7								
8								
9								
10								
11								
12								
13								
14								

**Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation** *(continued)*

**(e) Taxes related to previously taxed E&P** (see instructions)

	<b>(ix)</b> Earnings Invested Excess Passive Assets (section 959(c)(1)(B))	<b>(x)</b> Section 965(a) Inclusion (section 959(c)(2))	<b>(xi)</b> Section 965(b)(4)(A) (section 959(c)(2))	<b>(xii)</b> Section 951A Inclusion (section 959(c)(2))	<b>(xiii)</b> Section 245A(e)(2) Inclusion (section 959(c)(2))	<b>(xiv)</b> Section 959(e) (section 959(c)(2))	<b>(xv)</b> Section 964(e)(4) Inclusion (section 959(c)(2))	<b>(xvi)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(2))
<b>1a</b>								
<b>b</b>								
<b>c</b>								
<b>2</b>								
<b>3a</b>								
<b>b</b>								
<b>4</b>								
<b>5a</b>								
<b>b</b>								
<b>6</b>								
<b>7</b>								
<b>8</b>								
<b>9</b>								
<b>10</b>								
<b>11</b>								
<b>12</b>								
<b>13</b>								
<b>14</b>								

**SCHEDULE H  
(Form 5471)**

(December 2018)  
Department of the Treasury  
Internal Revenue Service

**Current Earnings and Profits**

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>THE EMERGING MARKETS EQUITY FUND,</b>	EIN (if any)	Reference ID number (see instr.) <b>EMER2021</b>
<b>a</b> Separate Category (Enter code-see instructions.) ..... ▶		<b>GEN</b>
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**IMPORTANT:** Enter the amounts on lines 1 through 5c in **functional** currency.

<b>1</b>	Current year net income or (loss) per foreign books of account .....	<b>1</b>	<b>-3,300,660.</b>
<b>2</b>	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
		Net Additions	Net Subtractions
<b>a</b>	Capital gains or losses .....	<b>2a</b>	
<b>b</b>	Depreciation and amortization .....	<b>2b</b>	
<b>c</b>	Depletion .....	<b>2c</b>	
<b>d</b>	Investment or incentive allowance .....	<b>2d</b>	
<b>e</b>	Charges to statutory reserves .....	<b>2e</b>	
<b>f</b>	Inventory adjustments .....	<b>2f</b>	
<b>g</b>	Income taxes (see Schedule E, Part I, line 9, column (j)) .....	<b>2g</b>	
<b>h</b>	Foreign currency gains or losses .....	<b>2h</b>	<b>5,441.</b>
<b>i</b>	Other (attach statement) ..... <b>SEE STATEMENT 19</b>	<b>2i</b>	<b>6,981,740.</b>
<b>3</b>	Total net additions .....	<b>3</b>	<b>6,987,181.</b>
<b>4</b>	Total net subtractions .....	<b>4</b>	
<b>5a</b>	Current earnings and profits (line 1 plus line 3 minus line 4) .....	<b>5a</b>	<b>3,686,521.</b>
<b>b</b>	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions) .....	<b>5b</b>	
<b>c</b>	Combine lines 5a and 5b .....	<b>5c</b>	<b>3,686,521.</b>
<b>d</b>	Current earnings and profits in U.S. dollars (line 5c translated at the average exchange rate, as defined in section 989(b)(3) and the related regulations (see instructions)) .....	<b>5d</b>	<b>3,686,521.</b>
	Enter exchange rate used for line 5d ▶		<b>1.000000</b>

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule H (Form 5471) (12-2018)

FORM 5471

OTHER NET ADJUSTMENTS

STATEMENT 19

<u>DESCRIPTION</u>	<u>NET ADDITIONS</u>	<u>NET SUBTRACTIONS</u>
UNREALIZED LOSS REVERSAL	6,981,740.	0.
TOTAL TO 5471, SCHEDULE H, LINE 2I	6,981,740.	0.

Foreign Corporation THE EMERGING MARKETS EQUITY FUND, LTD.

**Schedule I Shareholder's Income From Foreign Corporation**

Name of shareholder described in Category 5	Identifying number
<b>Shareholder's income from foreign corporation</b>	
1a Section 964(e)(4) Subpart F dividend income from the sale of stock of lower-tier foreign corporation .....	1a _____
b Section 245A(e)(2) Subpart F income from hybrid dividends of tiered corporation .....	1b _____
c Section 954(c) Subpart F Foreign Personal Holding Company Income .....	1c _____
d Section 954(d) Subpart F Foreign Base Company Sales Income .....	1d _____
e Section 954(e) Subpart F Foreign Base Company Services Income .....	1e _____
f Other Subpart F income .....	1f <u>521,736.</u>
2 Earnings invested in U.S. property .....	2 _____
3 Section 245A eligible dividends .....	3 _____
4 Factoring income .....	4 _____
5 Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....	5 _____
6 Exchange gain or (loss) on a distribution of previously taxed earnings and profits .....	6 _____

**SCHEDULE I-1  
(Form 5471)**

(Rev. December 2019)

Department of the Treasury  
Internal Revenue Service

**Information for Global Intangible Low-Taxed Income**

▶ **Attach to Form 5471.**

OMB No. 1545-0704

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

Name of person filing Form 5471  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL**

Identifying number  
**52-1169362**

Name of foreign corporation  
**THE EMERGING MARKETS EQUITY FUND, L**

EIN (if any)

Reference ID number (see instr.)  
**EMER2021**

Separate Category (Enter code - see instructions) ..... ▶ **GEN**

		Functional Currency	Conversion Rate	U.S. Dollars
<b>1</b>	Gross income .....	<b>1</b> 4001307.		
<b>2</b>	Exclusions			
<b>a</b>	Effectively connected income .....	<b>2a</b>		
<b>b</b>	Subpart F income .....	<b>2b</b> 1139660.		
<b>c</b>	High-tax exception income per section 954(b)(4) .....	<b>2c</b>		
<b>d</b>	Related party dividends .....	<b>2d</b>		
<b>e</b>	Foreign oil and gas extraction income .....	<b>2e</b>		
<b>3</b>	Total exclusions (total of lines 2a-2e) .....	<b>3</b> 1139660.		
<b>4</b>	Gross income less total exclusions (line 1 minus line 3) .....	<b>4</b> 2861647.		
<b>5</b>	Deductions properly allocable to amount on line 4 .....	<b>5</b> 314,786.		
<b>6</b>	Tested income (loss) (line 4 minus line 5) .....	<b>6</b> 2546861.	1.000000	2546861.
<b>7</b>	Tested foreign income taxes .....	<b>7</b>	1.000000	
<b>8</b>	Qualified business asset investment (QBAI) .....	<b>8</b>	1.000000	
<b>9a</b>	Interest expense included on line 5 .....	<b>9a</b>		
<b>b</b>	Qualified interest expense .....	<b>9b</b>		
<b>c</b>	Tested loss QBAI amount .....	<b>9c</b>		
<b>d</b>	Tested interest expense (line 9a minus the sum of line 9b and line 9c). If zero or less, enter -0- .....	<b>9d</b>	1.000000	
<b>10a</b>	Interest income included in line 4 .....	<b>10a</b>		
<b>b</b>	Qualified interest income .....	<b>10b</b>		
<b>c</b>	Tested interest income (line 10a minus line 10b). If zero or less, enter -0- .....	<b>10c</b>	1.000000	

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule I-1 (Form 5471) (Rev. 12-2019)

**SCHEDULE J  
(Form 5471)**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

**Accumulated Earnings & Profits (E&P) of Controlled Foreign Corporation**

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471

**LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Identifying number

**52-1169362**

Name of foreign corporation

**THE EMERGING MARKETS EQUITY FUND, LTD.**

EIN (if any)

Reference ID number

**EMER2021**

- a** Separate Category (Enter code - see instructions.) ..... ▶ **GEN**
- b** If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶

**Part I Accumulated E&P of Controlled Foreign Corporation**

Check the box if person filing return does not have all U.S. shareholders' information to complete amount for columns (e)(i), (e)(ii), (e)(iv), and (e)(x) through (e)(xii) (see instructions).

**Important:** Enter amounts in functional currency.

	(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance)	(d) Hovering Deficit and Deduction for Suspended Taxes	(e) Previously Taxed E&P (see instructions)	
					(i) Section 965(a) Inclusion (section 959(c)(1)(A))	(ii) Section 965(b)(4)(A) (section 959(c)(1)(A))
<b>1a</b> Balance at beginning of year (as reported on prior year Schedule J) .....						
<b>b</b> Beginning balance adjustments (attach statement) .....						
<b>c</b> Adjusted beginning balance (combine lines 1a and 1b) .....						
<b>2a</b> Reduction for taxes unsuspending under anti-splitter rules						
<b>b</b> Disallowed deduction for taxes suspended under anti-splitter rules .....						
<b>3</b> Current year E&P (or deficit in E&P) .....	<b>3,686,521.</b>					
<b>4</b> E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....						
<b>5a</b> E&P carried over in nonrecognition transaction .....						
<b>b</b> Reclassify deficit in E&P as hovering deficit after nonrecognition transaction .....						
<b>6</b> Other adjustments (attach statement) .....						
<b>7</b> Total current and accumulated E&P (combine lines 1c through 6) .....	<b>3,686,521.</b>					
<b>8</b> Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....	<b>-3,686,521.</b>					
<b>9</b> Actual distributions .....						
<b>10</b> Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....						
<b>11</b> Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)						
<b>12</b> Other adjustments (attach statement) .....						
<b>13</b> Hovering deficit offset of undistributed posttransaction E&P (see instructions) .....						
<b>14</b> Balance at beginning of next year (combine lines 7 through 13) .....		<b>0.</b>				



**Part I Accumulated E&P of Controlled Foreign Corporation** *(continued)*

	(e) Previously Taxed E&P (see instructions)							(x) Section 965(a) Inclusion (section 959(c)(2))
	(iii) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(iv) Section 951A Inclusion (section 959(c)(1)(A))	(v) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(vi) Section 959(e) (section 959(c)(1)(A))	(vii) Section 964(e)(4) Inclusion (section 959(c)(1)(A))	(viii) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	(ix) Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	
1a								
b								
c								
2a								
b								
3								
4								
5a								
b								
6								
7								
8								
9								
10								
11								
12								
13								
14								

	(e) Previously Taxed E&P (see instructions)						(f) Total Section 964(a) E&P (combine columns (a), (b), (c), and (e)(i) through (e)(xvi))
	(xi) Section 965(b)(4)(A) (section 959(c)(2))	(xii) Section 951A Inclusion (section 959(c)(2))	(xiii) Section 245A(e)(2) Inclusion (section 959(c)(2))	(xiv) Section 959(e) (section 959(c)(2))	(xv) Section 964(e)(4) Inclusion (section 959(c)(2))	(xvi) Section 951(a)(1)(A) Inclusion (section 959(c)(2))	
1a							
b							
c							
2a							
b							
3							3,686,521.
4							
5a							
b							
6							
7							3,686,521.
8		2,546,861.				1,139,660.	0.
9							
10							
11							
12							
13							
14		2,546,861.				1,139,660.	3,686,521.

**Part II Nonpreviously Taxed E&P Subject to Recapture as Subpart F Income (section 952(c)(2))**

**Important:** Enter amounts in functional currency.

<b>1</b>	Balance at beginning of year .....	▶	<b>1</b>	
<b>2</b>	Additions (amounts subject to future recapture) .....	▶	<b>2</b>	
<b>3</b>	Subtractions (amounts recaptured in current year) .....	▶	<b>3</b>	
<b>4</b>	Balance at end of year (combine lines 1 through 3) .....	▶	<b>4</b>	

Schedule J (Form 5471) (Rev. 12-2019)

**SCHEDULE M  
(Form 5471)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0123

▶ Attach to Form 5471.

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Identifying number  
**52-1169362**

Name of foreign corporation  
**THE EMERGING MARKETS EQUITY FUND,**

EIN (if any)

Reference ID number  
**EMER2021**

**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ **UNITED STATES, DOLLAR** **1.000000**

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory) ...					
2 Sales of tangible property other than stock in trade .....					
3 Sales of property rights (patents, trademarks, etc.) .....					
4 Platform contribution transaction payments received .....					
5 Cost sharing transaction payments received .....					
6 Compensation received for technical, managerial, engineering, construction, or like services .....					
7 Commissions received .....					
8 Rents, royalties, and license fees received .....					
9 Hybrid dividends received (see instr.) .....					
10 Dividends received (exclude hybrid dividends, deemed distributions under subpart F, and distributions of previously taxed income) .....					
11 Interest received .....					
12 Premiums received for insurance or reinsurance .....					
13 Add lines 1 through 12 .....					
14 Purchases of stock in trade (inventory)					
15 Purchases of tangible property other than stock in trade .....					
16 Purchases of property rights (patents, trademarks, etc.) .....					
17 Platform contribution transaction payments paid					
18 Cost sharing transaction payments paid					
19 Compensation paid for technical, managerial, engineering, construction, or like services .....					
20 Commissions paid .....					
21 Rents, royalties, and license fees paid					
22 Hybrid dividends paid (see instructions)					
23 Dividends paid (exclude hybrid dividends paid) .....					
24 Interest paid .....					
25 Premiums paid for insurance or reinsurance					
26 Add lines 14 through 25 .....					
27 Accounts Payable .....					
28 Amounts borrowed (enter the maximum loan balance during the year) - see instr.					
29 Accounts Receivable .....					
30 Amounts loaned (enter the maximum loan balance during the year) - see instr.					

**SCHEDULE O  
(Form 5471)**

(Rev. December 2012)

Department of the Treasury  
Internal Revenue Service

**Organization or Reorganization of Foreign Corporation, and Acquisitions and Dispositions of its Stock**

Information about Schedule O (Form 5471) and its instructions is at [www.irs.gov/form5471](http://www.irs.gov/form5471)

▶ Attach to Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>THE EMERGING MARKETS EQUITY FUND,</b>	EIN (if any)	Reference ID number <b>EMER2021</b>

**Important:** Complete a separate Schedule O for each foreign corporation for which information must be reported.

**Part I To Be Completed by U.S. Officers and Directors**

(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition

**Part II To Be Completed by U.S. Shareholders**

**Note:** If this return is required because one or more shareholders became U.S. persons, attach a list showing the names of such persons and the date each became a U.S. person.

**Section A - General Shareholder Information**

(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U.S. income tax return filed, indicate:			(c) Date (if any) shareholder last filed information return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	
<b>STMT 20 LUMINIS HEALTH AAMC 2001 MEDICAL PARKWAY ANNAPOLIS</b>				
<b>NATIONAL FIRE PROTECTION 1 BATTERYMARCH PARK QUINCY, MA</b>				

**Section B - U.S. Persons Who Are Officers or Directors of the Foreign Corporation**

(a) Name of U.S. officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Officer	Director

**Section C - Acquisition of Stock**

(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired

**Section D - Disposition of Stock**

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount received	(g) Name and address of person to whom disposition of stock was made

**Section E - Organization or Reorganization of Foreign Corporation**

(a) Name and address of transferor	(b) Identifying number (if any)	(c) Date of transfer

(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U.S. person)	

**Section F - Additional Information**

(a) If the foreign corporation or a predecessor U.S. corporation filed (or joined with a consolidated group in filing) a U.S. income tax return for any of the last 3 years, attach a statement indicating the year for which a return was filed (and, if applicable, the name of the corporation filing the consolidated return), the taxable income or loss, and the U.S. income tax paid (after all credits).

(b) List the date of any reorganization of the foreign corporation that occurred during the last 4 years while any U.S. person held 10% or more in value or vote (directly or indirectly) of the corporation's stock ►

(c) If the foreign corporation is a member of a group constituting a chain of ownership, attach a chart, for each unit of which a shareholder owns 10% or more in value or voting power of the outstanding stock. The chart must indicate the corporation's position in the chain of ownership and the percentages of stock ownership (see instructions for an example).

5471 SCHEDULE O

GENERAL SHAREHOLDER INFORMATION

STATEMENT 20

(A) NAME, ADDRESS, AND IDENTIFYING NUMBER OF SHAREHOLDER(S) FILING THIS SCHEDULE	(B) FOR SHAREHOLDER'S LATEST U.S. INCOME TAX RETURN FILED INDICATE:			(C) DATE SHAREHOLD -ER LAST FILED IN- FORMATION RTN UNDER SEC. 6046
	(1) TYPE OF RETURN (ENTER FORM NUMBER)	(2) DATE RETURN FILED	(3) INTERNAL REVENUE SERVICE CENTER WHERE FILED	

LUMINIS HEALTH AAMC  
2001 MEDICAL PARKWAY ANNAPOLIS

NATIONAL FIRE PROTECTION  
1 BATTERYMARCH PARK QUINCY, MA

**SCHEDULE P  
(Form 5471)**

(Rev. December 2019)

Department of the Treasury  
Internal Revenue Service

**Previously Taxed Earnings and Profits of U.S. Shareholder  
of Certain Foreign Corporations**

▶ **Attach to Form 5471.**

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

OMB No. 1545-0123

Name of U.S. shareholder <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>THE EMERGING MARKETS EQUITY FUND, LTD.</b>	EIN (if any)	Reference ID number (see instructions) <b>EMER2021</b>
<b>a</b> Separate Category (Enter code - see instructions.) ..... ▶		<b>GEN</b>
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**Part I Previously Taxed E&P in Functional Currency** (see instructions)

		(a) Section 965(a) Inclusion (section 959(c)(1)(A))	(b) Section 965(b)(4)(A) (section 959(c)(1)(A))	(c) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(d) Section 951A Inclusion (section 959(c)(1)(A))	(e) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(f) Section 959(e) (section 959(c)(1)(A))	(g) Section 964(e)(4) Inclusion (section 959(c)(1)(A))
<b>1a</b>	Balance at beginning of year (see instructions) .....							
<b>b</b>	Beginning balance adjustments (attach statement) .....							
<b>c</b>	Adjusted beginning balance (combine lines 1a and 1b) .....							
<b>2</b>	Reduction for taxes unsuspended under anti-splitter rules .....							
<b>3</b>	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....							
<b>4</b>	Previously taxed E&P carried over in nonrecognition transaction .....							
<b>5</b>	Other adjustments (attach statement) .....							
<b>6</b>	Total previously taxed E&P (combine lines 1c through 5) .....							
<b>7</b>	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....							
<b>8</b>	Actual distributions of previously taxed E&P ...							
<b>9</b>	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....							
<b>10</b>	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions) ...							
<b>11</b>	Other adjustments (attach statement) ...							
<b>12</b>	Balance at beginning of next year (combine lines 6 through 11) .....							

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule P (Form 5471) (Rev. 12-2019)

<b>Part I Previously Taxed E&amp;P in Functional Currency</b> (see instructions) <i>(continued)</i>										
	<b>(h)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	<b>(i)</b> Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	<b>(j)</b> Section 965(a) Inclusion (section 959(c)(2))	<b>(k)</b> Section 965(b)(4)(A) (section 959(c)(2))	<b>(l)</b> Section 951A Inclusion (section 959(c)(2))	<b>(m)</b> Section 245A(e)(2) Inclusion (section 959(c)(2))	<b>(n)</b> Section 959(e) (section 959(c)(2))	<b>(o)</b> Section 964(e)(4) Inclusion (section 959(c)(2))	<b>(p)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(2))	<b>(q)</b> Total
<b>1a</b>										
<b>b</b>										
<b>c</b>										
<b>2</b>										
<b>3</b>										
<b>4</b>										
<b>5</b>										
<b>6</b>										
<b>7</b>					1165953.			521,736.	1687689.	
<b>8</b>										
<b>9</b>										
<b>10</b>										
<b>11</b>										
<b>12</b>					1165953.			521,736.	1687689.	



**Part II Previously Taxed E&P in U.S. Dollars**

	(a) Section 965(a) Inclusion (section 959(c)(1)(A))	(b) Section 965(b)(4)(A) (section 959(c)(1)(A))	(c) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(d) Section 951A Inclusion (section 959(c)(1)(A))	(e) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(f) Section 959(e) (section 959(c)(1)(A))	(g) Section 964(e)(4) Inclusion (section 959(c)(1)(A))
<b>1a</b> Balance at beginning of year (see instructions)							
<b>b</b> Beginning balance adjustments (attach statement) .....							
<b>c</b> Adjusted beginning balance (combine lines 1a and 1b) .....							
<b>2</b> Reduction for taxes unsuspended under anti-splitter rules .....							
<b>3</b> Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....							
<b>4</b> Previously taxed E&P carried over in nonrecognition transaction .....							
<b>5</b> Other adjustments (attach statement) .....							
<b>6</b> Total previously taxed E&P (combine lines 1c through 5) .....							
<b>7</b> Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....							
<b>8</b> Actual distributions of previously taxed E&P							
<b>9</b> Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....							
<b>10</b> Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions) .....							
<b>11</b> Other adjustments (attach statement) .....							
<b>12</b> Balance at beginning of next year (combine lines 6 through 11) .....							

Schedule P (Form 5471) (Rev. 12-2019)

**Part II** Previously Taxed E&P in U.S. Dollars *(continued)*

	(h) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	(i) Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	(j) Section 965(a) Inclusion (section 959(c)(2))	(k) Section 965(b)(4)(A) (section 959(c)(2))	(l) Section 951A Inclusion (section 959(c)(2))	(m) Section 245A(e)(2) Inclusion (section 959(c)(2))	(n) Section 959(e) (section 959(c)(2))	(o) Section 964(e)(4) Inclusion (section 959(c)(2))	(p) Section 951(a)(1)(A) Inclusion (section 959(c)(2))	(q) Total
<b>1a</b>										
<b>b</b>										
<b>c</b>										
<b>2</b>										
<b>3</b>										
<b>4</b>										
<b>5</b>										
<b>6</b>										
<b>7</b>					1165953.			521,736.	1687689.	
<b>8</b>										
<b>9</b>										
<b>10</b>										
<b>11</b>										
<b>12</b>					1165953.			521,736.	1687689.	

**Return of U.S. Persons With Respect to Certain Foreign Partnerships**

▶ **Go to [www.irs.gov/Form8865](http://www.irs.gov/Form8865) for instructions and the latest information.**

**2019**

Department of the Treasury  
Internal Revenue Service

Information furnished for the foreign partnership's tax year

beginning **JAN 1**, 2019, and ending **DEC 31**, 2019

Attachment Sequence No. **118**

Name of person filing this return <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Filer's identification number <b>52-1169362</b>
--	--

Filer's address (if you aren't filing this form with your tax return)	<b>A</b> Category of filer (see Categories of Filers in the instructions and check applicable box(es): 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>
	<b>B</b> Filer's tax year beginning <b>JUL 1</b> , 2019, and ending <b>JUN 30</b> , 2020

**C** Filer's share of liabilities: Nonrecourse \$ **187**. Qualified nonrecourse financing \$ **0**. Other \$ **0**.

**D** If filer is a member of a consolidated group but not the parent, enter the following information about the parent:

Name <b>LUMINIS HEALTH, INC.</b>	EIN <b>52-1622253</b>
Address <b>2000 MEDICAL PARKWAY, SUITE 606 ANNAPOLIS, MD 21401</b>	

**E** Check if any excepted specified foreign financial assets are reported on this form. See instructions

**F** Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identification number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner

**G1** Name and address of foreign partnership  
**GREENSPRING GLOBAL PARTNERS VIII-B, LP**

**100 PAINTERS MILL ROAD, SUITE 700 OWINGS MILLS, MD 21117**

<b>2(a)</b> EIN (if any) <b>98-1335583</b>
<b>2(b)</b> Reference ID number
<b>3</b> Country under whose laws organized <b>CAYMAN ISLANDS</b>

<b>4</b> Date of organization <b>11/04/2016</b>	<b>5</b> Principal place of business <b>OTHER COUNTRY</b>	<b>6</b> Principal business activity code number <b>523900</b>	<b>7</b> Principal business activity <b>INVESTMENT</b>	<b>8a</b> Functional currency <b>US DOLLAR</b>	<b>8b</b> Exchange rate (see instructions)
--	--	---	---	---	--

**H** Provide the following information for the foreign partnership's tax year:

<b>1</b> Name, address, and identification number of agent (if any) in the United States <b>GREENSPRING ASSOCIATES, INC. 100 PAINTERS MILL ROAD, SUITE 700 OWINGS MILLS, MD 21117</b>	<b>2</b> Check if the foreign partnership must file: <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 Service Center where Form 1065 is filed: <b>E-FILE</b>
--	--

<b>3</b> Name and address of foreign partnership's agent in country of organization, if any <b>MAPLES CORPORATE SERVICES LIMITED P.O. BOX 309, UGLAND HOUSE , GRAND CAYMAN CAYMAN ISLANDS KY1-110</b>	<b>4</b> Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different <b>GREENSPRING ASSOCIATES, INC. 100 PAINTERS MILL ROAD, SUITE 700 OWINGS MILLS, MD 21117</b>
--	---

**5** During the tax year, did the foreign partnership pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions  Yes  No  
If "Yes," enter the total amount of the disallowed deductions \$

**6** Is the partnership a section 721(c) partnership, as defined in Temporary Regulations section 1.721(c)-1T(b)(14)?  Yes  No

**7** Were any special allocations made by the foreign partnership?  Yes  No

**8** Enter the number of Forms 8858, Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), attached to this return. See instructions **0**

**9** How is this partnership classified under the law of the country in which it's organized? **PARTNERSHIP**

**10 a** Does the filer have an interest in the foreign partnership, or an interest indirectly through the foreign partnership, that's a separate unit under Reg. 1.1503(d)-1(b)(4) or part of a combined separate unit under Reg. 1.1503(d)-1(b)(4)(ii)? If "No," skip question 10b  Yes  No

**b** If "Yes," does the separate unit or combined separate unit have a dual consolidated loss, as defined in Reg. 1.1503(d)-1(b)(5)(ii)?  Yes  No

**11** Does this partnership meet **both** of the following requirements?  
 1. The partnership's total receipts for the tax year were less than \$250,000.  
 2. The value of the partnership's total assets at the end of the tax year was less than \$1 million.  
 If "Yes," don't complete Schedules L, M-1, and M-2.  Yes  No

- 12 a** Is the filer of this Form 8865 claiming a foreign-derived intangible income deduction (under section 250) with respect to any amounts listed on Schedule N?  Yes  No
- b** If "Yes," enter the amount of gross income derived from sales, leases, exchanges, or other dispositions (but not licenses) from transactions with or by the foreign partnership that the filer included in its computation of foreign-derived deduction eligible income (FDDEI) ▶ \_\_\_\_\_
- c** If "Yes," enter the amount of gross income derived from a license of property to or by the foreign partnership that the filer included in its computation of FDDEI ▶ \_\_\_\_\_
- d** If "Yes," enter the amount of gross income derived from services provided to or by the foreign partnership that the filer included in its computation of FDDEI ▶ \_\_\_\_\_
- 13** Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership ▶ \_\_\_\_\_
- 14** At any time during the tax year were any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?  Yes  No
- 15 a** Were there any transfers of property or money within a 2-year period between the partnership and any of its partners that would require disclosure under Regs. 1.703-3 or 1.707-6? If "Yes," attach a statement identifying the transfers, the amount or value of each transfer, and an explanation of the tax treatment. See instructions for exceptions  Yes  No
- b** Did the partnership assume a liability or receive property subject to a liability where such liability was incurred by a partner within a 2-year period of transferring the property to the partnership? If "Yes," attach a statement identifying the property transferred, the amount or value of each transfer, the debt assumed or taken by the partnership, and an explanation of the tax treatment  Yes  No

Sign Here Only if You're Filing This Form Separately and Not With Your Tax Return. 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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

▶ \_\_\_\_\_ Signature of general partner or limited liability company member ▶ \_\_\_\_\_ Date

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>LORI S. BURGHAUSER</b>	Preparer's signature <i>Lori Burghauser</i>	Date <b>05/08/21</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00370694</b>
	Firm's name ▶ <b>SC&amp;H GROUP, INC.</b>			Firm's EIN ▶ <b>20-5991824</b>	
	Firm's address ▶ <b>910 RIDGEBROOK ROAD</b>			Phone no. ( <b>410</b> ) <b>403-1500</b>	
	<b>SPARKS, MD 21152</b>				

**Schedule A Constructive Ownership of Partnership Interest.** Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identification number (if any) of the person(s) whose interest you constructively own. See instructions.

**a**  Owns a direct interest **b**  Owns a constructive interest

Name	Address	Identification number (if any)	Check if foreign person	Check if direct partner

**Schedule A-1 Certain Partners of Foreign Partnership** (see instructions)

Name	Address	Identification number (if any)	Check if foreign person

**Schedule A-2 Foreign Partners of Section 721(c) Partnership** (see instructions)

Name of foreign partner	Address	Country of organization (if any)	U.S. taxpayer identification number (if any)	Check if related to U.S. transferor	Percentage interest	
					Capital	Profits
				<input type="checkbox"/>	%	%
				<input type="checkbox"/>	%	%

Does the partnership have any other foreign person as a direct partner?  Yes  No

**Schedule A-3 Affiliation Schedule.** List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
<b>GREENSPRING GLOBAL PARTNER</b>	<b>100 PAINTERS MILL ROAD</b>	<b>81-4458274</b>		
	<b>OWINGS MILLS, MD 21117</b>			

**SCHEDULE O  
(Form 8865)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Transfer of Property to a Foreign Partnership  
(Under Section 6038B)**

OMB No. 1545-1668

▶ **Attach to Form 8865. See the Instructions for Form 8865.**  
▶ **Go to [www.irs.gov/Form8865](http://www.irs.gov/Form8865) for instructions and the latest information.**

Name of transferor **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.** Filer's identifying number **52-1169362**

Name of foreign partnership **GREENSPRING GLOBAL PARTNERS VIII-** EIN (if any) **98-1335583** Reference ID number (see instr)

- 1 a** Is the partnership a section 721(c) partnership (as defined in Temporary Regulations section 1.721(c)-1T(b)(14))? See instructions .....  Yes  No  
**b** If "Yes," was the gain deferral method applied to avoid the recognition of gain upon the contribution of property? .....  Yes  No  
**2** Was any intangible property transferred considered or anticipated to be, at the time of the transfer or at any time thereafter, a platform contribution as defined in Regulations section 1.482-7(c)(1)? .....  Yes  No

**Part I Transfers Reportable Under Section 6038B**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Recovery period	(f) Section 704(c) allocation method	(g) Gain recognized on transfer
Cash	01/01/20		1,000,000.				
Stock, notes receivable and payable, and other securities							
Inventory							
Tangible property used in trade or business							
Intangible property described in section 197(f)(9)							
Intangible property, other than intangible property described in section 197(f)(9)							
Other property							
<b>Totals</b>			<b>1,000,000.</b>				

**3** Enter the transferor's percentage interest in the partnership: (a) Before the transfer **.9860** % (b) After the transfer **.9720** %

**Supplemental Information Required To Be Reported** (see instructions):

**Part II Dispositions Reportable Under Section 6038B**

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner

**Part III** Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? .....  Yes  No

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Schedule O (Form 8865) 12-2018

**Return by a U.S. Transferor of Property  
 to a Foreign Corporation**

▶ Go to [www.irs.gov/Form926](http://www.irs.gov/Form926) for instructions and the latest information.  
 ▶ Attach to your income tax return for the year of the transfer or distribution.

**Part I U.S. Transferor Information** (see instructions)

Name of transferor <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Identifying number (see instructions) <b>52-1169362</b>
---	--

- 1** Is the transferee a specified 10%-owned foreign corporation that is not a controlled foreign corporation?  Yes  No
- 2** If the transferor was a corporation, complete questions 2a through 2d.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by five or fewer domestic corporations?  Yes  No
- b** Did the transferor remain in existence after the transfer?  Yes  No
- If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation?  Yes  No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation <b>LUMINIS HEALTH, INC.</b>	EIN of parent corporation <b>52-1622253</b>
---	--

- d** Have basis adjustments under section 367(a)(4) been made?  Yes  No

- 3** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 3a through 3d.
- a** List the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership
<b>N/A</b>	

- b** Did the partner pick up its pro rata share of gain on the transfer of partnership assets?  Yes  No
- c** Is the partner disposing of its **entire** interest in the partnership?  Yes  No
- d** Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market?  Yes  No

**Part II Transferee Foreign Corporation Information** (see instructions)

Name of transferee (foreign corporation) <b>ABERDEEN U.S. PRIVATE EQUITY VII (OFFSHORE), LP</b>	5a Identifying number, if any <b>98-1334150</b>
--	--

Address (including country) <b>94 SOLARIS AVENUE, PO BOX 1348 CAMANA BAY KY1-1108 CAYMAN ISLANDS</b>	5b Reference ID number
---	------------------------

**7** Country code of country of incorporation or organization  
**CJ**

**8** Foreign law characterization (see instructions)  
**CORPORATION**

- 9** Is the transferee foreign corporation a controlled foreign corporation?  Yes  No

**Part III Information Regarding Transfer of Property** (see instructions)

**Section A - Cash**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	10/16/2019		850,000.		

**10** Was cash the only property transferred?  **Yes**  **No**  
 If "Yes," skip the remainder of Part III and go to Part IV.

**Section B - Other Property (other than intangible property subject to section 367(d))**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Stock and securities					
Inventory					
Other property (not listed under another category)					
Property with built-in loss					
Totals					

**11** Did the transferor transfer stock or securities subject to section 367(a) with respect to which a gain recognition agreement was filed?  **Yes**  **No**

**12 a** Were any assets of a foreign branch (including a branch that is a foreign disregarded entity) transferred to a foreign corporation?  **Yes**  **No**  
 If "Yes," go to line 12b.

**b** Was the transferor a domestic corporation that transferred substantially all of the assets of a foreign branch (including a branch that is a foreign disregarded entity) to a specified 10%-owned foreign corporation?  **Yes**  **No**  
 If "Yes," continue to line 12c. If "No," skip lines 12c and 12d, and go to line 13.

**c** Immediately after the transfer, was the domestic corporation a U.S. shareholder with respect to the transferee foreign corporation?  **Yes**  **No**  
 If "Yes," continue to line 12d. If "No," skip line 12d, and go to line 13.

**d** Enter the transferred loss amount included in gross income as required under section 91 ► \$ \_\_\_\_\_

**13** Did the transferor transfer property described in section 367(d)(4)?  **Yes**  **No**  
 If "No," skip Section C and questions 14a through 15.

**Section C - Intangible Property Subject to Section 367(d)**

Type of property	(a) Date of transfer	(b) Description of property	(c) Useful life	(d) Arm's length price on date of transfer	(e) Cost or other basis	(f) Income inclusion for year of transfer
Property described in sec. 367(d)(4)						
Totals						

- 14 a Did the transferor transfer any intangible property that, at the time of the transfer, had a useful life reasonably anticipated to exceed 20 years?  Yes  No
- b At the time of the transfer, did any of the transferred intangible property have an indefinite useful life?  Yes  No
- c Did the transferor choose to apply the 20-year inclusion period provided under Regulations section 1.367(d)-1(c)(3)(ii) for any intangible property?  Yes  No
- d If the answer to line 14c is "Yes," enter the total estimated anticipated income or cost reduction attributable to the intangible property's, or properties', as applicable, use(s) beyond the 20-year period described in Regulations section 1.367(d)-1(c)(3)(ii) ▶ \$ \_\_\_\_\_
- 15 Was any intangible property transferred considered or anticipated to be, at the time of the transfer or at any time thereafter, a platform contribution as defined in Regulations section 1.482-7(c)(1)?  Yes  No

**Supplemental Part III Information Required To Be Reported** (see instructions)

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC., ON VARIOUS DATES THROUGHOUT THE YEAR, TRANSFERRED CASH WITH AN AGGREGATE FAIR MARKET VALUE AND A BASIS OF \$1,000,000 TO ABERDEEN U.S. PRIVATE EQUITY VII (OFFSHORE), LP. NO PRIVATE LETTER RULINGS WERE ISSUED BY THE INTERNAL REVENUE SERVICE IN CONNECTION WITH THE SECTION 351 EXCHANGE.

**Part IV Additional Information Regarding Transfer of Property** (see instructions)

- 16 Enter the transferor's interest in the transferee foreign corporation before and after the transfer.  
(a) Before 4.227 % (b) After 4.227 %
- 17 Type of nonrecognition transaction (see instructions) ▶ IRC SECTION 351
- 18 Indicate whether any transfer reported in Part III is subject to any of the following.
  - a Gain recognition under section 904(f)(3)  Yes  No
  - b Gain recognition under section 904(f)(5)(F)  Yes  No
  - c Recapture under section 1503(d)  Yes  No
  - d Exchange gain under section 987  Yes  No
- 19 Did this transfer result from a change in entity classification?  Yes  No
- 20 a Did a domestic corporation make a distribution of property covered by section 367(e)(2)? (see instructions)  Yes  No  
If "Yes," complete lines 20b and 20c.
- b Enter the total amount of gain or loss recognized pursuant to Regulations section 1.367(e)-2(b) ▶ \$ \_\_\_\_\_
- c Did the domestic corporation not recognize gain or loss on the distribution of property because the property was used in the conduct of U.S. trade or business under Regulations section 1.367(e)-2(b)(2)?  Yes  No
- 21 Did a domestic corporation make a section 355 distribution of stock in a foreign controlled corporation covered by section 367(e)(1)? See instructions  Yes  No



**Return by a U.S. Transferor of Property  
 to a Foreign Corporation**

▶ Go to [www.irs.gov/Form926](http://www.irs.gov/Form926) for instructions and the latest information.  
 ▶ Attach to your income tax return for the year of the transfer or distribution.

**Part I U.S. Transferor Information** (see instructions)

Name of transferor <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Identifying number (see instructions) <b>52-1169362</b>
---	--

- 1** Is the transferee a specified 10%-owned foreign corporation that is not a controlled foreign corporation?  Yes  No
- 2** If the transferor was a corporation, complete questions 2a through 2d.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by five or fewer domestic corporations?  Yes  No
- b** Did the transferor remain in existence after the transfer?  Yes  No
- If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation?  Yes  No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation <b>LUMINIS HEALTH, INC.</b>	EIN of parent corporation <b>52-1622253</b>
---	--

- d** Have basis adjustments under section 367(a)(4) been made?  Yes  No

- 3** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 3a through 3d.
- a** List the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership
<b>N/A</b>	

- b** Did the partner pick up its pro rata share of gain on the transfer of partnership assets?  Yes  No
- c** Is the partner disposing of its **entire** interest in the partnership?  Yes  No
- d** Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market?  Yes  No

**Part II Transferee Foreign Corporation Information** (see instructions)

<b>4</b> Name of transferee (foreign corporation) <b>COTTAGE INSURANCE COMPANY, LTD.</b>	<b>5a</b> Identifying number, if any <b>98-0461499</b>
---	---

<b>6</b> Address (including country) <b>P.O. BOX 10233 GRAND CAYMAN KY1-1002 CAYMAN ISLANDS</b>	<b>5b</b> Reference ID number
--	-------------------------------

**7** Country code of country of incorporation or organization  
**CJ**

**8** Foreign law characterization (see instructions)  
**CORPORATION**

- 9** Is the transferee foreign corporation a controlled foreign corporation?  Yes  No

**Part III Information Regarding Transfer of Property** (see instructions)

**Section A - Cash**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	07/01/2019		8,120,509.		

**10** Was cash the only property transferred?  **Yes**  **No**  
 If "Yes," skip the remainder of Part III and go to Part IV.

**Section B - Other Property (other than intangible property subject to section 367(d))**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Stock and securities					
Inventory					
Other property (not listed under another category)					
Property with built-in loss					
Totals					

**11** Did the transferor transfer stock or securities subject to section 367(a) with respect to which a gain recognition agreement was filed?  **Yes**  **No**

**12 a** Were any assets of a foreign branch (including a branch that is a foreign disregarded entity) transferred to a foreign corporation?  **Yes**  **No**  
 If "Yes," go to line 12b.

**b** Was the transferor a domestic corporation that transferred substantially all of the assets of a foreign branch (including a branch that is a foreign disregarded entity) to a specified 10%-owned foreign corporation?  **Yes**  **No**  
 If "Yes," continue to line 12c. If "No," skip lines 12c and 12d, and go to line 13.

**c** Immediately after the transfer, was the domestic corporation a U.S. shareholder with respect to the transferee foreign corporation?  **Yes**  **No**  
 If "Yes," continue to line 12d. If "No," skip line 12d, and go to line 13.

**d** Enter the transferred loss amount included in gross income as required under section 91 ► \$ \_\_\_\_\_

**13** Did the transferor transfer property described in section 367(d)(4)?  **Yes**  **No**  
 If "No," skip Section C and questions 14a through 15.

**Section C - Intangible Property Subject to Section 367(d)**

Type of property	(a) Date of transfer	(b) Description of property	(c) Useful life	(d) Arm's length price on date of transfer	(e) Cost or other basis	(f) Income inclusion for year of transfer
Property described in sec. 367(d)(4)						
Totals						

- 14 a Did the transferor transfer any intangible property that, at the time of the transfer, had a useful life reasonably anticipated to exceed 20 years?  Yes  No
- b At the time of the transfer, did any of the transferred intangible property have an indefinite useful life?  Yes  No
- c Did the transferor choose to apply the 20-year inclusion period provided under Regulations section 1.367(d)-1(c)(3)(ii) for any intangible property?  Yes  No
- d If the answer to line 14c is "Yes," enter the total estimated anticipated income or cost reduction attributable to the intangible property's, or properties', as applicable, use(s) beyond the 20-year period described in Regulations section 1.367(d)-1(c)(3)(ii) ▶ \$ \_\_\_\_\_
- 15 Was any intangible property transferred considered or anticipated to be, at the time of the transfer or at any time thereafter, a platform contribution as defined in Regulations section 1.482-7(c)(1)?  Yes  No

**Supplemental Part III Information Required To Be Reported** (see instructions)  
**SEE STATEMENT 21**

**Part IV Additional Information Regarding Transfer of Property** (see instructions)

- 16 Enter the transferor's interest in the transferee foreign corporation before and after the transfer.  
 (a) Before 100.000 % (b) After 100.000 %
- 17 Type of nonrecognition transaction (see instructions) ▶ IRC SECTION 351
- 18 Indicate whether any transfer reported in Part III is subject to any of the following.
  - a Gain recognition under section 904(f)(3)  Yes  No
  - b Gain recognition under section 904(f)(5)(F)  Yes  No
  - c Recapture under section 1503(d)  Yes  No
  - d Exchange gain under section 987  Yes  No
- 19 Did this transfer result from a change in entity classification?  Yes  No
- 20 a Did a domestic corporation make a distribution of property covered by section 367(e)(2)? (see instructions)  Yes  No  
 If "Yes," complete lines 20b and 20c.  
 b Enter the total amount of gain or loss recognized pursuant to Regulations section 1.367(e)-2(b) ▶ \$ \_\_\_\_\_  
 c Did the domestic corporation not recognize gain or loss on the distribution of property because the property was used in the conduct of U.S. trade or business under Regulations section 1.367(e)-2(b)(2)?  Yes  No
- 21 Did a domestic corporation make a section 355 distribution of stock in a foreign controlled corporation covered by section 367(e)(1)? See instructions  Yes  No

FORM 926

STATEMENT 21

STATEMENT PURSUANT TO SECTION 1.351-3(A) BY LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC., 52-1169362, A SIGNIFICANT TRANSFEROR:

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC., ON VARIOUS DATES THROUGHOUT THE YEAR, TRANSFERRED CASH WITH AN AGGREGATE FAIR MARKET VALUE AND A BASIS OF \$8,120,509 TO COTTAGE INSURANCE COMPANY, LTD. NO PRIVATE LETTER RULINGS WERE ISSUED BY THE INTERNAL REVENUE SERVICE IN CONNECTION WITH THE SECTION 351 EXCHANGE.

# Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**  
▶ **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Taxpayer identification number (TIN) <b>52-1169362</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>2000 MEDICAL PARKWAY, NO. 606</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ANNAPOLIS, MD 21401</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**KEVIN L. SMITH**

- The books are in the care of ▶ **2000 MEDICAL PARKWAY, SUITE 606 - ANNAPOLIS, MD 21401**  
Telephone No. ▶ **(443) 481-1308** Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and TINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **MAY 17, 2021**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year \_\_\_\_\_ or  
 ▶  tax year beginning **JUL 1, 2019**, and ending **JUN 30, 2020**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	0.
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	0.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

# Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

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<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Taxpayer identification number (TIN) <b>52-1169362</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>2000 MEDICAL PARKWAY, NO. 606</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ANNAPOLIS, MD 21401</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 7

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Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
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Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$ <b>23,000.</b>
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$ <b>15,000.</b>
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$ <b>8,000.</b>

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Department of the Treasury  
Internal Revenue Service

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 ▶  calendar year \_\_\_\_\_ or  
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 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$ <b>210,000.</b>
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$ <b>0.</b>
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$ <b>210,000.</b>

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CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

Luminis Health, Inc. and Subsidiaries  
Years Ended June 30, 2020 and 2019  
With Report of Independent Auditors

Ernst & Young LLP





Luminis Health, Inc. and Subsidiaries  
Consolidated Financial Statements and Supplementary Information  
Years Ended June 30, 2020 and 2019

**Contents**

Report of Independent Auditors.....	1
Audited Consolidated Financial Statements	
Consolidated Balance Sheets .....	3
Consolidated Statements of Operations and Changes in Net Assets .....	5
Consolidated Statements of Cash Flows.....	7
Notes to Consolidated Financial Statements.....	9
Supplementary Information	
Supplementary Consolidating Balance Sheet .....	65
Supplementary Consolidating Statement of Operations .....	67
Anne Arundel Medical Center, Inc. and Subsidiaries:	
Supplementary Consolidating Balance Sheet .....	68
Supplementary Consolidating Statement of Operations .....	70
Supplementary Description of Consolidating and Eliminating Entries .....	71



Ernst & Young LLP  
Suite 310  
1201 Wills Street  
Baltimore, MD 21231

Tel: +1 410 539 7940  
Fax: +1 410 783 3832  
ey.com

## Report of Independent Auditors

The Board of Trustees  
Luminis Health, Inc.

We have audited the accompanying consolidated financial statements of Luminis Health, Inc. (a Maryland not-for-profit corporation) and subsidiaries, which comprise the consolidated balance sheets as of June 30, 2020 and 2019, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Doctors Community Medical Center and subsidiaries, a wholly owned subsidiary, which statements reflect total assets of \$320,453,000 as of June 30, 2020, and revenues and gains in excess of expenses of \$4,460,000, for the year then ended or the financial statements of Cottage Insurance Company, Ltd., a wholly owned subsidiary, which statements reflect total assets of \$38,974,000 and \$39,535,000 as of June 30, 2020 and 2019, respectively, and net loss after elimination of intercompany revenues of \$10,246,000 and \$10,149,000, respectively, for the years then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Doctors Community Medical Center and subsidiaries and Cottage Insurance Company, Ltd., are based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to



design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

In our opinion, based on our audits and the reports of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Luminis Health, Inc. and subsidiaries at June 30, 2020 and 2019, and the consolidated results of their operations, changes in their net assets, and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

## **Adoption of New Accounting Pronouncements**

As discussed in Note 2 to the consolidated financial statements, Luminis Health, Inc. and subsidiaries changed its method of accounting for leases as a result of the adoption of the amendments to the Financial Accounting Standards Board Accounting Standards Codification resulting from Accounting Standards Update No. 2016-02, *Leases (Topic 842)*, effective July 1, 2019. Our opinion is not modified with respect to this matter.

## **Supplementary Information**

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

October 23, 2020

Luminis Health, Inc. and Subsidiaries

Consolidated Balance Sheets

	June 30	
	2020	2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 178,795,000	\$ 15,100,000
Short-term investments	1,365,000	15,261,000
Current portion of assets whose use is limited	15,912,000	15,190,000
Patient receivables, net	118,882,000	80,307,000
Current portion of pledges receivable, net	945,000	494,000
Inventories	21,789,000	8,650,000
Prepaid expenses and other current assets	19,857,000	14,125,000
Total current assets	<u>357,545,000</u>	<u>149,127,000</u>
Property and equipment	1,096,845,000	918,666,000
Less accumulated depreciation and amortization	<u>(538,353,000)</u>	<u>(493,004,000)</u>
Net property and equipment	<u>558,492,000</u>	<u>425,662,000</u>
Other assets:		
Investments	338,985,000	386,056,000
Investments in joint ventures	14,024,000	8,886,000
Pledges receivable, net	3,192,000	2,802,000
Assets whose use is limited	41,020,000	35,973,000
Restricted collateral for interest rate swap contract	110,002,000	67,404,000
Right of use asset	44,995,000	—
Other assets	53,613,000	34,374,000
Total assets	<u>\$ 1,521,868,000</u>	<u>\$ 1,110,284,000</u>

Luminis Health, Inc. and Subsidiaries  
Consolidated Balance Sheets (continued)

	June 30	
	2020	2019
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable	\$ 40,441,000	\$ 30,458,000
Accrued salaries, wages, and benefits	53,438,000	37,814,000
Other accrued expenses	32,413,000	18,389,000
Current portion of long-term debt	16,440,000	11,029,000
Advances from third-party payors	182,697,000	23,903,000
Current portion of lease liability	8,753,000	—
Total current liabilities	334,182,000	121,593,000
Long-term debt, less current portion and unamortized original issue premium	470,308,000	359,735,000
Interest rate swap contracts	117,037,000	78,479,000
Accrued pension liability	29,276,000	6,076,000
Lease liability, less current portion	37,429,000	—
Other long-term liabilities	47,032,000	37,010,000
Total liabilities	1,035,264,000	602,893,000
Net assets:		
Without donor restrictions	460,552,000	482,661,000
With donor restrictions	23,861,000	24,730,000
Non-controlling interest	2,191,000	—
Total net assets	486,604,000	507,391,000
Total liabilities and net assets	\$ 1,521,868,000	\$ 1,110,284,000

*See accompanying notes.*

Luminis Health, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
Operating revenue:		
Net patient service revenue	\$ 969,105,000	\$ 742,876,000
Other operating revenue	78,393,000	33,180,000
Total operating revenue	<u>1,047,498,000</u>	<u>776,056,000</u>
Operating expenses:		
Salaries and wages	479,880,000	349,660,000
Employee benefits	75,930,000	56,356,000
Supplies	197,487,000	159,489,000
Purchased services	226,375,000	137,557,000
Depreciation and amortization	45,994,000	36,833,000
Interest	16,151,000	13,118,000
Transaction costs	–	3,279,000
Total operating expenses	<u>1,041,817,000</u>	<u>756,292,000</u>
Operating income	<u>5,681,000</u>	<u>19,764,000</u>
Other (loss) income:		
Investment (loss) income, net	(9,700,000)	13,873,000
Loss from joint ventures and other, net	(673,000)	(545,000)
Inherent contribution	61,715,000	–
Pension credit (expense), net	1,116,000	(4,777,000)
Unrealized (losses) gains on trading securities, net	(15,151,000)	10,034,000
Realized and unrealized losses on interest rate swap contracts, net	<u>(43,149,000)</u>	<u>(23,361,000)</u>
Total other loss, net	<u>(5,842,000)</u>	<u>(4,776,000)</u>
(Deficit) excess of revenue over expenses	<u>\$ (161,000)</u>	<u>\$ 14,988,000</u>

## Luminis Health, Inc. and Subsidiaries

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

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Net assets, June 30, 2018	\$ 469,018,000	\$ 26,304,000	\$ 495,322,000
Excess of revenues over expenses	14,988,000	–	14,988,000
Pension liability adjustment	(2,784,000)	–	(2,784,000)
Released from restrictions used for			
purchase of property and equipment	163,000	–	163,000
Transfers and other, net	1,276,000	–	1,276,000
Restricted gifts, bequests, and contributions	–	5,451,000	5,451,000
Unrealized losses on investments	–	(18,000)	(18,000)
Restricted investment income	–	60,000	60,000
Net assets released from restrictions	–	(7,964,000)	(7,964,000)
Other	–	897,000	897,000
Changes in net assets	<u>13,643,000</u>	<u>(1,574,000)</u>	<u>12,069,000</u>
Net assets, June 30, 2019	482,661,000	24,730,000	507,391,000
Net assets acquired	<b>2,265,000</b>	<b>487,000</b>	<b>2,752,000</b>
Deficit of revenues over expenses	<b>(161,000)</b>	–	<b>(161,000)</b>
Pension liability adjustment	<b>(24,810,000)</b>	–	<b>(24,810,000)</b>
Released from restrictions used for			
purchase of property and equipment	<b>1,837,000</b>	–	<b>1,837,000</b>
Transfers and other, net	<b>951,000</b>	<b>(598,000)</b>	<b>353,000</b>
Restricted gifts, bequests, and contributions	–	<b>9,518,000</b>	<b>9,518,000</b>
Unrealized losses on investments	–	<b>(3,394,000)</b>	<b>(3,394,000)</b>
Restricted investment income	–	<b>693,000</b>	<b>693,000</b>
Net assets released from restrictions	–	<b>(7,575,000)</b>	<b>(7,575,000)</b>
Changes in net assets	<u><b>(19,918,000)</b></u>	<u><b>(869,000)</b></u>	<u><b>(20,787,000)</b></u>
Net assets, June 30, 2020	<u><b>\$ 462,743,000</b></u>	<u><b>\$ 23,861,000</b></u>	<u><b>\$ 486,604,000</b></u>

*See accompanying notes.*

# Luminis Health, Inc. and Subsidiaries

## Consolidated Statements of Cash Flows

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
(Decrease) increase in net assets	\$ (20,787,000)	\$ 12,069,000
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Change in net unrealized losses (gains) on investments	18,545,000	(10,016,000)
Realized and unrealized losses on interest rate swap contracts, net	43,149,000	23,361,000
Pension liability adjustment	24,810,000	2,784,000
Equity in earnings of joint ventures and other	804,000	854,000
Restricted contributions and pledges, net	(9,518,000)	(5,374,000)
Depreciation and amortization	45,994,000	36,833,000
Restricted investment income	(693,000)	(60,000)
Decrease (increase) in investments – trading	60,680,000	(86,894,000)
(Increase) decrease in assets whose use is limited, net – trading	(5,164,000)	625,000
Inherent contribution and net assets acquired	(64,467,000)	–
Net change in operating assets and liabilities	154,413,000	6,846,000
Net cash provided by (used in) operating activities	247,766,000	(18,972,000)
<b>Investing activities</b>		
Purchases of property and equipment	(62,284,000)	(34,686,000)
Payments on interest rate swaps	(4,591,000)	(4,185,000)
Cash acquired	34,168,000	–
Net cash used in investing activities	(32,707,000)	(38,871,000)
<b>Financing and fundraising activities</b>		
Payoff amount for 2008 Term and Construction Loans	–	(61,920,000)
Proceeds received from real estate loan	–	61,920,000
Repayments of long-term debt	(17,530,000)	(11,310,000)
Restricted contributions received and other	8,676,000	6,193,000
Restricted income received	693,000	60,000
Net cash used in financing and fundraising activities	(8,161,000)	(5,057,000)
Net increase (decrease) in cash, cash equivalents, and restricted cash	206,898,000	(62,900,000)
Cash, cash equivalents, and restricted cash at beginning of year	98,930,000	161,830,000
Cash, cash equivalents, and restricted cash at end of year	\$ 305,828,000	\$ 98,930,000
Cash and cash equivalents	\$ 178,795,000	\$ 15,100,000
Restricted cash, included in restricted collateral and assets whose use is limited	127,033,000	83,830,000
Cash, cash equivalents, and restricted cash at end of year	\$ 305,828,000	\$ 98,930,000



Luminis Health, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (continued)

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2020</b>
<b>Changes in operating assets and liabilities</b>		
(Decrease) increase in operating assets:		
Patient receivables, net	\$ 265,000	\$ (1,418,000)
Inventories	(8,896,000)	(674,000)
Prepaid expenses and other	3,869,000	(2,734,000)
Other assets	11,797,000	10,425,000
	<u>7,035,000</u>	<u>5,599,000</u>
Increase in operating liabilities:		
Accounts payable	(5,845,000)	8,543,000
Accrued salaries, wages, and benefits	(422,000)	1,714,000
Other accrued expenses	14,024,000	(3,089,000)
Advances from third-party payors	151,029,000	2,898,000
Other long-term liabilities	(11,408,000)	(8,819,000)
	<u>147,378,000</u>	<u>1,247,000</u>
Net change in operating assets and liabilities	<u>\$ 154,413,000</u>	<u>\$ 6,846,000</u>
<b>Supplemental disclosures of cash flow information</b>		
Cash paid for interest	<u>\$ 15,541,000</u>	<u>\$ 13,118,000</u>

*See accompanying notes.*

# Luminis Health, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

June 30, 2020

### **1. Organization and Basis of Presentation**

Luminis Health, Inc. (Luminis or the System), formerly known as Anne Arundel Health System, Inc. (AAHS), is a Maryland not-for-profit corporation. Luminis has the following wholly owned subsidiaries: Anne Arundel Medical Center, Inc. (the Hospital or AAMC) and its subsidiaries, Anne Arundel General Treatment Services, Inc. (GTS), Anne Arundel Mental Health Hospital, Inc., and Cottage Insurance Company, Ltd. (Cottage); Anne Arundel Medical Center Foundation, Inc. (the Foundation); Anne Arundel Health Care Services, Inc. (HCS); Anne Arundel Health Care Enterprises, Inc. (HCE); Physician Enterprise, LLC (PE) and its subsidiaries, Anne Arundel Physician Group, LLC, Orthopedic Physicians of Annapolis, Anne Arundel Medical Group Physical Therapy, LLC, and Community Clinics; Anne Arundel Real Estate Holding Company, Inc. (the Real Estate Company) and its subsidiaries, Pavilion Park, Inc. (PPI), Annapolis Exchange, LLC, and Blue Building, LLC; Anne Arundel Health System Research Institute, Inc. (RI); and Anne Arundel Medical Center Collaborative Care Network, LLC. AAMC is a private, not-for-profit corporation that operates a 349-licensed bed acute care hospital. AAMC, the Real Estate Company, and PPI own an interest in Kent Island Medical Arts, LLC (KIMA), a limited liability company that owns and operates a medical office building. PPI is the managing member of KIMA and has substantive participation rights in KIMA. The financial statements of KIMA are consolidated in the accompanying consolidated financial statements. The non-controlling interest in KIMA was 50% as of June 30, 2020 and 2019. The interest was \$929,000 and \$884,000 at June 30, 2020 and 2019, respectively, and is included within net assets without donor restriction on the accompanying consolidated balance sheets.

On July 1, 2019, Anne Arundel Health System, Inc. and Doctors Community Hospital and subsidiaries executed an affiliation agreement (the Agreement) providing for an affiliation between AAHS and Doctors Community Hospital and subsidiaries. In September 2019, Doctors Community Hospital and subsidiaries changed its name to Doctors Community Medical Center and subsidiaries (DCMC). This affiliation agreement resulted in DCMC becoming a wholly owned subsidiary of AAHS. DCMC is a Maryland health system that includes an acute care hospital and a network of other health care providers serving residents of Prince Georges County region near Lanham, Maryland, east of Washington, DC. On the date of the affiliation, the articles of incorporation and bylaws of DCMC were amended such that AAHS became the sole corporate member of the Doctors Community Medical Center and its subsidiaries. As part of the Agreement, AAHS committed approximately \$138,000,000 over a five-year period in strategic investments to DCMC to expand health care services.

# Luminis Health, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements (continued)

### **1. Organization and Basis of Presentation (continued)**

DCMC includes the following: Doctors Community Hospital, Inc. and its subsidiaries Doctors Community Medical Group, LLC; Doctors Community Healthcare Programs, LLC; Doctors Community Hospital Clinic, LLC; Doctors Community Health Ventures, Inc.; Doctors Regional Cancer Center LLC; Southern Maryland Integrated Care LLC; and Doctors Community Hospital Foundation, Inc. Doctors Community Hospital, Inc. is a nonprofit corporation that operates an acute care general hospital facility licensed for 190 beds. The accompanying consolidated financial statements include non-controlling interest held by third parties in less than wholly owned subsidiaries. The interest at DCMC was \$2,191,000 at June 30, 2020, and is included within net assets without donor restriction on the accompanying consolidated balance sheets.

In September 2019, Anne Arundel Health System, Inc. changed its name to Luminis Health, Inc.

### **Global Pandemic**

In response to the ongoing COVID-19 pandemic, the Governor of the state of Maryland proclaimed a state of emergency and catastrophic health emergency within the state of Maryland on March 5, 2020, and renewed on March 17, 2020, April 10, 2020, and May 6, 2020. Effective March 16, 2020, all Maryland hospitals were ordered by the Maryland Department of Health to cease all elective and non-urgent medical procedures for the duration of the catastrophic health emergency. The Governor issued a state-wide stay-at-home order effective March 30, 2020.

Effective May 7, 2020, the Maryland Department of Health allowed resumption of elective and non-urgent medical procedures, and effective May 15, 2020, major provisions of the Governor's stay-at-home order were rescinded.

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

The HSCRC has publicly announced its intention to support Maryland hospitals during the state of emergency and catastrophic health emergency within the state of Maryland and its collaboration with other Maryland regulatory agencies to remove licensure, regulatory, and other barriers to

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **1. Organization and Basis of Presentation (continued)**

hospitals in the provision of emergency health care services. Recognizing that hospitals will experience volume decline due to self-quarantining and canceled elective surgeries, the HSCRC has stated that Maryland hospitals will be permitted to increase rate corridors up to the 10% threshold or by an additional 5% from their current charging position, whichever is greater. This action is intended to allow hospitals that are undercharged under their Global Budget Revenue due to volume losses to increase their charges in order to make up for lost revenue and prepare for the eventual increase in COVID-19-related patient volume. The HSCRC has stated that this rate corridor increase will be a temporary, onetime adjustment to ensure financial viability of Maryland hospitals as they prepare for increased volume in COVID-19 patients. The HSCRC has also stated that it will consider additional corridor relief beyond this new policy on a case-by-case basis.

To further accommodate any Global Budget Revenue that Maryland hospitals may be unable to bill in fiscal year 2020 due to fluctuating volumes resulting from the COVID-19 pandemic, the HSCRC has stated that it will suspend undercharge penalties and allow Maryland hospitals to recoup those undercharges over the 12 months of fiscal year 2021 as a onetime adjustment net of the application of CARES Act relief funding. The HSCRC is proposing to reduce the System's undercharge by an amount derived from the CARES Act funding. Maryland hospitals will be allowed to bill any net undercharge in the next fiscal year, thus allowing them to recoup a portion of lost revenue associated with the catastrophic health emergency period. Further action by the HSCRC is expected in order to aid Maryland hospitals with regard to the increased expenses resulting from the COVID-19 pandemic.

The COVID-19 pandemic has severely impacted global financial markets and travel and commerce generally. As a result of the COVID-19 pandemic, many businesses and retail establishments in the United States, including Maryland, have closed or reduced business activity. Many potential patients are now unemployed, have been furloughed or their work hours have been reduced, which results in reduced wages and potential loss of health care insurance. The System cannot determine at this time the long-term impact of the COVID-19 pandemic on the System's ability to conduct its operations and the costs of its operations, its financial condition, or the returns and value of its investments and any effect on its pension funding and contribution obligations. In addition, while the suspension with respect to elective and non-urgent medical procedures was lifted, to date the volume of elective and non-urgent medical procedures, and the revenues resulting from such procedures, have not returned to pre-suspension levels and the amount of time needed to establish the volume of such procedures to pre-suspension levels cannot be determined.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies**

##### **Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of Luminis and its wholly owned subsidiaries. The financial results of Doctors Community Medical Center and subsidiaries are only included from the date of acquisition, which was July 1, 2019. All significant intercompany accounts and transactions have been eliminated in consolidation.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

##### **Acquisition of Doctors' Hospital, Inc.**

On July 1, 2019, AAHS completed a transaction that resulted in Doctors Community Hospital and subsidiaries becoming a wholly owned subsidiary of AAHS. This transaction was accounted for as an acquisition under Accounting Standards Codification (ASC) 958-805, *Not-for-Profit Mergers and Acquisitions*, during the year ended June 30, 2020.

The System elected to apply pushdown accounting whereby individual assets and liabilities were adjusted to the new basis of accounting as of the acquisition date.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

The following information summarizes the recorded fair values of the assets acquired and liabilities assumed as of the date of the acquisition:

Cash and cash equivalents	\$ 34,168,000
Patient accounts receivable, net	38,840,000
Other receivables	5,620,000
Inventories	4,243,000
Prepaid expenses	3,981,000
Marketable securities	18,258,000
Joint ventures and equity investments	5,942,000
Property and equipment	116,540,000
Other noncurrent assets	30,093,000
Total assets acquired	<u>257,685,000</u>
Accounts payable and accrued expenses	31,875,000
Advances from third-party payors	7,765,000
Current portion of long-term debt	4,448,000
Long-term debt	128,123,000
Net pension liability	5,001,000
Deferred compensation and claims incurred but not reported	16,006,000
Total liabilities assumed	<u>193,218,000</u>
Non-controlling interest	<u>2,265,000</u>
Net assets acquired, net of non-controlling interest	<u>\$ 62,202,000</u>

An inherent contribution of \$61,715,000 was recorded by Luminis on its consolidated statements of operations and changes in net assets resulting from the difference between the net assets acquired, net of non-controlling interest and net assets with donor restrictions at Doctors Community Hospital and subsidiaries as of the acquisition date. Net assets with donor restrictions of \$487,000 was recorded within changes in net assets with donor restrictions.

# Luminis Health, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements (continued)

### 2. Summary of Significant Accounting Policies (continued)

#### Cash and Cash Equivalents

Cash and cash equivalents include cash held in checking and savings accounts, money market accounts, and short-term certificates of deposit with original maturities of 90 days or less, excluding those held in short-term investments and those classified as long-term investments. Cash balances and collateral held by a counterparty are principally uninsured and are subject to normal credit risks. At June 30, 2020 and 2019, and at various times during the year, the System maintained cash-in-bank balances in excess of the \$250,000 federally insured limits.

#### Derivative Instruments

On May 10, 2006, the Hospital entered into a forward variable-to-fixed interest rate swap agreement with an effective date of November 1, 2008. This contract was entered into in an effort to reduce the risk of variable interest rate debt and has a term through July 1, 2048. Under ASC 815, *Derivatives and Hedging*, the Hospital has recognized its derivative instruments as either assets or liabilities on the accompanying consolidated balance sheets at fair value. As these derivative instruments are not designated as hedges, the unrealized gain or loss on these contracts has been recognized on the accompanying consolidated statements of operations and changes in net assets as realized and unrealized gains (losses) on interest rate swap contracts, net. The fair market values of the derivative instruments include a credit valuation adjustment (CVA) as required by ASC 820, *Fair Value Measurement*. When applying the CVA, the valuation of the variable-to-fixed interest rate swap contract was decreased by \$375,000 and \$361,000 as of June 30, 2020 and 2019, respectively.

On March 23, 2016, in an effort to reduce the amount of restricted cash pledged as collateral with the original counterparty, the Hospital entered into a novation agreement with a second counterparty. Immediately prior to the novation agreement, the System modified the existing swap to bifurcate the existing swap into a five-year swap with the remainder into a 2021 through 2048 swap. The terms of the bifurcated swap remain identical to the original swap. The novation agreement resulted in the return of \$29,164,000 as of June 30, 2016.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

A summary of the Hospital's derivative instruments and related activity at June 30 and for the years then ended, is as follows:

<u>Description of Derivative Instrument</u>	<u>Fair Value Liability</u>	
	<u>2020</u>	<u>2019</u>
Variable-to-fixed interest rate swap contract (maturity date March 2021)	\$ (4,442,000)	\$ (8,126,000)
Variable-to-fixed interest rate swap contract (maturity date July 2048)	<u>(112,595,000)</u>	<u>(70,353,000)</u>
	<u><b>\$(117,037,000)</b></u>	<u><b>\$ (78,479,000)</b></u>

The change in unrealized losses recognized in (deficit) excess of revenues over expenses for the years ended June 30, 2020 and 2019, were \$38,558,000 and \$19,176,000, respectively.

At June 30, 2020 and 2019, the net termination value (i.e., mark-to-market value) of the derivative instruments totaled \$119,671,000 and \$78,840,000, respectively. The Hospital may be exposed to credit loss in the event of nonperformance by the other party to the interest rate swap agreements, the risk of which is reflected in the fair value of the instruments under ASC 820. However, the Hospital does not anticipate nonperformance by the counterparty.

During fiscal year 2020 and 2019, the Hospital paid net payments under its interest rate swap program of \$4,591,000 and \$4,185,000, respectively. These amounts are included within realized and unrealized gains (losses) on interest rate swap contracts, net on the accompanying consolidated statements of operations and changes in net assets and within investing activities on the accompanying consolidated statements of cash flows.

Under the derivative contract for the 2021 through 2048 swap, the Hospital must transfer collateral for the benefit of the counterparty, to the extent that the termination values exceed certain limits. The Hospital's collateral requirement for the benefit of the counterparty was approximately \$110,002,000 and \$67,404,000 at June 30, 2020 and 2019, respectively. The ongoing mark-to-market values and resulting collateral requirements of the Hospital's interest rate swap contract are subject to variability based on market factors (primarily changes in interest rates). Collateral requirements under this interest rate swap contract are excluded from unrestricted cash and investments for purposes of determining the System's compliance with its liquidity covenants



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

under its Maryland Health and Higher Educational Facilities Authority (MHHEFA or the Authority) revenue bond agreements and its derivative agreements. Collateral amounts are included in noncurrent assets on the accompanying consolidated balance sheets. Approximately \$575,000 and \$2,795,000 of collateral was due to the financial institution as of June 30, 2020 and 2019.

The amount due to the financial institution is included in other accrued expenses on the accompanying consolidated balance sheet as of June 30, 2020 and 2019, and is reflected within investing activities on the accompanying consolidated statement of cash flows.

#### Assets Whose Use is Limited and Investments

Assets whose use is limited are principally composed of certain funds established to be held and invested by a trustee. These funds are related to the issuance of the Hospital's revenue bonds, investments held at Cottage, and certain permanently restricted endowment assets.

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Current:		
Principal, interest and other – bonds	<b>\$ 12,382,000</b>	\$ 12,258,000
Investments held at trustee	<b>3,530,000</b>	2,932,000
	<b>\$ 15,912,000</b>	\$ 15,190,000
Noncurrent:		
Endowment assets	<b>\$ 15,482,000</b>	\$ 16,641,000
Investments held at trustee	<b>25,538,000</b>	19,332,000
	<b>\$ 41,020,000</b>	\$ 35,973,000

The fair values of publicly traded securities and mutual funds are based on quoted market prices of individual securities or investments or estimated amounts using quoted market prices of similar investments. Alternative investments, some of which are structured so that the System holds limited partnership interests, are stated at fair value as estimated in an unquoted market. Valuations of these investments, and therefore the System's holdings, may be determined by the investment manager or general partner and for fund-of-funds investments are primarily based on financial data supplied by the underlying investee funds. Values may be based on historical cost, appraisals, or

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

other estimates that require varying degrees of judgment. Investment income or loss from all unrestricted investments is included on the accompanying consolidated statements of operations and changes in net assets as part of other income (loss).

Investment income or loss on investments of assets with donor restrictions is added to or deducted from the restricted fund balance if the income is restricted. The cost of securities sold is based on the specific-identification method.

All investment balances are principally uninsured and subject to normal credit risk. Investments are classified as either current or noncurrent based on the maturity dates and the availability for current operations. Investments included in noncurrent assets consist of board-designated investment funds of \$338,985,000 and \$386,056,000 as of June 30, 2020 and 2019, respectively. Based on the System's investment policy, such amounts could be liquidated, at the discretion of the board, to satisfy short-term requirements.

Substantially all investments, other than borrowed funds required to be expended for capital projects, are classified as trading securities, with unrealized gains and losses included in (deficit) excess of revenues over expenses.

Borrowed funds required to be expended for capital projects are classified as other-than-trading and are included in assets whose use is limited.

#### **Patient Receivables**

Patient receivable include charges for amounts due from all patients less price concessions relating to allowances for the excess of established charges over the payments to be received on behalf of patients covered by Medicare, Medicaid, and other insurers. The provision for price concessions is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the price concessions based upon historical experience of self-pay accounts receivable, including those balances after insurance payments and not covered by insurance.

Insurance coverage and credit information are obtained from patients, when available. No collateral is obtained for accounts receivable.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Inventories

Inventories, which primarily consist of medical supplies and drugs, are carried at the lower of cost or market. Cost is determined using the first-in, first-out method (FIFO) or a similar method that approximates FIFO.

##### Property and Equipment

Property and equipment are stated at cost or fair value as of the acquisition date for DCMC property and equipment. Included in computers and software are capitalized labor costs of \$14,344,000 and \$11,594,000 as of June 30, 2020 and 2019, respectively. Depreciation and amortization, including amortization of assets recorded under capital leases, are recorded on the straight-line method over the estimated useful lives of the assets.

The following is a summary of property and equipment:

	<b>Estimated Useful Lives</b>	<b>June 30 2020</b>	<b>2019</b>
Land		\$ 22,823,000	\$ 14,901,000
Land improvements	20 years	23,480,000	22,413,000
Buildings and improvements	20–40 years	592,593,000	491,022,000
Fixed equipment	5–20 years	55,510,000	10,824,000
Leasehold improvements	5–10 years	62,389,000	55,651,000
Movable equipment	7–10 years	221,851,000	203,404,000
Computers and software	3–5 years	96,079,000	88,528,000
Construction-in-progress	–	22,120,000	31,923,000
		<b>\$ 1,096,845,000</b>	<b>\$ 918,666,000</b>

Construction-in-progress consists of direct costs associated with hospital department renovations, certain leasehold improvements, and smaller capital projects. As these projects are completed, the related assets are transferred out of construction-in-progress and into the appropriate asset category and are depreciated over the applicable useful lives.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

##### **Investments in Joint Ventures**

Luminis accounts for its investments in joint ventures using the equity method of accounting. During 2011, the Real Estate Company and another party formed West County, LLC, a joint venture that owns and operates a medical office building that opened in December 2012. The Real Estate Company has a 50% interest in this joint venture, with each owner's investment being \$7,575,000 and \$7,242,000 as of June 30, 2020 and 2019, respectively.

Doctors Community Health Ventures, Inc. (Health Ventures) has a \$5,388,000 joint venture investment in Magnolia Gardens LLC. This investment is consistent with the mission and strategic plan of Doctors Community Medical Center. The investment in Magnolia Gardens LLC represents a 51% interest and is not consolidated with the financial statements of Luminis because Health Ventures does not control the investee.

##### **Deferred Debt Issuance Costs**

Administrative, legal, financing, underwriting discount, and other miscellaneous expenses that were incurred in connection with debt financings were deferred and are being amortized over the lives of the bond issues using the straight-line method, which approximates the effective-interest method in all material respects. The amortization expense of the deferred debt issue costs was \$479,000 and \$297,000 for the years ended June 30, 2020 and 2019, respectively.

##### **Net Assets**

Net resources that are not restricted by donors are included in net assets without donor restrictions. Gifts of long-lived operating assets, such as property, plant, or equipment, are reported as net assets without donor restrictions and excluded from income. Resources restricted by donors for a specified time or purpose are reported as net assets with donor restrictions.

When the specific purposes are met, either through passage of a stipulated time period or when the purpose for restriction is accomplished, they are released to other operating revenues on the statement of operations and changes in net assets. Resources restricted by donors for additions to property, plant, and equipment are initially reported as net assets with donor restrictions and are transferred to net assets without donor restrictions when expended. Donor-imposed restrictions, which stipulate that the resources be maintained permanently, are reported as net assets with donor restrictions.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

Investment income related to net assets with donor restrictions is classified as net assets without donor restrictions based on the intent of the donor.

#### Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. This includes regulatory discounts allowed to Blue Cross, Medicare, Medicaid, and other third-party payors and charity care.

During 2020 and 2019, approximately 39% and 35%, respectively, of net patient service revenue was received under the Medicare program, 25% and 28% from Blue Cross, 26% and 30% from contracts with other third parties, and 10% and 7% from other sources.

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

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
Gross patient service revenue	<b>\$ 1,262,664,000</b>	\$ 955,469,000
Revenue deductions:		
Charity care	<b>15,409,000</b>	5,326,000
Contractual and other allowances	<b>278,148,000</b>	207,267,000
Net patient service revenue	<b><u>\$ 969,105,000</u></b>	<b><u>\$ 742,876,000</u></b>

In May 2014, the Financial Accounting Standards Board (FASB) issued a new standard related to revenue recognition. The System adopted the new standard effective July 1, 2018, using the modified retrospective method of transition. The most significant change from the adoption of the new standard relates to the System's estimation for the allowance for doubtful accounts. Under the previous standards, the System's estimate for amounts not expected to be collected based upon historical experience, were reflected as provision for bad debts and deducted from net patient service revenue to arrive at net patient service revenue less provision for bad debts. Under the new standard, those amounts will continue to be recognized as a reduction to net patient service revenue, however, not reflected separately as provision for bad debts, and accordingly the caption net patient service revenue less provision for bad debts will no longer be presented on the consolidated statements of operations and changes in net assets. Subsequent changes in the

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

estimate of collectibility due to a change in the financial status of a payor, for example a bankruptcy, will be recognized as bad debt expense in operating expenses. This adoption of the new standard did not have a material impact on the accompanying consolidated financial statements.

Additionally, the System's revenues may be subject to adjustment as a result of examination by government agencies or contractors and as a result of differing interpretation of government regulations, medical diagnosis, charge coding, medical necessity, or other contract terms. Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreements with the payor, correspondence from the payor and the System's historical settlement activity, including an assessment to ensure it is probable a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews and investigations.

The System has elected the practical expedient allowed under FASB ASC 606-10-32-18, *Revenue from Contracts with Customers*, and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the System's expectation that the period between the time the service is provided to a patient and the time that the patient or third-party payor pays for that service will be one year or less.

The estimates for implicit price concessions are based upon management's assessment of historical write-offs and expected net collections; business and economic conditions; trends in federal, state, and private employer health care coverage; and other collection indicators. Management relies on the results of detailed reviews of historical write-offs and collections at facilities that represent a majority of the System's revenues and patient receivable as a primary source of information in estimating the collectibility of patient receivable.

Luminis employs physicians in several hospital-based specialties (including, but not limited to, obstetrics, intensive care, and hospitalists). Net physician revenue is recognized when the services are provided and recorded at the estimated net realizable amount based on the contractual arrangements with third-party payors and the expected payments from the third-party payors and

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

the patients. The difference between the billed charges and the estimated net realizable amounts are recorded as a reduction in physician revenue when the services are provided. The System recognized net physician revenue of \$149,933,000 and \$141,202,000 for the years ended June 30, 2020 and 2019, respectively. At June 30, 2020 and 2019, \$15,097,000 and \$10,764,000, respectively, of net physician accounts receivable are included in patient receivables on the accompanying consolidated balance sheets.

#### **Charity Care**

AAMC provides charity care to patients who meet certain criteria established under its charity care guidelines. Because members of AAMC do not pursue the collection of amounts determined to qualify as charity care, they are not reported as revenue on the accompanying consolidated statements of operations and changes in net assets. The direct and indirect costs associated with providing this care are \$4,531,000 and \$4,493,000 for the years ended June 30, 2020 and 2019, respectively. These costs are calculated by applying a ratio of operating expenses over gross patient charges to the charity care provided at established rates. The state of Maryland's rate system includes components within the rates to partially compensate hospitals for uncompensated care.

The cost of charity care provided by DCMC totaled \$9,528,010 for the year ended June 30, 2020. Rates charged by DCMC for regulated services are determined based on assessment of direct and indirect cost calculated pursuant to the methodology established by the Commission, and therefore the cost of charity services noted above for DCMC are equivalent to its established rates for those services. For any charity services rendered by subsidiaries other than from the DCMC, the cost of charity care is calculated by applying the estimated total cost-to-charge ratio for the non-Hospital services to the total amount of charges for services provided to patients benefitting from the charity care policies of the DCMC's non-Hospital affiliates. These charges are excluded from consolidated net patient service revenue.

#### **Other Operating Revenue**

Other operating revenue is composed of grant revenue, cafeteria revenue, net assets released from restrictions for operating purposes, and other miscellaneous items.

On April 2, 2020, the System received \$45,472,000 in provider relief funds authorized in the CARES Act from the U.S. Department of Health and Human Services (HHS). The System expects that these relief funds will be forgivable, but uncertainty exists as to the final outcome of the terms

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

and conditions associated with the relief funds. Management will continue to monitor compliance with the terms and conditions of the Relief Fund and the impact of the pandemic on the System's revenues and expenses. If unable to attest to or comply with current or future terms and conditions, the System's ability to retain some or all of the distributions received may be impacted. Furthermore, the HSCRC is proposing to reduce the System's ability to recoup undercharges from its GBR reimbursement program in future years by an amount derived from these provider relief funds. The final outcome of the HSCRC's decisions on treatment of the undercharge resulting from the Global Budget Reimbursement Revenue program and application of CARES Act funding to GBR limits is still being evaluated. Luminis recognized these funds in other operating revenue during the period as the conditions for use were deemed to have been met.

#### **Advances From Third-Party Payors**

On April 10, 2020, the System received \$151,767,000 from the Centers for Medicare and Medicaid Services (CMS) Accelerated and Advance Payment Program. This program provides hospitals with working capital advances that begin to become payable 120 days from the date of receipt of the funds and must be fully repaid within one year through an automatic reduction of claims receipts from CMS. As of June 30, 2020, none of these funds have been used. These funds, which represent contract liabilities as defined in ASC 606, have been recorded within advances from third-party payors on the accompanying consolidated balance sheet at June 30, 2020.

#### **Transaction Costs**

During fiscal year 2019, the System incurred \$3,279,000 for administrative and marketing costs that resulted from the transaction for Doctors Community Medical Center and subsidiaries becoming a wholly owned subsidiary of Luminis Health, Inc.

#### **Donations and Bequests**

Unconditional promises to give cash and other assets are reported at fair value on the date the promise is received. Conditional promises to give, and indications of intentions to give, are reported at fair value on the date the gift is received. The gifts are reported as donor-restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, the asset is reclassified to without donor restrictions on the accompanying consolidated statements of operations and changes in net assets. Donor-restricted contributions



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements. Contributions that are unrestricted are reflected as other operating revenue on the accompanying consolidated statements of operations and changes in net assets.

Scheduled payments for pledges receivable for the years ending June 30 are as follows:

2021	\$ 2,599,000
2022–2024	658,000
2025 and thereafter	1,605,000
Less:	
Impact of discounting pledges receivable to net present value	352,000
Allowance for uncollectible pledges	373,000
Net pledges receivable	<u>\$ 4,137,000</u>

Pledges receivable are discounted using rates between 1.2% and 2.5%.

#### **(Deficit) Excess of Revenues Over Expenses**

The accompanying consolidated statements of operations and changes in net assets include (deficit) excess of revenues over expenses. Changes in net assets without donor restrictions that are excluded from (deficit) excess of revenues over expenses, consistent with industry practice, include contributions received and used for additions of long-lived assets and certain changes in pension liabilities.

#### **Group Purchasing Organization Initial Public Offering**

The Hospital has participated and owned equity in the Premier Limited Partnership (Premier), which has served as a group purchasing organization for many years. This participation provides purchasing contract rates and rebates the System would not be able to obtain on its own. The Hospital accounts for its investment in Premier using the equity method of accounting.

During the year ended June 30, 2014, Premier restructured from a privately held company to a public company in an initial public offering (IPO) and several financial transactions have occurred with those holding equity in Premier before the IPO, including the System. As a result, the System

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

received a cash payment of approximately \$1,500,000 in exchange for 16% of its previous ownership in Premier. In addition, in exchange for the extension of the group purchasing contract, the System received partial ownership of the new public company (the Class B units).

The System received 309,580 Class B units that are earned in seven separate tranches over an 85-month period ending October 31, 2020. At June 30, 2020 and 2019, this investment was \$10,388,000 and \$13,094,000, respectively, and is reflected in other assets on the consolidated balance sheets. The opportunity will exist in the future for these Class B units to be converted to the Premier public company stock. Prior to vesting, the Class B units may be transferred or sold with the approval of Premier. During the years ended June 30, 2020 and 2019, the System recognized approximately \$1,216,000 and \$1,988,000, respectively, of income related to tranches 6 and 7 of the Class B units, which is included as a reduction of supplies expense on the consolidated statement of operations and changes in net assets. The value of the Class B units is tied to the group purchasing contract and is considered a vendor incentive.

#### **Income Tax Status**

Luminis, the Hospital, the Foundation, HCS, GTS, PE, and RI have received determination letters from the Internal Revenue Service (IRS) stating that they are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (Code). The Real Estate Company has received a determination letter from the IRS stating that it is exempt from federal income taxes under Section 501(c)(2) of the Internal Revenue Code. Doctors Community Hospital and the Doctors Community Hospital Foundation are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code as public charities. Both entities are entitled to rely on this determination as long as there are no substantial changes in their character, purposes, or methods of operation. Management has concluded that there have been no such changes, and therefore the status of the various entities as public charities exempt from federal income taxation remain in effect.

Anne Arundel Mental Health Hospital is organized and operated as a tax-exempt organization, and has applied for IRS recognition of exemption from federal income tax under Section 501(c)(3) of the Code, but has not yet received IRS recognition of exemption.

The state in which the various entities operate also provides a general exemption from state income taxation for organizations that are exempt from federal income taxation. However, both entities are subject to federal and state income taxation at corporate tax rates on unrelated business income.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

Exemption from other state and local taxes, such as real and personal property taxes is separately determined. The various entities had no unrecognized tax benefits or such amounts were immaterial during the periods presented. For tax periods with respect to which unrelated business income was recognized, a tax return was filed in order to report any unrelated business income as well as any taxes due.

HCE and PPI are subject to federal and state income taxes. These income taxes are immaterial to the accompanying consolidated financial statements.

Certain limited liability companies within the consolidated group are not subject to income taxes. Taxable income or loss is passed through to and reportable by the members individually.

Under the Cayman Islands Tax Concessions Law (Revised), the Governor-in-Cabinet issued an undertaking regarding Cottage on November 29, 2005, exempting it from all local income, profit, or capital gains taxes. The undertaking has been issued for a period of 20 years and, at the present time, no such taxes are levied in the Cayman Islands. Accordingly, no provision for taxes is made in these consolidated financial statements.

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

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

Under the requirements of ASC 740, *Income Taxes*, tax-exempt organizations could be required to record an obligation as the result of a tax position they have historically taken on various tax exposure items. Luminis has determined that it does not have any uncertain tax positions through June 30, 2020.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Use of Estimates

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

##### Recent Accounting Pronouncements

Effective July 1, 2018, the System adopted FASB Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, using the modified retrospective method of transition. This ASU converged and replaced existing revenue recognition guidance, including industry-specific guidance and requires revenue to be recognized in an amount that reflects the consideration the entity expects to be entitled in an exchange of goods or services. The adoption of this ASU did not materially impact the consolidated financial statements.

Effective June 30, 2019, the System adopted FASB ASU 2016-14, *Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*. This ASU changed certain financial statement requirements for not-for-profit entities in an effort to make the information more meaningful to users and reduce reporting complexity. The System adopted the ASU in the prior year and adjusted the presentation in these consolidated financial statements accordingly. The ASU was applied retrospectively to all periods presented.

Effective July 1, 2019, the System adopted the FASB ASU 2016-02, *Leases (Topic 842)*, using the modified retrospective transition approach as of the period of adoption, or fiscal year 2020. The FASB issued ASU 2016-02 in order to increase transparency and comparability by recognizing lease assets and liabilities on the balance sheet and disclosing key information about leasing arrangements. The System's financial statements for periods prior to July 1, 2019, were not modified for the application of the new lease accounting standard. The main difference between the guidance in ASU 2016-02 and previous U.S. GAAP is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating under previous U.S. GAAP.

Upon the adoption of ASU 2016-02, the System recorded the following balances on the consolidated balance sheet: \$54,977,000 in right-of-use asset long term; \$10,056,000 of current liabilities in lease liability short term; and \$44,976,000 of long-term liabilities in lease liability

# Luminis Health, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements (continued)

### 2. Summary of Significant Accounting Policies (continued)

long term. The standard did not materially impact the System's accompanying consolidated statement of operations and changes in net assets or consolidated statement of cash flows for the year ended June 30, 2020.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*, which requires that the statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. Luminis has adopted ASU 2016-18 using a retrospective transition method, and as such, certain reclassifications were made to 2019 amounts previously reported on the consolidated statement of cash flows.

#### New Accounting Standards Not Yet Adopted

In August 2018, the FASB issued ASU 2018-15, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*. The amendments help entities evaluate the accounting for implementation costs paid by a customer in a cloud computing arrangement by providing guidance for determining when the service contract includes a software license. The System is evaluating the impact of this guidance, which will be effective in 2021.

### 3. Regulatory Environment

#### Medicare and Medicaid

The Medicare and Medicaid reimbursement programs represent a substantial portion of Luminis' revenues. Luminis' operations are subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Over the past several years, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **3. Regulatory Environment (continued)**

programs, together with the imposition of fines and penalties, as well as repayments for patient services previously billed. Compliance with fraud and abuse standards and other government regulations can be subject to future government review and interpretation. Also, future changes in federal and state reimbursement funding mechanisms and related government budgeting constraints could have an adverse effect on Luminis.

In 1983, Congress approved a Medicare prospective payment plan for most inpatient services as part of the Social Security Amendment Act of 1983. Hospitals in Maryland were granted a waiver from the Medicare prospective payment system under Section 1814(b) of the Social Security Act. The waiver would remain in effect as long as the Maryland rate of increase in payments per admission remained below the national average rate of increase.

In January 2014, the Centers for Medicare and Medicaid Services approved a modernized waiver that includes both inpatient and outpatient revenue. The new waiver will be in place as long as Maryland hospitals achieve significant quality improvements and limit the per capita growth for all payors for Maryland residents.

#### **Maryland Health Services Cost Review Commission**

AAMC and Doctors Community Hospital's rate structure for all hospital-based services is subject to review and approval by the Maryland Health Services Cost Review Commission (HSCRC or the Commission). Under the HSCRC rate-setting system, the Hospital's inpatient and outpatient charges are the same for all patients, regardless of payor, including Medicare and Medicaid.

Beginning in fiscal year 2014, AAMC and Doctors Community Hospital entered into an agreement with the HSCRC to participate in the Global Budget Revenue (GBR) program. The GBR model is a revenue constraint and quality improvement system to provide hospitals with strong financial incentives to manage their resources efficiently and effectively in order to slow the rate of increase in health care costs and improve health care delivery processes and outcomes. Under the GBR, total revenue is capped at a predetermined fixed amount. The annual approved revenue is calculated using a permanent base revenue with positive or negative adjustments for inflation, assessments, performance in quality-based programs, infrastructure requirements, and population. Revenue may also be adjusted annually for market share levels and shifts of regulated services to unregulated settings.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **3. Regulatory Environment (continued)**

Starting in January 2019, Maryland's hospitals began operating under a new ten-year contract with the federal government entitled Maryland Performance Adjustment (MPA). The MPA is designed to test whether the improvements hospitals have made under the previous modernized waiver can be expanded to all health care providers. The GBR methodology will remain in place for hospital rate setting under the MPA. In addition, programs aimed to measure and reduce total health care spending for attributed Medicare patients, including pre- and post-acute care by all providers, are being introduced during this contract period.

The Commission's rate-setting methodology compares the approved rate with the actual average rate charged. Overcharges and undercharges due to either patient volume or price variances, adjusted for penalties where applicable, are applied to decrease (in the case of overcharges) or increase (in the case of undercharges) future approved rates on an annual basis. The System was undercharged by \$54,399,000 and overcharged by \$260,000 for the years ended June 30, 2020 and 2019, respectively. The undercharge of \$54,399,000 for the year ended June 30, 2020 did not include amounts recognized in CARES Act funding discussed in the other operating revenue section in Note 2.

While the System is expecting the HSCRC to allow for recovery in future periods of the undercharge experienced during the year, mainly due to lower volume as the result of the COVID-19 pandemic, uncertainty exists as to the final outcome of HSCRC rate-setting decision making.

The timing of HSCRC's rate adjustments for the System could result in an increase or reduction in rates due to the variances and penalties described above in a year subsequent to the year in which such items occur, and there is at least a possibility that the amounts may be material.

The AAMC and DCMC's policy is to recognize revenue based on actual charges for services to patients in the year in which the services are performed. The Hospital's revenues may be subject to adjustment as a result of examination by government agencies or contractors, and as a result of differing interpretation of government regulations, medical diagnoses, charge coding, medical necessity, or other contract terms. The resolution of these matters, if any, often is not finalized until a subsequent period than which the services were rendered.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 4. Investments

Investments, including assets whose use is limited, are stated at fair value. Borrowed funds that are required to be expended on specified capital projects under MHHEFA revenue bond agreements are classified as available for sale. All other investments and assets whose use is limited are classified as trading securities.

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Assets whose use is limited:		
Endowment assets:		
Cash and cash equivalents	<b>\$ 1,145,000</b>	\$ 1,237,000
Equity mutual funds	<b>9,279,000</b>	9,661,000
Fixed income mutual funds	<b>5,058,000</b>	5,737,000
	<b>15,482,000</b>	16,635,000
Amounts held by trustee:		
Cash and cash equivalents	<b>12,382,000</b>	12,320,000
U.S. Government obligations	<b>7,000</b>	7,000
	<b>12,389,000</b>	12,327,000
Amounts held by Cottage:		
Cash and cash equivalents	<b>3,504,000</b>	2,869,000
Equity mutual funds	<b>11,334,000</b>	6,581,000
Fixed income mutual funds	<b>14,223,000</b>	12,751,000
	<b>29,061,000</b>	22,201,000
Total assets whose use is limited	<b>56,932,000</b>	51,163,000
Less current portion	<b>15,912,000</b>	15,190,000
	<b>\$ 41,020,000</b>	\$ 35,973,000



Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**4. Investments (continued)**

Amounts held by the trustee are broken down as follows:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Bond indenture	<b>\$ 12,389,000</b>	\$ 12,270,000
Other investments:		
	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Cash and cash equivalents	<b>\$ 14,388,000</b>	\$ 15,368,000
Equity mutual funds	<b>173,069,000</b>	178,576,000
Fixed income mutual funds	<b>100,475,000</b>	133,747,000
Alternative investments	<b>52,418,000</b>	73,626,000
	<b>340,350,000</b>	401,317,000
Less short-term investments	<b>1,365,000</b>	15,261,000
Investments	<b>\$ 338,985,000</b>	\$ 386,056,000

The components of investment (loss) income, net are as follows:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Interest and dividend income, net	<b>\$ 132,000</b>	\$ 10,257,000
Realized (losses) gains, net	<b>(9,832,000)</b>	3,616,000
	<b>\$ (9,700,000)</b>	\$ 13,873,000

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **5. Fair Value Measurements**

ASC 820 defines fair value and establishes a framework for measuring fair value in accordance with U.S. GAAP. ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include:

- Level 1 – Defined as observable inputs, such as quoted prices in active markets
- Level 2 – Defined as inputs other than quoted prices in active markets that are either directly or indirectly observable
- Level 3 – Defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while Luminis believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

ASC 820 requires that the fair value of derivative contracts include adjustments related to the credit risks of both parties associated with the derivative transactions. The fair value of Luminis' derivative contracts reflected in the accompanying consolidated financial statements includes adjustments related to the credit risks of the parties to the transactions.

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**5. Fair Value Measurements (continued)**

The following tables present the fair value hierarchy for Luminis' financial assets and liabilities measured at fair value on a recurring basis.

	<b>June 30, 2020</b>			
	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 178,795,000	\$ 178,126,000	\$ 669,000	\$ —
Trading securities and assets whose use is limited:				
Cash and cash equivalents	31,296,000	18,257,000	13,039,000	—
Equity securities	194,977,000	194,977,000	—	—
Fixed income securities	122,785,000	119,753,000	3,032,000	—
U.S. Government obligation securities	6,000	6,000	—	—
Alternative investments	52,418,000	22,663,000	—	29,755,000
Total	<u>401,482,000</u>	<u>355,656,000</u>	<u>16,071,000</u>	<u>29,755,000</u>
Collateral for interest rate swap:				
Cash and cash equivalents	110,002,000	110,002,000	—	—
Less investments included in other assets	4,200,000	4,200,000	—	—
Total assets	<u>\$ 686,079,000</u>	<u>\$ 639,584,000</u>	<u>\$ 16,740,000</u>	<u>\$ 29,755,000</u>
<b>Liabilities</b>				
Derivative instruments	<u>\$ (117,037,000)</u>	<u>\$ —</u>	<u>\$ (117,037,000)</u>	<u>\$ —</u>
Total liabilities	<u>\$ (117,037,000)</u>	<u>\$ —</u>	<u>\$ (117,037,000)</u>	<u>\$ —</u>

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 5. Fair Value Measurements (continued)

	June 30, 2019			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
Cash and cash equivalents	\$ 15,100,000	\$ 15,100,000	\$ —	\$ —
Trading securities and assets whose use is limited:				
Cash and cash equivalents	31,794,000	31,794,000	—	—
Equity securities	194,818,000	194,818,000	—	—
Fixed income securities	152,235,000	152,235,000	—	—
U.S. Government obligation securities	6,000	6,000	—	—
Alternative investments	73,627,000	37,997,000	—	35,630,000
<b>Total</b>	<b>452,480,000</b>	<b>416,850,000</b>	<b>—</b>	<b>35,630,000</b>
Collateral for interest rate swap:				
Cash and cash equivalents	67,404,000	67,404,000	—	—
<b>Total assets</b>	<b>\$ 534,984,000</b>	<b>\$ 499,354,000</b>	<b>\$ —</b>	<b>\$ 35,630,000</b>
<b>Liabilities</b>				
Derivative instruments	\$ (78,479,000)	\$ —	\$ (78,479,000)	\$ —
<b>Total liabilities</b>	<b>\$ (78,479,000)</b>	<b>\$ —</b>	<b>\$ (78,479,000)</b>	<b>\$ —</b>

Luminis' Level 1 securities primarily consist of U.S. Treasury securities, exchange-traded mutual funds, and cash. Luminis determines the estimated fair value for its Level 1 securities using quoted (unadjusted) prices for identical assets or liabilities in active markets.

Luminis' Level 2 securities primarily consist of cash and cash equivalents. Luminis determines the estimated fair value for these Level 2 securities using the following methods: quoted prices for similar assets/liabilities in active markets, quoted prices for identical or similar assets in non-active markets (few transactions, limited information, noncurrent prices, high variability over time), inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curve volatilities, default rates), and inputs that are derived principally from or corroborated by other observable market data. Part of AAMC's alternative investments, approximately \$22,663,000 and \$35,800,000 at June 30, 2020 and 2019, respectively, are invested in international

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 5. Fair Value Measurements (continued)

equity funds and are considered Level 1 investments due to quoted price being readily available. The majority of the remaining alternative investments \$24,489,000 and \$29,653,000 at June 30, 2020 and 2019, respectively are invested in a fund focused on energy infrastructure and are considered Level 3 investments due to quoted price not being readily available. The underlying assets of the fund are publicly traded energy-related master limited partnerships and equity securities. Certain alternative investments require written notification over a certain period prior to redemption.

Luminis' Level 2 securities also consist of derivative instruments, which are reported using valuation models commonly used for derivatives. Valuation models require a variety of inputs, including contractual terms, market-fixed prices, inputs from forward price yield curves, notional quantities, measures of volatility, and correlations of such inputs.

The following table sets forth a summary of changes in the fair value of the Level 3 assets:

Balance at June 30, 2019	\$ 35,630,000
Realized and unrealized gains and losses	<u>(5,875,000)</u>
Balance at June 30, 2020	<u><u>\$ 29,755,000</u></u>

Luminis also has pledges receivable, which are measured at fair value on a nonrecurring basis and are discounted to the net present value upon receipt using an appropriate risk-free discount rate based on the term of the receivable. Since these inputs are not observable, pledges receivable would be considered Level 3 fair value measurements upon their initial recording. Pledges receivable are recorded net of an allowance for uncollectible pledges. The following table provides a reconciliation of the beginning and ending balances of pledges receivable that used significant unobservable inputs.

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
Pledges receivable:		
Balance at July 1	\$ 3,296,000	\$ 4,115,000
New pledges	2,967,000	2,542,000
Collections of pledges	(2,028,000)	(3,146,000)
Write-off of pledges	(160,000)	(168,000)
Change in reserves	62,000	(47,000)
Balance at June 30	<u><u>\$ 4,137,000</u></u>	<u><u>\$ 3,296,000</u></u>

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 6. Long-Term Debt and Line of Credit

For AAMC and affiliates, long-term debt consists of the following:

	Interest Rate	Maturity Dates	June 30	
			2020	2019
Maryland Health and Higher Educational Facilities Authority Revenue Bonds – Series 2017	2.0%–5.0%	2018–2043	\$ 56,905,000	\$ 58,935,000
Maryland Health and Higher Educational Facilities Authority Revenue Bonds – Series 2014	2.0%–5.0%	2015–2040	113,817,000	116,200,000
Maryland Health and Higher Educational Facilities Authority Revenue Bonds – Series 2012	2.0%–5.0%	2013–2035	56,991,000	59,735,000
Maryland Health and Higher Educational Facilities Authority Revenue Bonds – Series 2009B	Variable	2041–2044	60,000,000	60,000,000
Kent Island term loan from a bank	Variable	2021	5,617,000	5,908,000
Real Estate Loan	Variable	2028	55,850,000	59,492,000
			<b>349,180,000</b>	<b>360,270,000</b>
Less current portion of long-term debt			11,461,000	11,029,000
Less deferred debt issue costs			3,531,000	3,803,000
Unamortized original issue premium, net			13,354,000	14,297,000
Long-term debt			<b>\$ 347,542,000</b>	<b>\$ 359,735,000</b>

These debt instruments are secured by the receipts of the AAMC obligated group and substantially all of the property and equipment of the consolidated Group.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 6. Long-Term Debt and Line of Credit (continued)

For AAMC and affiliates, principal payments due under all debt instruments as of June 30, 2020, are as follows:

2021	\$ 11,461,000
2022	16,589,000
2023	11,667,000
2024	11,987,000
2025	12,332,000
Thereafter	285,144,000
	<u>\$ 349,180,000</u>

#### Series 2017 Revenue Bonds

In November 2017, AAMC entered into a loan agreement with the MHHEFA for the issuance of Series 2017 Revenue Bonds (referred to as the 2017 Bonds). The proceeds of the 2017 Bonds were used to advance refund the Series 2010 Bonds previously provided by MHHEFA. The bonds being refunded were originally obtained to finance the expansion of the parking garage for AAMC's acute care pavilion, and costs related to the issuance. The 2017 Bonds provide for annual principal payments each July 1 from 2018 through 2043. Interest is payable annually each July 1 starting in July 2018. The 2017 Bonds bear stated interest rates between 2.00% and 5.00% and were issued at a premium of \$4,590,000, which is amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. The effective annual interest rate for the 2017 Bonds for the year ended June 30, 2020 and June 30, 2019, was 3.64% and 1.93%, respectively.

#### Series 2014 Revenue Bonds

In November 2014, AAMC entered into a loan agreement with the MHHEFA for the issuance of Series 2014 Revenue Bonds (referred to as the 2014 Bonds). The proceeds of the 2014 Bonds were used to advance refund the Series 2009A Bonds previously provided by MHHEFA. The bonds being refunded were originally obtained to finance a portion of the costs of construction for an eight-story patient care building, two parking garages, and costs related to the issuance. The 2014 Bonds provide for annual principal payments each July 1 from 2015 through 2040. Interest is payable semiannually each July 1 and January 1, beginning in January 2015. The 2014 Bonds bear stated interest rates between 2.00% to 5.00% and were issued at a premium of \$7,520,000, which

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **6. Long-Term Debt and Line of Credit (continued)**

is amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. The effective annual interest rate for the 2014 Bonds for the years ended June 30, 2020 and 2019, was 4.49% and 2.24%, respectively.

#### **Series 2012 Revenue Bonds**

In October 2012, AAMC entered into a loan agreement with MHHEFA for the issuance of \$73,625,000 of Series 2012 Revenue Bonds (referred to as the 2012 Bonds). The proceeds of the 2012 Bonds were used to repay the Series 2004A Bonds and the Series 1998 Bonds previously provided by the Authority. The bonds being refinanced were originally obtained to finance a new replacement hospital (Series 1998 Bonds) and to finance major renovations to AAMC's Cancer Center and land acquisition (Series 2004A Bonds). The 2012 Bonds provide for annual principal payments each July 1 from 2013 through 2035. Interest is payable semiannually on each July 1 and January 1, beginning July 1, 2013. The 2012 Bonds bear stated interest at rates of 2.00% to 5.00% and were issued at a premium of \$6,746,000. The effective annual interest rates for the 2012 Bonds for the years ended June 30, 2020 and 2019, were 4.34% and 2.16%, respectively.

The provisions of the 2017, 2014, and 2012 Bonds, together with the Series 2009 Bonds, require Luminis and certain subsidiaries to comply with certain covenants on an annual basis, including a debt service coverage requirement, a debt-to-capitalization requirement, and a liquidity requirement. Luminis, AAMC, and HCS are members of the AAMC obligated group for all of the above stated revenue bonds issued by MHHEFA.

#### **Series 2009 Revenue Bonds**

In January 2009, AAMC entered into a loan agreement with the MHHEFA for the issuance of \$120,000,000 of Series 2009A Revenue Bonds (the 2009A Bonds) and in February 2009, \$60,000,000 of Series 2009B Revenue Bonds (the 2009B Bonds) (collectively referred to as the 2009 Bonds). The proceeds of the 2014 Bonds were used to advance refund the Series 2009A Bonds previously provided by the MHHEFA. The proceeds of the 2009 Bonds were used to finance a portion of the costs of construction of an eight-story patient care building, two new parking garages, and certain costs relating to the issuance. The 2009B Bonds provide for annual principal payments each July 1, from 2041 through 2044. Interest is payable semiannually on each July 1 and January 1, beginning July 1, 2009. The 2009B Bonds bear interest at variable rates, as set forth in the loan agreement. The maximum interest rate is 12% for the 2009B Bonds. The effective annual interest rates for the 2009B Bonds for the years ended June 30, 2020 and 2019,



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 6. Long-Term Debt and Line of Credit (continued)

were 1.18% and 1.65%, respectively. The principal and interest payments on the Series 2009B Bonds are secured by a letter of credit equal to the original principal of the bonds plus an amount equal to 40 days' interest thereon, calculated at the maximum rate. The current letter of credit, which was extended on May 1, 2019, expires on July 1, 2024. Under certain circumstances, AAMC would need to fully redeem the 2009B Bonds upon expiration of the letter of credit, unless a conforming replacement letter of credit was secured prior to such expiration.

The related balances are included in assets whose use is limited and consist of the following:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Debt service funds	<b>\$ 12,382,000</b>	\$ 12,263,000
Construction fund and capitalized interest fund	<b>7,000</b>	7,000
	<b><u>\$ 12,389,000</u></b>	<u>\$ 12,270,000</u>

#### Bank Line of Credit and Real Estate Loan

AAMC maintains two lines of credit with a bank providing available credit of \$90,000,000. An agreement for \$50,000,000 with the bank is reviewed for renewal on February 28 of each year. Interest on any borrowings accrues at the one-month London Interbank Offered Rate (LIBOR) plus 0.75%. A second agreement for \$40,000,000 was completed on April 24, 2020, and is reviewed for renewal each year. Interest on any borrowing accrues at the one-month LIBOR plus 1.5%. At June 30, 2020 and 2019, AAMC had no balance on the lines of credit.

On October 23, 2008, the Real Estate Company secured a term loan in the amount of \$55,000,000 with a bank. The proceeds from the term loan were used to refinance line of credit proceeds and fund certain construction costs related to a medical office building. The loan bore interest at a variable rate, based on the LIBOR market index rate plus 1.25%. The term loan required monthly payments of \$235,000 with all remaining amounts due upon final maturity on November 5, 2018. The effective annual interest rate for the year ending June 30, 2019, was 2.25%. This loan was subsequently refinanced on October 17, 2018.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **6. Long-Term Debt and Line of Credit (continued)**

On October 23, 2008, the Real Estate Company entered into a construction loan in the amount of \$30,000,000 with a bank to fund the construction of a medical office building. The loan was issued under the same loan agreement as the term loan discussed in the preceding paragraph. The debt is secured by the medical office building. Interest only was due during the construction period at a rate equal to the LIBOR market index rate plus 1.25%. The loan converted to a term loan after the completion of the construction in July 2009. The term loan provided for monthly principal and interest payments and has a final maturity of November 5, 2018. The effective annual interest rate for the year ended June 30, 2019, was 4.65%. This loan was subsequently refinanced on October 17, 2018.

On October 17, 2018, the Real Estate Company secured a real estate loan from the bank through a wholly owned subsidiary and the proceeds were used to pay off the 2008 Term Loan and 2008 Construction Loan previously provided by the bank. The loans being refinanced were originally obtained to finance certain medical office buildings owned by the Real Estate Company. The new loan requires flat monthly principal payments (amortized over 17 years) plus interest at one month Libor + 1.10% from 2018 through 2028 with a balloon payment due October 5, 2028, of \$25,800,000. The effective interest rates for the years ended June 30, 2020 and 2019, were 2.65% and 4.65%.

#### **Kent Island Term Loan**

In August 2007, KIMA entered into a construction loan agreement with a bank in the amount of \$9,000,000 that would convert to a term loan after the completion of the construction. The proceeds were used to construct a medical office building. The debt was secured by the medical office building. Interest only was due during the construction period at a rate of the 30-day LIBOR plus 1.0%. The construction was completed in June 2008.

On May 9, 2017, KIMA refinanced the term loan with a \$6,567,000 promissory note. The promissory note provides for monthly principal and interest payments and has a final maturity of December 2021. The promissory note bears interest at a variable rate, based on the 30-day LIBOR plus 1.2%. The effective annual interest rates for the years ended June 30, 2020 and 2019, were 2.88% and 3.58%, respectively.

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**6. Long-Term Debt and Line of Credit (continued)**

For DCMC, long-term debt consists of the following:

	<b>Interest Rate</b>	<b>Maturity Dates</b>	<b>June 30, 2020</b>
<b>Maryland Health and Higher Education Facilities</b>			
Authority Revenue Bonds, Series 2017B Bond	2.18%	2024	\$ 24,165,000
Authority Revenue Bonds, Series 2016 Bond:			
Series 2016A – Tax-Exempt Private Placement 2007 Refunding	2.57%	2030	16,795,000
Series 2016A – Tax-Exempt Private Placement 2010 Partial Refunding	2.57%	2030	15,150,000
Authority Revenue Bonds, Series 2017A:			
Term bond	5.00%	2031	6,720,000
Term bond	5.00%	2032	7,055,000
Term bond	5.00%	2033	7,410,000
Term bond	5.00%	2034	7,780,000
Term bond	5.00%	2038	35,234,000
			<u>120,309,000</u>
Less current portion of long-term debt			4,979,000
Less deferred debt issue costs			1,340,000
Premium, net of accumulated amortization			8,776,000
Long-term debt			<u><u>\$ 122,766,000</u></u>

For DCMC, principal payments due under all debt instruments as of June 30, 2020, are as follows:

2021	\$ 4,979,000
2022	5,070,000
2023	5,195,000
2024	5,265,000
2025	5,965,000
Thereafter	93,835,000
	<u><u>\$ 120,309,000</u></u>

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **6. Long-Term Debt and Line of Credit (continued)**

On June 28, 2016, MHHEFA issued \$73,445,000 principal amount of Revenue Bonds, Series 2016A (\$31,945,000), and Series 2016B (\$41,500,000). The proceeds of this issue were used to retire the Series 2007A Bonds and Series 2010 Bonds (partial) previously provided by the Authority. In 2017, the Series 2016B taxable note was converted as planned to Series 2017B. On March 23, 2017, the Series 2016 were converted to Series 2017B bonds as planned when the 2016B bonds were issued in June 2016.

On February 8, 2017, MHHEFA issued \$64,165,000 principal amount of Revenue Bonds, Series 2017A. The proceeds of this issue were used to retire the remainder of the Series 2010 Bonds previously provided by the Authority.

The obligated group for MHHEFA bond issuances issued to Doctors Community Medical Center includes Doctors Community Hospital, CHP, Foundation, Sleep Center, Doctors Community Medical Group and Doctors Integrated Healthcare Network and Health Ventures excluding the MAUI, Magnolia Gardens, DI LLC, ACO, and STM. The Series 2017A, Series 2017B, and Series 2016 Bonds are secured by the revenue and accounts receivable of the obligated group, and certain other property secured by a deed of trust. The obligated group is required to maintain certain compliance ratios and covenants as defined under the bond documents.

#### **7. Retirement Plans**

##### **Anne Arundel Medical Center Plan**

AAMC has a qualified noncontributory, defined benefit pension plan (the Plan) that covers substantially all employees. AAMC's policy is to fund pension costs as determined by its actuary. Adopted by the Board of Trustees on June 11, 2009, and effective September 1, 2009, AAMC amended the Plan to freeze future benefit accruals, and participants have not earned any additional benefits under the Plan since that date. However, subsequent to September 1, 2009, participants have continued to vest in benefits they have earned through September 1, 2009. The frozen benefit balance for the participants will only accrue interest credits until the participants' benefit commencement dates. FASB ASC 715, *Compensation – Retirement Benefits*, requires AAMC to recognize the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its pension plan on its consolidated balance sheet, with a corresponding adjustment to unrestricted net assets. The pension liability adjustment to net assets without donor restrictions represents the change in net unrecognized actuarial losses that have not

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

yet been recognized as part of (deficit) excess of revenues over expenses. These amounts are subsequently recognized as a net periodic benefit cost pursuant to AAMC's historical accounting policy for amortizing such amounts.

The reconciliation of the beginning and ending balances of the projected benefit obligation and the fair value of plan assets for the years ended June 30 and the accumulated benefit obligation for the AAMC is as follows:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Accumulated benefit obligation	<b>\$ 138,148,000</b>	\$ 124,331,000
Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	<b>\$ 124,331,000</b>	\$ 124,571,000
Service cost	—	—
Interest cost	<b>4,047,000</b>	4,758,000
Actuarial loss	<b>16,039,000</b>	8,705,000
Benefits paid	<b>(2,446,000)</b>	(2,332,000)
Settlements paid	<b>(3,823,000)</b>	(11,371,000)
Projected benefit obligation at end of year	<b>138,148,000</b>	124,331,000
Change in plan assets:		
Fair value of plan assets at beginning of year	<b>118,255,000</b>	121,257,000
Actual return on plan assets	<b>(1,421,000)</b>	5,901,000
Employer contribution	<b>4,832,000</b>	4,800,000
Benefits paid	<b>(2,446,000)</b>	(2,332,000)
Settlements paid	<b>(3,823,000)</b>	(11,371,000)
Fair value of plan assets at end of year	<b>115,397,000</b>	118,255,000
Net liability recognized	<b>\$ (22,751,000)</b>	\$ (6,076,000)

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Net amounts recognized on the consolidated balance sheets consist of:		
Accrued pension costs	<u><b>\$ (22,751,000)</b></u>	<u><b>\$ (6,076,000)</b></u>
Amounts recognized in unrestricted net assets that have not been recognized in net periodic benefit costs consist of:		
Net actuarial loss	<u><b>\$ 95,271,000</b></u>	<u><b>\$ 71,988,000</b></u>

The following table sets forth the weighted average assumptions used to determine the benefit obligations of AAMC:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Discount rate	<b>2.45%</b>	3.35%
Rate of compensation increase	<b>N/A</b>	N/A

The following table sets forth the weighted average assumptions used to determine the net periodic benefit cost of AAMC:

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
Discount rate	<b>3.35%</b>	4.13%
Expected return on plan assets	<b>6.25%</b>	7.00%
Rate of compensation increase	<b>N/A</b>	N/A

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

AAMC's net periodic pension benefit cost included the following components:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Service cost	\$ —	\$ —
Interest cost	<b>4,047,000</b>	4,758,000
Expected return on plan assets	<b>(7,533,000)</b>	(8,403,000)
Amortization of prior service cost	—	—
Recognized net actuarial loss	<b>1,709,000</b>	1,484,000
Loss recognized from partial settlement of projected benefit obligation	—	6,938,000
Net periodic cost (credit)	<b>\$ (1,777,000)</b>	<b>\$ 4,777,000</b>

The estimated net loss of the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year for AAMC is \$1,777,000.

AAMC's defined benefit plan invests in a diversified mix of traditional asset classes. Investments in certain types of U.S. equity securities and fixed-income securities are made to maximize long-term results while recognizing the need for adequate liquidity to meet ongoing benefit and administrative obligations. Risk tolerance of unexpected investment and actuarial outcomes is continually evaluated by understanding the pension plan's liability characteristics. Equity investments are used primarily to increase the overall plan returns. Debt securities provide diversification benefits and liability hedging attributes that are desirable, especially in falling interest rate environments.

AAMC's target asset allocation percentages as of June 30, 2020, were as follows: 60% investment grade bonds, 16% international equity, 13% large cap domestic stocks, 4% small cap domestic stocks, and 7% alternative investments and exchange-traded notes.

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

The following tables present the fair value hierarchy of assets of the defined benefit pension plan of AAMC.

	<b>June 30, 2020</b>			
	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 669,000	\$ —	\$ 669,000	\$ —
Mutual funds:				
Equity	20,127,000	20,127,000	—	—
Corporate bonds	57,830,000	57,830,000	—	—
International equity	12,520,000	12,520,000	—	—
International bonds	8,715,000	8,715,000	—	—
Closed-end funds ETF	5,512,000	5,512,000	—	—
Alternative investments:				
Common/collective trust	2,398,000	2,398,000	—	—
Partnership	2,395,000	2,395,000	—	—
Other	5,231,000	—	—	5,231,000
	<b>\$ 115,397,000</b>	<b>\$ 109,497,000</b>	<b>\$ 669,000</b>	<b>\$ 5,231,000</b>



Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

	<b>June 30, 2019</b>			
	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 4,025,000	\$ —	\$ 4,025,000	\$ —
Mutual funds:				
Equity	20,237,000	20,237,000	—	—
Corporate bonds	57,573,000	57,573,000	—	—
International equity	11,922,000	11,922,000	—	—
International bonds	9,382,000	9,382,000	—	—
Alternative investments:				
Common/collective trust	3,813,000	—	3,813,000	—
Partnership	3,248,000	—	3,248,000	—
Other	8,055,000	—	8,055,000	—
	<u>\$ 118,255,000</u>	<u>\$ 99,114,000</u>	<u>\$ 19,141,000</u>	<u>\$ —</u>

Level 1 securities primarily consist of exchange-traded mutual funds. Level 2 securities primarily consist of money market funds. Methods consistent with those discussed in Note 5 are used to estimate the fair values of these securities. Level 3 securities consist of a fund focused on energy infrastructure and are considered Level 3 investments due to quoted price not being readily available. The underlying assets of the fund are publicly traded energy-related master limited partnerships and equity securities.

The overall expected rate of return on assets assumptions was based on historical returns, with adjustments made to reflect expectations of future returns. The extent to which the future expectations were recognized considered the target rates of returns for the future, which have historically not changed.

AAMC currently intends to make voluntary contributions to the defined benefit pension plan of \$4,800,000 in fiscal year 2021.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

The following benefit payments for AAMC are expected to be paid:

2021	\$ 7,855,000
2022	7,470,000
2023	7,391,000
2024	7,071,000
2025	7,586,000
2026–2030	38,880,000

In addition to the noncontributory defined benefit pension plan, AAMC also offers an employee defined contribution plan. Participation in the plan is voluntary. Substantially all full-time employees of AAMC are eligible to participate. Employees may elect to contribute a minimum of 1% of compensation, and a maximum amount as determined by Sections 403(b) and 415 of the Internal Revenue Code. Any employee making contributions to the plan is entitled to a AAMC contribution that will match the employee contribution at the rate of 50% to 75%, depending on the number of years of service, up to a maximum of 5% of qualified compensation. Matching contributions under this defined contribution plan were \$8,830,000 and \$8,000,000 in fiscal years 2020 and 2019, respectively.

#### Doctors Community Hospital Plan

DCMC froze the defined benefit pension plan that it sponsors (the Plan) in 2011, which covered substantially all employees. The decision to terminate the Plan has not been made by the board of directors. The benefits are based on years of service and employee compensation during years of employment. DCMC's funding policy is to make sufficient contributions to the Plan to comply with the minimum funding provisions of the Employee Retirement Income Security Act of 1974 (ERISA). DCMC expects to contribute \$1,232,000 to the Plan during 2020 to keep the funding levels at the ERISA requirements. The measurement date of the Plan is June 30.

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

The reconciliation of the beginning and ending balances of the projected benefit obligation and the fair value of plan assets for the years ended June 30 and the accumulated benefit obligation at June 30, 2020 for DCMC is as follows:

Accumulated benefit obligation	<u>\$ 23,049,000</u>
Change in projected benefit obligation:	
Projected benefit obligation at beginning of year	\$ 21,661,000
Service cost	
Interest cost	636,000
Actuarial loss	1,883,000
Benefits paid	(112,000)
Settlements paid	<u>(1,019,000)</u>
Projected benefit obligation at end of year	<u>23,049,000</u>
Change in plan assets:	
Fair value of plan assets at beginning of year	16,660,000
Actual return on plan assets	294,000
Employer contribution	664,000
Benefits paid	(112,000)
Settlements paid	<u>(982,000)</u>
Fair value of plan assets at end of year	<u>16,524,000</u>
Net liability recognized	<u>\$ (6,525,000)</u>
Net amounts recognized on the consolidated balance sheets consist of:	
Accrued pension costs	<u>\$ (6,525,000)</u>
Amounts recognized in unrestricted net assets that have not been recognized in net periodic benefit costs consist of:	
Net actuarial loss	<u>\$ 9,634,000</u>

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

The following table sets forth the weighted average assumptions used to determine the benefit obligations of DCMC as of June 30, 2020:

Discount rate	2.05%
Rate of compensation increase	N/A

The following table sets forth the weighted average assumptions used to determine the net periodic benefit cost for the year ended June 30, 2020:

Discount rate	2.05%
Expected return on plan assets	6.00%
Rate of compensation increase	N/A

DCMC's net periodic pension benefit cost included the following components as of June 30, 2020:

Interest cost	\$ 636,000
Expected return on plan assets	(956,000)
Recognized net actuarial loss	570,000
Effect of settlement	<u>411,000</u>
Net periodic cost	<u>\$ 661,000</u>

The estimated net loss of the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year for DCMC is \$1,499,000.

DCMC's target asset allocation percentages as of June 30, 2020, were as follows: 62% investment grade bonds, 3% international equity, 16% large cap domestic stocks, and 19% small cap domestic stocks.

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

The following table presents the fair value hierarchy of assets of the defined benefit pension plan of DCMC.

	<b>June 30, 2020</b>			
	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Mutual funds:				
Equity	\$ 15,571,000	\$ 15,571,000	\$ —	\$ —
Alternative investments:				
Common/collective trust	953,000	—	953,000	—
	<u>\$ 16,524,000</u>	<u>\$ 15,571,000</u>	<u>\$ 953,000</u>	<u>\$ —</u>

DCMC currently intends to make voluntary contributions to the defined benefit pension plan of \$1,232,000 in fiscal year 2021.

The following benefit payments for DCMC are expected to be paid:

2021	\$ 2,428,000
2022	1,292,000
2023	1,235,000
2024	1,257,000
2025	1,581,000
2026–2030	6,330,000

The combined pension liability of both entities is as follows:

AAMC	\$ 22,751,000
DCMC	6,525,000
Total	<u>\$ 29,276,000</u>

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

DCMC has a 403b defined contribution plan (the contribution plan) covering substantially all its employees. The contribution plan is employee and employer contributory. DCMC contributed a match of \$0.50 for every \$1.00 of elective deferrals for a plan year for eligible employees up to 4% of base compensation. Defined contribution plan expense amounted to \$1,266,000 for 2020.

DCMC has a deferred compensation plan that permits certain executives to defer receiving a portion of their compensation. The deferred amounts are included in other assets in the accompanying consolidated balance sheets. The associated liability of an equal amount is included in other liabilities in the accompanying consolidated balance sheets. The liability recorded regarding the deferred compensation was \$3,832,000 as of June 30, 2020.

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

#### 8. Concentrations of Credit Risk

Certain members of Luminis grant credit without collateral to their patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows for AAMC:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Medicare	<b>25%</b>	26%
Medicaid	<b>4</b>	5
Blue Cross	<b>19</b>	18
Commercial, HMO, PPO, and other	<b>43</b>	32
Patients	<b>9</b>	19
	<b>100%</b>	100%

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 8. Concentrations of Credit Risk (continued)

The mix of receivables from patients and third-party payors was as follows for the DCMC as of June 30, 2020:

Medicare	28%
Medicaid	21
Blue Cross	10
Commercial, HMO, PPO, and other	29
Patients	12
	<hr/>
	100%
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#### 9. Malpractice Insurance Costs and Self-Insured Professional Liability

Until August 1, 1998, AAMC and certain subsidiaries maintained insurance coverage for general and professional liability claims on a claims-made basis. The professional liability coverage included a per-case deductible of \$250,000, up to a maximum out-of-pocket amount of \$750,000 annually. Effective August 1, 1998, the Group changed its professional liability coverage to a full coverage claims-made policy with no annual deductibles. This policy included tail coverage for claims incurred prior to August 1, 1998, but reported subsequently. Effective August 1, 2002, AAMC changed its professional liability coverage back to a claims-made policy with a per-case deductible of \$250,000, up to a maximum out-of-pocket amount of \$750,000 annually. Also, AAMC did not purchase tail coverage for claims incurred prior to August 1, 2002, which were not yet reported.

Effective March 1, 2004, AAMC changed its professional liability coverage to a self-insurance trust with annual exposure limits of \$2,000,000 per claim and \$11,000,000 in the aggregate. AAMC carried an excess liability insurance policy for claims above these limits.

Effective July 1, 2005, Cottage was formed as a captive insurer to provide professional liability insurance for AAMC. Cottage is a wholly owned subsidiary of AAMC, which was formed in the Cayman Islands. The primary layer of professional and general liability insurance coverage is self-insured through Cottage and the secondary layer is fully reinsured through several highly rated commercial carriers.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **9. Malpractice Insurance Costs and Self-Insured Professional Liability (continued)**

For the period from July 1, 2005 to June 30, 2009, Cottage issued claims-made policies covering AAMC professional liability (including employed physicians) and on an occurrence basis, comprehensive general liability risks of AAMC and certain affiliates. Policy limits were \$2,000,000 per claim with a \$9,000,000 policy aggregate. Effective July 1, 2005, Cottage assumed existing liabilities from AAMC's self-insured trust discussed above on a claims-made basis. Effective July 1, 2009, Cottage issued a claims-made policy providing \$2,000,000 per claim for AAMC professional liability coverage and \$1,000,000 per claim for comprehensive general liability coverage, subject to a consolidated annual aggregate limit of \$10,000,000. Effective July 1, 2018, policy limits were increased to \$5,000,000 per claim with a \$25,000,000 policy aggregate.

For the period from July 1, 2005 to June 30, 2008, Cottage also issued an excess umbrella coverage policy (covering AAMC professional liability) with limits of \$20,000,000 per claim with a policy aggregate. For claims reported on and subsequent to July 1, 2008, the coverage limit provided is \$30,000,000 per claim with a policy aggregate. These excess limits are in excess of the primary policy, and the umbrella policies are 100% reinsured with highly rated third-party commercial reinsurers.

The provision for estimated professional liability claims, general liability claims, and workers' compensation claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported. As of June 30, 2020, and 2019, the balance for outstanding claims reserves recorded at Cottage is \$32,444,000 and \$36,843,000 and reinsurance receivable is \$9,884,000 and \$17,286,000, respectively. The remaining tail liability for claims incurred but not reported is \$11,667,000 and \$10,607,000 as of June 30, 2020 and 2019, respectively, with \$10,163,000 of the 2020 liability and \$9,226,000 of the 2019 liability recorded at the AAMC. The remainder of the liability is recorded at PE. The Group has employed an independent actuary to estimate the ultimate settlement of such claims. In management's opinion, the amounts recorded provide an adequate reserve for loss contingencies. However, changes in circumstances affecting professional liability claims could cause these estimates to change by material amounts in the short term.



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **9. Malpractice Insurance Costs and Self-Insured Professional Liability (continued)**

DCMC has coverage for professional and general liabilities on a claims-made basis from Freestate Healthcare Insurance Company, Ltd. (Freestate), a group captive formed by several Maryland hospitals. DCMC owns 20% interest in the captive and accounts for it using the cost method. The cost of \$15,000 is recorded in other noncurrent assets on the accompanying consolidated balance sheets as of June 30, 2020. Premiums are expensed as incurred and are established based on the DCMC historical experience supplemented as necessary with industry experience. The total premium is allocated to each of the shareholders based on their experience. Retrospective premium assessments and credits are calculated based on the aggregate experience of all named insureds under the policy. Each named insured's assessment of credit is based on the percentage of their actual exposure to the actual exposure of all named insureds. In management's opinion, the assets of Freestate are sufficient to meet its obligations as of June 30, 2020. If the financial condition of Freestate were to materially deteriorate in the future, and Freestate was unable to pay its claim obligations, the responsibility to pay those claims would return to the member hospitals. The captive is responsible for claims up to \$1,000,000 for each and every loss event. Additional coverage has been purchased by the captive for all claims in excess of \$1,000,000 to a limit of \$6,000,000 effective March 1, 2006, \$10,000,000 effective March 1, 2012, and \$15,000,000 effective March 1, 2019. The estimated unpaid loss liability reserved by the captive for DCMC was \$9,466,000 at June 30, 2020. These amounts are included in long-term liabilities and the related anticipated insurance recoveries were reported in noncurrent assets on the accompanying consolidated balance sheets. The liability for all claims incurred but not reported for DCMC was \$1,106,000 at June 30, 2020. The discount rate for unpaid losses is 3.5% for the year ended June 30, 2020. DCMC engages a consulting actuary to assist in the determination of all professional liability claims incurred but not reported.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 10. Commitments and Contingencies

##### Leases

The following table presents the components of the Luminis' right-of-use assets and liabilities related to ASC 842 leases and their classification in Luminis' consolidated balance sheets as of June 30, 2020:

<b>Component of Lease Balances</b>	<b>Classification in Consolidated Balance Sheet</b>	<b>June 30, 2020</b>
<b>Assets</b>		
Operating lease assets	Right of use asset long term	\$ 44,995,000
Total leased assets		<u>\$ 44,995,000</u>
<b>Liabilities</b>		
Operating lease liabilities:		
Current	Lease liability short term	\$ 8,753,000
Long term	Lease liability long term	<u>37,429,000</u>
Total operating lease liabilities		<u>\$ 46,182,000</u>

Luminis determines if an arrangement is a lease at inception of the contract. The right-of-use assets represent Luminis' right to use the underlying assets for the lease term and the lease liabilities represent Luminis' obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Luminis uses a risk-free discount rate that is determined using Treasury securities of a comparable term to that of its leases when acting as a lessee.

Luminis' operating leases are primarily for real estate and equipment. Real estate leases include leases of medical facilities and office spaces. Equipment leases mainly include lease of copiers and medical equipment. Luminis' real estate lease agreements typically have initial terms of 3 to 20 years, and equipment lease agreements typically have initial terms of 3 to 5 years.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **10. Commitments and Contingencies (continued)**

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

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

Luminis elected the accounting policy practical expedients by class of underlying asset to: (i) exclude recording leases with an initial term of 12 months or less (short-term leases) as right-of-use assets and liabilities on the consolidated balance sheets; and (ii) combine associated lease and non-lease components into a single lease component. Non-lease components, which are not significant overall, are combined with lease components. Luminis' has elected these practical expedients for real estate, equipment, and all other asset classes when acting as a lessee.

Luminis' also elected the practical expedient package not to reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial indirect costs for existing leases.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 10. Commitments and Contingencies (continued)

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

Operating lease expense	\$ 11,826,000
Finance lease expense:	
Amortization of leased assets	27,000
Interest on lease liabilities	2,000
Total finance lease expense	11,855,000
Variable lease expense	60,000
Short-term lease expense	5,000
Total lease expense	\$ 11,920,000

Total rent expense under operating leases was \$9,875,000 for the year ended June 30, 2019, and is included in purchased services on the accompanying consolidated statement of operations and changes in net assets.

The weighted average lease terms and discount rates for operating and finance leases are as follows as of June 30, 2020:

Weighted average remaining lease term (years):	
Operating leases	8.1
Finance leases	2.2
Weighted average discount rate:	
Operating leases	3.2%
Finance leases	1.8%

Cash flow and other information related to leases are included in the following table for the year ended June 30, 2020:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash outflows from operating leases	\$ 21,756,000
Operating cash outflows from finance leases	1,000
Financing cash outflows from finance leases	26,000
Right-of-use assets obtained in exchange for lease obligations:	
Operating leases	8,507,000
Finance leases	27,000

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 10. Commitments and Contingencies (continued)

The following table summarizes the maturity lease obligations as of June 30, 2020:

	<b>Operating Leases</b>	<b>Finance Leases</b>	<b>Total</b>
2021	\$ 8,922,000	\$ 63,000	\$ 8,985,000
2022	7,706,000	28,000	7,734,000
2023	5,817,000	5,000	5,822,000
2024	4,544,000	–	4,544,000
2025	2,830,000	–	2,830,000
Thereafter	16,999,000	–	16,999,000
Total lease payments	46,818,000	96,000	46,914,000
Less: Imputed interest	729,000	3,000	732,000
Total lease liabilities	<u>\$ 46,089,000</u>	<u>\$ 93,000</u>	<u>\$ 46,182,000</u>

#### Contingencies

Members of Luminis have been named as defendants in various legal proceedings arising from the performance of their normal activities. In the opinion of management, after consultation with legal counsel and after consideration of applicable insurance, the amount of the Luminis' ultimate liability under all current legal proceedings will not have a material adverse effect on its consolidated financial position or results of operations.

Luminis' revenues may be subject to adjustment as a result of examination by government agencies or contractors, based upon differing interpretations of government regulations, medical diagnoses, charge coding, medical necessity, or other contract terms. The resolution of these matters, if any, often is not finalized until subsequent to the period during which the services were rendered. Section 302 of the Tax Relief and Health Care Act of 2006 authorized a permanent program involving the use of third-party recovery audit contractors (RACs) to identify Medicare overpayments and underpayments made to providers. Management has established protocols to respond to RAC requests and payment denials. Payment recoveries resulting from RAC reviews are appealable through administrative and judicial processes, and management intends to pursue the reversal of adverse determinations where appropriate. In addition to overpayments that are not reversed on appeal, management will incur additional costs to respond to requests for records and pursue the reversal of payment denials. As of June 30, 2020 and 2019, Luminis has recorded an

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 10. Commitments and Contingencies (continued)

estimated reserve regarding the Medicare overpayments. In the opinion of the Luminis' management, the ultimate settlement of this matter will not have a material adverse effect on the consolidated financial position of Luminis.

During the year ended June 30, 2018, the System recorded a \$3,500,000 accrual related to an inquiry by the Department of Justice regarding a potential billing discrepancy. A final settlement was signed in June 2019 and the payment amount approximated the amount accrued at June 30, 2018. A corporate integrity agreement (CIA) was also signed in June 2019 with the Office of Inspector General of the Department of Health and Human Services. The CIA will be in place for five years and will require periodic reporting of various matters by an independent review organization and the System.

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

#### 11. Functional Expenses

Members of Luminis provide general health care services to residents within their service area. Expenses related to providing these services are as follows:

	<b>Health Care Services</b>	<b>General and Administrative</b>	<b>Total</b>
<b>Year ended June 30, 2020</b>			
Salaries and wages	\$ 401,827,000	\$ 78,053,000	\$ 479,880,000
Employee benefits	63,580,000	12,350,000	75,930,000
Supplies	189,335,000	8,152,000	197,487,000
Purchases services	113,213,000	113,162,000	226,375,000
Depreciation and amortization	22,742,000	23,252,000	45,994,000
Interest	16,151,000	—	16,151,000
Total operating expenses	<u>\$ 806,848,000</u>	<u>\$ 234,969,000</u>	<u>\$ 1,041,817,000</u>

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 11. Functional Expenses (continued)

	<b>Health Care Services</b>	<b>General and Administrative</b>	<b>Total</b>
<b>Year ended June 30, 2019</b>			
Salaries and wages	\$ 293,400,000	\$ 56,260,000	\$ 349,660,000
Employee benefits	45,157,000	11,199,000	56,356,000
Supplies	158,348,000	1,141,000	159,489,000
Purchases services	70,001,000	67,556,000	137,557,000
Depreciation and amortization	26,647,000	10,186,000	36,833,000
Interest	13,118,000	–	13,118,000
Transaction costs	–	3,279,000	3,279,000
Total operating expenses	<u>\$ 606,671,000</u>	<u>\$ 149,621,000</u>	<u>\$ 756,292,000</u>

#### 12. Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, patient receivables, prepaid expenses and other current assets, accounts payable, accrued salaries, wages and benefits, other accrued expenses, and advances from third-party payors approximate fair value, given the short-term nature of these financial instruments or their methods of valuation. The following methods and assumptions were used by Luminis in estimating the fair value of other financial instruments.

##### Investments and Assets Whose Use is Limited

Fair values are based on quoted market prices, if available, or estimated using quoted market prices for similar securities.

##### Pledges Receivable

Luminis estimates that the carrying value of pledges receivable approximates fair value, given the discount rates applied.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 13. Net Assets

Net assets with donor restrictions are restricted for use, as follows:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Hospital capital additions	<b>\$ 7,248,000</b>	\$ 6,382,000
Hospital operating programs	<b>16,613,000</b>	16,207,000
	<b>\$ 23,861,000</b>	\$ 22,589,000

#### 14. Liquidity and Availability

Financial assets available for general expenditure within one year of the balance sheet date comprise the following as of June 30, 2020:

##### Assets

Current assets:

Cash and cash equivalent	\$ 178,795,000
Short-term investments	1,365,000
Current portion of assets whose use is limited	15,912,000
Patient receivables, net	118,882,000
Current portion of pledges receivable, net	945,000
Prepaid expenses and other current assets	19,857,000
Investments*	338,985,000
Total financial assets	\$ 674,741,000

\*While these investments are long-term in nature, they are available for general expenditures within one year of the balance sheet date if necessary.

AAMC's bond covenant requires AAMC to maintain unrestricted cash and marketable securities on hand to meet 90 days of normal operating expenses. The AAMC obligated group was compliant with all financial covenants as of June 30, 2020 and 2019.

DCMC's bond covenant requires DCMC to maintain unrestricted cash and marketable securities on hand to meet 60 days of normal operating expenses. The DCMC obligated group was compliant with all financial covenants as of June 30, 2020.



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 15. Subsequent Events

Luminis has evaluated the impact of subsequent events through October 23, 2020, representing the date at which the accompanying consolidated financial statements were issued.

On July 20, 2020, Luminis received \$20,019,000 in provider relief funds authorized in the CARES Act from HHS. Luminis expects that these relief funds will be forgivable, but uncertainty exists as to the final outcome of the terms and conditions associated with the relief funds. Management will continue to monitor compliance with the terms and conditions of the Relief Fund and the impact of the pandemic on the System's revenues and expenses. If unable to attest to or comply with current or future terms and conditions, the System's ability to retain some or all of the distributions received may be impacted. Furthermore, the HSCRC is proposing to reduce Luminis' ability to recoup undercharges from its GBR reimbursement program in future years by an amount derived from these provider relief funds. The final outcome of the HSCRC's decisions on treatment of the undercharge resulting from the Global Budget Reimbursement Revenue program and application of CARES Act funding to GBR limits is still being evaluated.

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

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

Except for those events mentioned above, no events have occurred that require disclosure in or adjustments to the accompanying consolidated financial statements.

# Supplementary Information

Luminis Health, Inc. and Subsidiaries

Supplementary Consolidating Balance Sheet

June 30, 2020

	Luminis Health, Inc.	Anne Arundel Medical Center, Inc. and Subsidiaries	Anne Arundel Health Care Services, Inc.	Anne Arundel Health Care Enterprises, Inc.	Anne Arundel Real Estate Holding Company, Inc. and Subsidiaries	AAHS Research Institute, Inc.	Physician Enterprise, LLC	Anne Arundel Medical Center Collaborative Care Network LLC	Anne Arundel Medical Center Foundation, Inc.	Doctors Community Medical Center and Subsidiaries	Eliminating Entries	Consolidated
<b>Assets</b>												
Current assets:												
Cash and cash equivalents	\$ (7,700,000)	\$ 80,540,000	\$ 423,000	\$ (19,000)	\$ 1,191,000	\$ 7,000	\$ 716,000	\$ 2,000	\$ 4,414,000	\$ 99,221,000	\$ —	\$ 178,795,000
Short-term investments	—	912,000	—	—	—	—	—	—	453,000	—	—	1,365,000
Current portion of assets whose use is limited	—	15,912,000	—	—	—	—	—	—	—	—	—	15,912,000
Patient receivables, net	—	69,769,000	2,448,000	—	—	677,000	10,519,000	—	—	35,469,000	—	118,882,000
Current portion of pledges receivable, net	—	—	—	—	—	—	—	—	945,000	—	—	945,000
Inventories	—	15,677,000	—	—	—	—	525,000	—	—	5,587,000	—	21,789,000
Prepaid expenses and other current assets	11,000	8,033,000	93,022,000	4,900,000	23,468,000	775,000	2,104,000	5,030,000	33,678,000	5,380,000	(156,544,000)	19,857,000
Total current assets	(7,689,000)	190,843,000	95,893,000	4,881,000	24,659,000	1,459,000	13,864,000	5,032,000	39,490,000	145,657,000	(156,544,000)	357,545,000
Property and equipment	123,000	772,018,000	28,349,000	3,732,000	138,279,000	77,000	27,376,000	—	2,013,000	124,878,000	—	1,096,845,000
Less accumulated depreciation and amortization	—	(418,394,000)	(26,372,000)	(1,905,000)	(66,552,000)	(77,000)	(14,741,000)	—	(146,000)	(10,166,000)	—	(538,353,000)
Net property and equipment	123,000	353,624,000	1,977,000	1,827,000	71,727,000	—	12,635,000	—	1,867,000	114,712,000	—	558,492,000
Other assets:												
Investments	—	317,410,000	—	—	—	—	—	—	1,552,000	20,023,000	—	338,985,000
Investments in joint ventures	—	—	—	254,000	7,575,000	—	—	—	—	6,195,000	—	14,024,000
Pledges receivable, net	—	—	—	—	—	—	—	—	3,192,000	—	—	3,192,000
Assets whose use is limited	—	25,538,000	—	—	—	—	—	—	15,482,000	—	—	41,020,000
Beneficial interest in net assets of AAMC Foundation, Inc.	—	23,450,000	—	—	—	—	—	—	—	—	(23,450,000)	—
Restricted collateral for interest rate swap contract	—	110,002,000	—	—	—	—	18,597,000	—	—	4,544,000	—	110,002,000
Right of use asset	—	8,539,000	882,000	785,000	11,648,000	—	1,392,000	—	587,000	29,322,000	—	44,995,000
Other assets	576,829,000	22,581,000	—	—	1,338,000	—	1,392,000	—	—	—	(578,236,000)	55,613,000
Total assets	\$ 569,263,000	\$ 1,051,987,000	\$ 98,752,000	\$ 7,747,000	\$ 116,947,000	\$ 1,459,000	\$ 46,488,000	\$ 5,032,000	\$ 61,970,000	\$ 320,453,000	\$ (758,230,000)	\$ 1,521,868,000

Luminis Health, Inc. and Subsidiaries

Supplementary Consolidating Balance Sheet (continued)

June 30, 2020

	Anne Arundel Medical Center, Inc. and Subsidiaries	Anne Arundel Health Care Services, Inc.	Anne Arundel Health Care Enterprises, Inc.	Anne Arundel Real Estate Holding Company, Inc. and Subsidiaries	AAHS Research Institute, Inc.	Physician Enterprise, LLC	Anne Arundel Medical Collaborative Care Network LLC	Anne Arundel Medical Center Foundation, Inc.	Doctors Community Medical Center and Subsidiaries	Eliminating Entries	Consolidated
\$	69,678,000	899,000	1,536,000	316,000	1,224,000	8,283,000	214,000	6,659,000	10,274,000	(121,961,000)	\$ 40,441,000
	12,901,000	312,000	1,056,000	—	149,000	5,177,000	—	77,000	14,654,000	—	53,438,000
	1,369,000	—	4,000	3,599,000	—	1,740,000	—	31,784,000	13,953,000	(35,970,000)	32,413,000
	—	—	—	4,033,000	—	—	—	—	4,979,000	—	16,440,000
	—	—	—	661,000	—	7,977,000	—	—	51,905,000	—	182,697,000
	—	124,000	450,000	1,283,000	—	2,850,000	—	—	1,184,000	—	8,753,000
	83,948,000	1,335,000	3,046,000	9,892,000	1,373,000	26,027,000	1,889,000	38,520,000	96,949,000	(157,931,000)	334,182,000
	—	—	—	57,288,000	—	—	—	—	122,766,000	—	470,308,000
	—	—	—	—	—	—	—	—	—	—	117,037,000
	—	—	—	—	—	—	—	—	6,525,000	—	29,276,000
	—	767,000	335,000	10,511,000	—	15,982,000	—	—	4,075,000	—	37,429,000
	—	—	—	—	—	167,000	—	—	14,421,000	—	47,032,000
	83,948,000	2,102,000	3,381,000	77,691,000	1,373,000	42,176,000	1,889,000	38,520,000	244,736,000	(157,931,000)	1,035,264,000
	462,606,000	96,650,000	4,366,000	39,256,000	86,000	4,312,000	3,143,000	(608,000)	73,058,000	(553,987,000)	460,552,000
	22,709,000	—	—	—	—	—	—	24,058,000	468,000	(46,312,000)	23,861,000
	485,315,000	96,650,000	4,366,000	39,256,000	86,000	4,312,000	3,143,000	23,450,000	75,717,000	(600,299,000)	2,191,000
	\$ 569,263,000	\$ 98,752,000	\$ 7,747,000	\$ 116,947,000	\$ 1,459,000	\$ 46,488,000	\$ 5,032,000	\$ 61,970,000	\$ 320,453,000	\$ (758,230,000)	\$ 1,521,868,000

Liabilities and net assets

Current liabilities:

Accounts payable	
Accrued salaries, wages, and benefits	
Other accrued expenses	
Current portion of long-term debt	
Advances from third-party payors	
Current portion of lease liability	
Total current liabilities	

Long-term debt, less current portion and unamortized

original issue premium	
Interest rate swap contract	
Accrued pension liability	
Lease liability, less current portion	
Other long-term liabilities	
Total liabilities	

Net assets:

Without donor restrictions	
With donor restrictions	
Non-controlling interest	
Total net assets	
Total liabilities and net assets	

Luminis Health, Inc. and Subsidiaries

Supplementary Consolidating Statement of Operations

Year Ended June 30, 2020

	Anne Arundel Medical Center, Inc. and Subsidiaries	Anne Arundel Health Care Enterprises, Inc.	Anne Arundel Health Care Services, Inc.	Anne Arundel Health Care Enterprises, Inc.	Anne Arundel Real Estate Holding Company, Inc. and Subsidiaries	AAHS Research Institute, Inc.	Physician Enterprise, LLC	Anne Arundel Medical Collaborative Care Network, LLC	Anne Arundel Medical Center Foundation, Inc.	Doctors Community Medical Center and Subsidiaries	Eliminating Entries	Consolidated
Operating revenue:												
Net patient service revenue	\$ 564,209,000	\$ 28,206,000	\$ 28,206,000	\$ 20,323,000	\$ 22,447,000	\$ 1,893,000	\$ 137,567,000	\$ 1,483,000	\$ 4,993,000	\$ 239,123,000	\$ (71,597,000)	\$ 969,105,000
Other operating revenue	33,627,000	630,000	630,000	20,323,000	22,447,000	1,893,000	41,378,000	1,483,000	4,993,000	21,884,000	(71,597,000)	78,393,000
Total operating revenue	1,332,000	597,836,000	28,836,000	20,323,000	22,447,000	1,893,000	178,945,000	1,483,000	4,993,000	261,007,000	(71,597,000)	1,047,498,000
Operating expenses:												
Salaries and wages	231,182,000	6,146,000	6,146,000	11,897,000	—	1,701,000	118,815,000	(92,000)	1,402,000	108,829,000	—	479,880,000
Employee benefits	42,106,000	1,120,000	1,120,000	2,087,000	—	349,000	12,993,000	37,000	232,000	17,006,000	—	75,930,000
Supplies	140,029,000	1,102,000	1,102,000	92,000	153,000	7,000	20,977,000	3,000	36,000	35,088,000	—	197,487,000
Purchased services	136,454,000	13,508,000	13,508,000	7,448,000	9,768,000	932,000	44,846,000	2,009,000	892,000	80,684,000	(71,295,000)	226,375,000
Foundation transfer to AAMC and subsidiaries	(3,515,000)	—	—	—	—	—	—	—	3,749,000	—	(234,000)	—
Depreciation and amortization	28,919,000	852,000	852,000	20,000	3,751,000	2,000	2,009,000	—	28,000	10,413,000	(68,000)	45,994,000
Interest	10,136,000	—	—	—	1,763,000	—	2,000	—	—	4,318,000	(68,000)	16,151,000
Total operating expenses	585,311,000	22,728,000	22,728,000	21,544,000	15,435,000	2,991,000	199,642,000	1,957,000	6,339,000	256,338,000	(71,597,000)	1,041,817,000
Operating income (loss)	203,000	12,525,000	6,108,000	(1,221,000)	7,012,000	(1,098,000)	(20,697,000)	(474,000)	(1,346,000)	4,669,000	—	5,681,000
Other (loss) income:												
Investment (loss) income, net	(12,993,000)	—	—	—	5,000	—	—	—	2,827,000	461,000	—	(9,700,000)
Loss from joint ventures and other, net	(74,000)	—	—	(1,166,000)	314,000	—	—	—	—	253,000	61,175,000	(673,000)
Inherent contribution	—	—	—	—	—	—	—	—	—	—	—	61,715,000
Pension credit (expense), net	1,777,000	—	—	—	—	—	—	—	—	(661,000)	—	1,116,000
Change in unrealized (losses) gains on trading securities, net	(11,597,000)	—	—	—	185,000	—	—	—	(3,477,000)	(262,000)	—	(15,151,000)
Realized and unrealized losses on interest rate swap contracts, net	(43,149,000)	—	—	—	—	—	—	—	—	—	—	(43,149,000)
Total other income (loss), net	(66,036,000)	—	—	(1,166,000)	504,000	—	—	—	(650,000)	(209,000)	61,175,000	(5,842,000)
(Deficit) excess of revenue over expenses	743,000	(53,511,000)	6,108,000	(2,387,000)	7,516,000	(1,098,000)	(20,697,000)	(474,000)	(1,996,000)	4,460,000	—	(161,000)

# Anne Arundel Medical Center, Inc. and Subsidiaries

## Supplementary Consolidating Balance Sheet

June 30, 2020

	Anne Arundel Medical Center, Inc.	Anne Arundel General Treatment Services, Inc.	Anne Arundel Mental Health Hospital, Inc.	Cottage Insurance Company Ltd.	Consolidating and Eliminating Entries	Consolidated
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 80,459,000	\$ 19,000	\$ 62,000	\$ -	\$ -	\$ 80,540,000
Short-term investments	912,000	-	-	-	-	912,000
Current portion of assets whose use is limited	12,382,000	-	-	3,530,000	-	15,912,000
Patient receivables, net	68,164,000	210,000	1,395,000	-	-	69,769,000
Inventories	15,677,000	-	-	-	-	15,677,000
Due from affiliates, net	500,000	1,363,000	-	-	(1,514,000)	349,000
Prepaid expenses and other current assets	7,653,000	2,000	-	29,000	-	7,684,000
Total current assets	185,747,000	1,594,000	1,457,000	3,559,000	(1,514,000)	190,843,000
Property and equipment	735,814,000	9,057,000	27,147,000	-	-	772,018,000
Less accumulated depreciation and amortization	(413,435,000)	(4,744,000)	(215,000)	-	-	(418,394,000)
Net property and equipment	322,379,000	4,313,000	26,932,000	-	-	353,624,000
Other assets:						
Investments	317,410,000	-	-	-	-	317,410,000
Investments in joint ventures	-	-	-	-	-	-
Assets whose use is limited	7,000	-	-	25,531,000	-	25,538,000
Beneficial interest in net assets of Anne Arundel Medical Center Foundation, Inc.	23,450,000	-	-	-	-	23,450,000
Notes receivable from affiliate	1,559,000	-	-	-	-	1,559,000
Restricted collateral for interest rate swap contract	110,002,000	-	-	-	-	110,002,000
Right of use asset	8,539,000	-	-	-	-	8,539,000
Other assets	23,327,000	-	-	9,884,000	(12,189,000)	21,022,000
Total assets	\$ 992,420,000	\$ 5,907,000	\$ 28,389,000	\$ 38,974,000	\$ (13,703,000)	\$ 1,051,987,000

# Anne Arundel Medical Center, Inc. and Subsidiaries

## Supplementary Consolidating Balance Sheet (continued)

June 30, 2020

	Anne Arundel Medical Center, Inc.	Anne Arundel General Treatment Services, Inc.	Anne Arundel Mental Health Hospital, Inc.	Cottage Insurance Company Ltd.	Consolidating and Eliminating Entries	Consolidated
<b>Liabilities and net assets</b>						
Current liabilities:						
Accounts payable	\$ 24,219,000	\$ 24,000	\$ 50,000	\$ 56,000	\$ -	\$ 24,349,000
Accrued salaries, wages, and benefits	18,831,000	167,000	114,000	-	-	19,112,000
Other accrued expenses	15,933,000	1,000	-	-	-	15,934,000
Current portion of long-term debt	7,428,000	-	-	-	-	7,428,000
Intercompany payables	12,280,000	-	28,225,000	-	(1,535,000)	38,970,000
Advances from third-party payors	120,479,000	-	-	-	-	120,479,000
Current portion of lease liability	2,862,000	-	-	-	-	2,862,000
Total current liabilities	202,032,000	192,000	28,389,000	56,000	(1,535,000)	229,134,000
Long-term debt, less current portion and unamortized original issue premium	290,254,000	-	-	-	-	290,254,000
Interest rate swap contract	117,037,000	-	-	-	-	117,037,000
Accrued pension liability	22,751,000	-	-	-	-	22,751,000
Lease liability, less current portion	5,759,000	-	-	-	-	5,759,000
Other long-term liabilities	-	-	-	32,444,000	-	32,444,000
Total liabilities	637,833,000	192,000	28,389,000	32,500,000	(1,535,000)	697,379,000
Net assets:						
Without donor restrictions	331,649,000	5,715,000	-	6,474,000	(12,168,000)	331,670,000
With donor restrictions	22,938,000	-	-	-	-	22,938,000
Total net assets	354,587,000	5,715,000	-	6,474,000	(12,168,000)	354,608,000
Total liabilities and net assets	\$ 992,420,000	\$ 5,907,000	\$ 28,389,000	\$ 38,974,000	\$ (13,703,000)	\$ 1,051,987,000

# Anne Arundel Medical Center, Inc. and Subsidiaries

## Supplementary Consolidating Statement of Operations

Year Ended June 30, 2020

	Anne Arundel Medical Center, Inc.	Anne Arundel General Treatment Services, Inc.	Anne Arundel Mental Health Hospital, Inc.	Cottage Insurance Company Ltd.	Consolidating and Eliminating Entries	Consolidated
Operating revenue:						
Net patient service revenue	\$ 557,943,000	\$ 4,810,000	\$ 1,456,000	\$ -	\$ -	\$ 564,209,000
Other operating revenue	36,221,000	489,000	839,000	8,121,000	(12,043,000)	33,627,000
Total operating revenue	594,164,000	5,299,000	2,295,000	8,121,000	(12,043,000)	597,836,000
Operating expenses:						
Salaries and wages	225,875,000	4,054,000	1,253,000	-	-	231,182,000
Employee benefits	41,222,000	583,000	301,000	-	-	42,106,000
Supplies	139,555,000	616,000	92,000	-	(234,000)	140,029,000
Purchased services	133,365,000	921,000	693,000	9,771,000	(8,296,000)	136,454,000
Foundation transfer to Anne Arundel Medical Center Foundation, Inc. and subsidiaries	-	-	-	-	(3,515,000)	(3,515,000)
Depreciation and amortization	28,378,000	329,000	212,000	-	-	28,919,000
Interest	10,136,000	-	-	-	-	10,136,000
Total operating expenses	578,531,000	6,503,000	2,551,000	9,771,000	(12,045,000)	585,311,000
Operating income (loss)	15,633,000	(1,204,000)	(256,000)	(1,650,000)	2,000	12,525,000
Other (loss) income:						
Investment loss, net	(12,645,000)	-	-	(348,000)	-	(12,993,000)
(Loss) income from joint venture and other, net	(3,657,000)	-	-	-	3,583,000	(74,000)
Pension credit	1,777,000	-	-	-	-	1,777,000
Change in unrealized losses on trading securities, net	(11,470,000)	-	-	(127,000)	-	(11,597,000)
Realized and unrealized losses on interest rate swap contracts, net	(43,149,000)	-	-	-	-	(43,149,000)
Total other (loss) income, net	(69,144,000)	-	-	(475,000)	3,583,000	(66,036,000)
(Deficit) excess of revenue over expenses	\$ (53,511,000)	\$ (1,204,000)	\$ (256,000)	\$ (2,125,000)	\$ 3,585,000	\$ (53,511,000)



## Luminis Health, Inc. and Subsidiaries

### Supplementary Description of Consolidating and Eliminating Entries

June 30, 2020

1. To eliminate intercompany payables and receivables
2. To eliminate investments in subsidiaries and related net asset accounts
3. To eliminate intercompany income and expense generated from management fees, staffing contracts, captive insurance premiums, and operating leases
4. To eliminate intercompany notes
5. To eliminate income of wholly owned subsidiaries
6. To eliminate intercompany revenue and expense for interest and other miscellaneous transactions
7. To eliminate the AAMC's beneficial interest in the Foundation

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**Return of Certain Excise Taxes Under Chapters 41 and 42 of the Internal Revenue Code**

(Sections 170(f)(10), 664(c)(2), 4911, 4912, 4941, 4942, 4943, 4944, 4945, 4955, 4958, 4959, 4960, 4965, 4966, 4967, and 4968)

**2019**

Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form4720](http://www.irs.gov/Form4720) for instructions and the latest information.

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

Name of organization or entity <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
Number, street, and room or suite no. (or P.O. box if mail is not delivered to street address) <b>2000 MEDICAL PARKWAY, NO. 606</b>	Check box for type of annual return: <input checked="" type="checkbox"/> Form 990 <input type="checkbox"/> Form 990-EZ <input type="checkbox"/> Form 990-PF <input type="checkbox"/> Other <input type="checkbox"/> Form 5227
City or town, state or province, country, and ZIP or foreign postal code <b>ANNAPOLIS, MD 21401</b>	

<b>A</b> Is the organization a foreign private foundation within the meaning of section 4948(b)? .....		<b>Yes</b>	<b>No</b>
<b>B</b> Has corrective action been taken on any taxable event that resulted in Ch. 42 taxes being reported on this form? (Enter "N/A" if not applicable) .....			<b>X</b>
If "Yes," attach a detailed description and documentation of the corrective action taken and, if applicable, enter the fair market value of any property recovered as a result of the correction ▶ \$ .....		<b>N/A</b>	
If "No," (that is, any uncorrected acts or transactions), attach an explanation (see instructions).			

**Part I Taxes on Organization** (Sections 170(f)(10), 664(c)(2), 4911(a), 4912(a), 4942(a), 4943(a), 4944(a)(1), 4945(a)(1), 4955(a)(1), 4959, 4960(a), 4965(a)(1), 4966(a)(1), and 4968(a))

1 Tax on undistributed income - Schedule B, line 4 .....	1	
2 Tax on excess business holdings - Schedule C, line 7 .....	2	
3 Tax on investments that jeopardize charitable purpose - Schedule D, Part I, column (e) .....	3	
4 Tax on taxable expenditures - Schedule E, Part I, column (g) .....	4	
5 Tax on political expenditures - Schedule F, Part I, column (e) .....	5	
6 Tax on excess lobbying expenditures - Schedule G, line 4 .....	6	
7 Tax on disqualifying lobbying expenditures - Schedule H, Part I, column (e) .....	7	
8 Tax on premiums paid on personal benefit contracts .....	8	
9 Tax on being a party to prohibited tax shelter transactions - Schedule J, Part I, column (h) .....	9	
10 Tax on taxable distributions - Schedule K, Part I, column (f) .....	10	
11 Tax on a charitable remainder trust's unrelated business taxable income. Attach statement .....	11	
12 Tax on failure to meet the requirements of section 501(r)(3) - Schedule M, Part II, line 2 .....	12	
13 Tax on excess executive compensation - Schedule N .....	13	224,062.
14 Tax on net investment income of private colleges and universities - Schedule O .....	14	
15 <b>Total</b> (add lines 1 - 14) .....	15	224,062.

**Part II-A Taxes on Managers, Self-Dealers, Disqualified Persons, Donors, Donor Advisors, and Related Persons** (Sections 4912(b), 4941(a), 4944(a)(2), 4945(a)(2), 4955(a)(2), 4958(a), 4965(a)(2), 4966(a)(2), and 4967(a))

(a) Name and address of person subject to tax. City or town, state or province, country, ZIP or foreign postal code				(b) Taxpayer identification number
a				
b				
c				
	(c) Tax on self-dealing - Schedule A, Part II, col. (d), and Part III, col. (d)	(d) Tax on investments that jeopardize charitable purpose - Schedule D, Part II, col. (d)	(e) Tax on taxable expenditures - Schedule E, Part II, col. (d)	(f) Tax on political expenditures - Schedule F, Part II, col. (d)
a				
b				
c				
<b>Total</b>				
	(g) Tax on disqualifying lobbying expenditures - Sch H, Part II, col. (d)	(h) Tax on excess benefit transactions - Schedule I, Part II, col. (d), and Part III, col. (d)	(i) Tax on being a party to prohibited tax shelter transactions - Schedule J, Part II, col. (d)	(j) Tax on taxable distributions - Schedule K, Part II, col. (d)
a				
b				
c				
<b>Total</b>				
	(k) Tax on prohibited benefits - Sch L, Part II, col. (d), and Part III, col. (d)			(l) Total - Add cols. (c) through (k)
a				
b				
c				
<b>Total</b>				

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

Form 4720 (2019)

52-1169362 Page 2

<b>Part II-B Summary of Taxes</b> (See <b>Tax Payments</b> in the instructions.)	
1	Enter the taxes listed in Part II-A, column (I), that apply to managers, self-dealers, disqualified persons, donors, donor advisors, and related persons who sign this form. If all sign, enter the total amount from Part II-A, column (I) .....
2	<b>Total tax.</b> Add Part I, line 15, and Part II-B, line 1 .....
3	Total payments including amount paid with Form 8868 (see instructions) .....
4	<b>Tax due.</b> If line 2 is larger than line 3, enter amount owed (see instructions) .....
5	<b>Overpayment.</b> If line 2 is smaller than line 3, enter the difference. This is your refund .....

**SCHEDULE A - Initial Taxes on Self-Dealing** (Section 4941)

<b>Part I Acts of Self-Dealing and Tax Computation</b>		
(a) Act number	(b) Date of act	(c) Description of act
1		
2		
3		
4		
5		

(d) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the act	(e) Amount involved in act	(f) Initial tax on self-dealer (10% of col. (e))	(g) Tax on foundation managers (if applicable) (lesser of \$20,000 or 5% of col. (e))

<b>Part II Summary of Tax Liability of Self-Dealers and Proration of Payments</b>			
(a) Names of self-dealers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Self-dealer's total tax liability (add amounts in col. (c)) (see instructions)

<b>Part III Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (g), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE B - Initial Tax on Undistributed Income** (Section 4942)

1	Undistributed income for years before 2018 (from Form 990-PF for 2019, Part XIII, line 6d) .....	1
2	Undistributed income for 2018 (from Form 990-PF for 2019, Part XIII, line 6e) .....	2
3	Total undistributed income at end of current tax year beginning in 2019 and subject to tax under section 4942 (add lines 1 and 2) .....	3
4	<b>Tax</b> - Enter 30% of line 3 here and on Part I, line 1 .....	4

Form 4720 (2019)

**SCHEDULE C - Initial Tax on Excess Business Holdings** (Section 4943)

**Business Holdings and Computation of Tax**

If you have taxable excess holdings in more than one business enterprise, attach a separate schedule for each enterprise. Refer to the instructions for each line item before making any entries.

Name and address of business enterprise

Employer identification number

Form of enterprise (corporation, partnership, trust, joint venture, sole proprietorship, etc.)

		(a) Voting stock (profits interest or beneficial interest)	(b) Value	(c) Nonvoting stock (capital interest)
1	Foundation holdings in business enterprise	1		
2	Permitted holdings in business enterprise	2		
3	Value of excess holdings in business enterprise	3		
4	Value of excess holdings disposed of within 90 days; or, other value of excess holdings not subject to section 4943 tax (attach statement)	4		
5	Taxable excess holdings in business enterprise - line 3 minus line 4	5		
6	Tax - Enter 10% of line 5	6		
7	Total tax - Add amounts on line 6, columns (a), (b), and (c); enter total here and on Part I, line 2	7		

**SCHEDULE D - Initial Taxes on Investments That Jeopardize Charitable Purpose** (Section 4944)

**Part I Investments and Tax Computation**

(a) Investment number	(b) Date of investment	(c) Description of investment	(d) Amount of investment	(e) Initial tax on foundation (10% of col. (d))	(f) Initial tax on foundation managers (if applicable) - (lesser of \$10,000 or 10% of col. (d))
1					
2					
3					
4					
5					
<b>Total</b> - Column (e). Enter here and on Part I, line 3					
<b>Total</b> - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below					

**Part II Summary of Tax Liability of Foundation Managers and Proration of Payments**

(a) Names of foundation managers liable for tax	(b) Investment no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE E - Initial Taxes on Taxable Expenditures** (Section 4945)

<b>Part I Expenditures and Computation of Tax</b>				
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Name and address of recipient	(e) Description of expenditure and purposes for which made
1				
2				
3				
4				
5				
(f) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the expenditure			(g) Initial tax imposed on foundation (20% of col. (b))	(h) Initial tax imposed on foundation managers (if applicable)- (lesser of \$10,000 or 5% of col. (b))
<b>Total</b> - Column (g). Enter here and on Part I, line 4 .....				
<b>Total</b> - Column (h). Enter total (or prorated amount) here and in Part II, column (c), below .....				

<b>Part II Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (h), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE F - Initial Taxes on Political Expenditures** (Section 4955)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of political expenditure	(e) Initial tax imposed on organization or foundation (10% of col. (b))	(f) Initial tax imposed on managers (if applicable) (lesser of \$5,000 or 2½% of col. (b))
1					
2					
3					
4					
5					
<b>Total</b> - Column (e). Enter here and on Part I, line 5 .....					
<b>Total</b> - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below .....					

<b>Part II Summary of Tax Liability of Organization Managers or Foundation Managers and Proration of Payments</b>			
(a) Names of organization managers or foundation managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE G - Tax on Excess Lobbying Expenditures** (Section 4911)

1	Excess of grass roots expenditures over grass roots nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1h). (See the instructions before making an entry.)	1
2	Excess of lobbying expenditures over lobbying nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1i). (See the instructions before making an entry.)	2
3	Excess lobbying expenditures - enter the larger of line 1 or line 2	3
4	Tax - Enter 25% of line 3 here and on Part I, line 6	4

**SCHEDULE H - Taxes on Disqualifying Lobbying Expenditures** (Section 4912)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of lobbying expenditures	(e) Tax imposed on organization (5% of col. (b))	(f) Tax imposed on organization managers (if applicable)- (5% of col. (b))
1					
2					
3					
4					
5					
<b>Total</b> - Column (e). Enter here and on Part I, line 7					
<b>Total</b> - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below					

<b>Part II Summary of Tax Liability of Organization Managers and Proration of Payments</b>			
(a) Names of organization managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE I - Initial Taxes on Excess Benefit Transactions** (Section 4958)

<b>Part I Excess Benefit Transactions and Tax Computation</b>		
(a) Transaction number	(b) Date of transaction	(c) Description of transaction
1		
2		
3		
4		
5		
(d) Amount of excess benefit	(e) Initial tax on disqualified persons (25% of col. (d))	(f) Tax on organization managers (if applicable) (lesser of \$20,000 or 10% of col. (d))

**SCHEDULE I - Initial Taxes on Excess Benefit Transactions** (Section 4958) *Continued*

<b>Part II Summary of Tax Liability of Disqualified Persons and Proration of Payments</b>			
(a) Names of disqualified persons liable for tax	(b) Trans. no. from Part I, col. (a)	(c) Tax from Part I, col. (e), or prorated amount	(d) Disqualified person's total tax liability (add amounts in col. (c)) (see instructions)

<b>Part III Summary of Tax Liability of 501(c)(3), (c)(4) &amp; (c)(29) Organization Managers and Proration of Payments</b>			
(a) Names of 501(c)(3), (c)(4) & (c)(29) organization managers liable for tax	(b) Trans. no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE J - Taxes on Being a Party to Prohibited Tax Shelter Transactions** (Section 4965)

<b>Part I Prohibited Tax Shelter Transactions (PTST) and Tax Imposed on the Tax-Exempt Entity</b> (see instructions)				
(a) Transaction number	(b) Transaction date	(c) Type of transaction 1 - Listed 2 - Subsequently listed 3 - Confidential 4 - Contractual protection	(d) Description of transaction	
1				
2				
3				
4				
5				
(e) Did the tax-exempt entity know or have reason to know this transaction was a PTST when it became a party to the transaction? Answer <b>Yes</b> or <b>No</b>		(f) Net income attributable to the PTST	(g) 75% of proceeds attributable to the PTST	(h) Tax imposed on the tax-exempt entity (see instructions)
<b>Total</b> - Column (h). Enter here and on Part I, line 9 .....				





**SCHEDULE L - Taxes on Prohibited Benefits Distributed From Donor Advised Funds** (Section 4967).

See the instructions.

<b>Part I Prohibited Benefits and Tax Computation</b>		
(a) Item number	(b) Date of prohibited benefit	(c) Description of benefit
1		
2		
3		
4		
5		
(d) Amount of prohibited benefit	(e) Tax on donors, donor advisors, or related persons (125% of col. (d)) (see instructions)	(f) Tax on fund managers (if applicable) (lesser of 10% of col. (d) or \$10,000) (see instructions)

<b>Part II Summary of Tax Liability of Donors, Donor Advisors, Related Persons, and Proration of Payments</b>			
(a) Names of donors, donor advisors, or related persons liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (e) or prorated amount	(d) Donor's, donor advisor's, or related person's total tax liability (add amounts in col. (c)) (see instructions)

<b>Part III Summary of Tax Liability of Fund Managers and Proration of Payments</b>			
(a) Names of fund managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f) or prorated amount	(d) Fund manager's total tax liability (add amounts in col. (c)) (see instructions)

**Schedule M - Tax on Hospital Organization for Failure to Meet the Community Health Needs  
Assessment Requirements** (Sections 4959 and 501(r)(3)). (See instructions.)

**Part I Failures to Meet Section 501(r)(3)**

(a) Item number	(b) Name of hospital facility	(c) Description of the failure	(d) Tax year hospital facility last conducted a CHNA	(e) Tax year hospital facility last adopted an implementation strategy
1				
2				
3				
4				
5				

**Part II Computation of Tax**

1	Number of hospital facilities operated by the hospital organization that failed to meet the Community Health Needs Assessment requirements of section 501(r)(3) .....	<b>1</b>
2	Tax - Enter \$50,000 multiplied by line 1 here and on Part I, line 12 .....	<b>2</b>

**SCHEDULE N - Tax on Excess Executive Compensation** (Section 4960). (See instructions.)

(a) Item number	(b) Name of covered employee	(c) Excess remuneration	(d) Excess parachute payment	(e) Total. Add column (c) and (d)
1	SEE STATEMENT 1			
2				
3				
4				
5				
6	Attachment, if necessary. See instructions .....			
<b>Total</b> (add column (e) items 1 - 6) .....				<b>1,066,963.</b>
<b>Tax.</b> Enter 21% of the amount above here and on Part I, line 13 .....				<b>224,062.</b>

**SCHEDULE O - Excise Tax on Net Investment Income of Private Colleges and Universities**  
(Section 4968)

	(a) Name	(b) EIN	(c) Gross investment income (See instructions.)	(d) Capital gain net income	(e) Administrative expenses allocable to income included in cols. (c) and (d)	(f) Net investment income (See instructions.)
1	Filing Organization					
2	Related Organization					
3	Related Organization					
4	Related Organization					
5	Total from attachment, if necessary .....					
6	<b>Total</b> .....					
7	Excise Tax on Net Investment Income. Enter 1.4% of the amount in 6(f) here and on Part I, line 14 .....					

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

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

**Sign Here**

	CFO	
Signature of officer or trustee	Title	Date
Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person		Date
Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person		Date
Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person		Date
Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person		Date

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

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	LORI S. BURGHAUSER	LORI S. BURGHAUSER	05/08/21		P00370694
	Firm's name ▶ SC&H GROUP, INC.				Firm's EIN ▶ 20-5991824
	Firm's address ▶ 910 RIDGEBROOK ROAD SPARKS, MD 21152				Phone no. (410) 403-1500

(A) ITEM NO	(B) NAME OF COVERED EMPLOYEE	(C) EXCESS RENUMERATION	(D) EXCESS PARACHUTE PAYMENT	(E) TOTAL
1.	VICTORIA BAYLESS	1,066,963.		1,066,963.
TOTAL EXCESS EXECUTIVE COMPENSATION				1,066,963.

# TAX RETURN FILING INSTRUCTIONS

CALIFORNIA FORM 109

FOR THE YEAR ENDING

June 30, 2020

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**Prepared For:**

Luminis Health Anne Arundel Medical  
Center, Inc.  
2000 Medical Parkway No. 606  
Annapolis, MD 21401

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**Prepared By:**

SC&H Group, Inc.  
910 Ridgebrook Road  
Sparks, MD 21152

---

**To be Signed and Dated By:**

The authorized individual(s).

---

**Amount of Tax:**

Total tax	\$	8,026
Less: payments and credits	\$	12,873
Plus: other amount		0
Plus: interest and penalties	\$	6
Overpayment	\$	4,841

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**Overpayment:**

Credited to your estimated tax	\$	4,841
Other amount	\$	0
Refunded to you	\$	0

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**Make Check Payable To:**

Not applicable

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**Mail Tax Return and Check (if applicable) To:**

Franchise Tax Board  
P.O. Box 942857  
Sacramento, CA 94257-0500

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**Return Must be Mailed On or Before:**

May 17, 2021

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**Special Instructions:**

# 2020 ESTIMATED TAX FILING INSTRUCTIONS

CALIFORNIA ESTIMATED TAX

**FOR THE YEAR ENDING**

June 30, 2021

---

**Prepared For:**

Luminis Health Anne Arundel Medical  
Center, Inc.  
2000 Medical Parkway No. 606  
Annapolis, MD 21401

---

**Prepared By:**

SC&H Group, Inc.  
910 Ridgebrook Road  
Sparks, MD 21152

---

**Amount of Tax:**

Total Estimated Tax	\$	8,841
Less credit from prior year	\$	4,841
Less amount already paid on 2020 Estimate	\$	3,000
Balance Due	\$	1,000

Payable in full or in installments as follows:

Voucher	Amount	Due Date
No 1	\$ 0	October 15, 2020
No 2	\$ 0	December 15, 2020
No 3	\$ 0	March 15, 2021
No 4	\$ 1,000	June 15, 2021

---

**Make Check Payable To:**

Franchise Tax Board

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**Mail Voucher and Check To:**

Franchise Tax Board  
P.O. Box 942857  
Sacramento, CA 94257-0531

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**Special Instructions:**

Mail each installment on or before the date indicated above. Enclose a check for the specified amount.

Include the organization's corporation number and "2020 Form 100-ES" on the remittance.

Form at bottom of page.

**IF PAID ELECTRONICALLY: DO NOT FILE THIS FORM**

**WHERE TO FILE:** Using black or blue ink, make check or money order payable to the "Franchise Tax Board." Write the California corporation number, FEIN, or CA SOS file number and "2019 FTB 3539" on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with the form and mail to:  
**FRANCHISE TAX BOARD  
PO BOX 942857  
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

**WHEN TO FILE:** **Calendar year C corporations - File and Pay by April 15, 2020**  
**Calendar year S corporations - File and Pay by March 16, 2020**  
**Calendar year exempt organizations - File and Pay by May 15, 2020**  
**Employees' trust and IRA - File and Pay by April 15, 2020**  
**Fiscal year filers - See instructions**

When the due date falls on a weekend or holiday, the deadline to file and pay without penalty is extended to the next business day.

**ONLINE SERVICES:** Make payments online using Web Pay for Businesses. Corporations or exempt organizations can make an immediate payment or schedule payments up to a year in advance. Go to **ftb.ca.gov/pay** for more information.

--- DETACH HERE --- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM --- DETACH HERE ---  
**CAUTION:** You may be required to pay electronically, see instructions.

TAXABLE YEAR **2019** **Payment for Automatic Extension for Corporations and Exempt Organizations** CALIFORNIA FORM **3539 (CORP)**

0000000 LUMI 52-1169362 000000000000 19 FORM 2  
TYB 07-01-2019 TYE 06-30-2020  
LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER INC

2000 MEDICAL PARKWAY STE 606  
ANNAPOLIS MD 21401

(443) 481-1308

Amount of Payment 4000.



**Form at bottom of page.**

**Installment 1 -** File and Pay by the 15th day of the 4th month of the taxable year. When the due date falls on a weekend or holiday, the deadline to file and pay without a penalty is extended to the next business day.

**If no payment is due, do not mail this form.**

**WHERE TO FILE:** Using black or blue ink, make the check or money order payable to the "Franchise Tax Board." Write the corporation number, FEIN, and CA SOS file number, if applicable, and "2020 Form 100-ES" on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with this form and mail to:

**FRANCHISE TAX BOARD  
PO BOX 942857  
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

**ONLINE SERVICES:** Corporations can make payments online using Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to [ftb.ca.gov/pay](http://ftb.ca.gov/pay) for more information.

**WORKSHEET FOR COMPUTATION OF ESTIMATED TAX**  
(Complete and retain for your files)

1.	Estimated Income .....	\$	
2.	Tax - Amount on line 1 X .....	\$	
3.	Tax Credits .....	\$	
4.	Balance (subtract line 3 from line 2) (not less than minimum tax, if applicable) .....	\$	
5.	Other taxes .....	\$	
6.	Total estimated tax - Add lines 4 and 5 (not less than minimum tax, if applicable) .....	\$	
7.	Overpayment on prior year return designated to be credited to this estimate .....	\$	4,841
8.	Amount already paid towards estimated tax .....	\$	3,000
9.	Net estimated tax .....	\$	

----- DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM ----- DETACH HERE -----  
**Caution:** The corporation may be required to pay electronically. See instructions.

TAXABLE YEAR

**2020**

**Corporation Estimated Tax**

**Installment 1**

CALIFORNIA FORM

**100-ES**

0000000                      52-1169362                      000000000000                      20                      FORM 2  
 TYB 07-01-2020                      TYE 06-30-2021  
 LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER INC

2000 MEDICAL PARKWAY                      STE 606  
 ANNAPOLIS                      MD 21401

EST TAX AMT                      QSUB TAX AMT                      TOTAL PAYMENT AMT

**Form at bottom of page.**

**Installment 2 -** File and Pay by the 15th day of the 6th month of the taxable year. When the due date falls on a weekend or holiday, the deadline to file and pay without a penalty is extended to the next business day.  
**If no payment is due, do not mail this form.**

**WHERE TO FILE:** Using black or blue ink, make the check or money order payable to the "Franchise Tax Board." Write the corporation number, FEIN, and CA SOS file number, if applicable, and "2020 Form 100-ES" on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with this form and mail to:

**FRANCHISE TAX BOARD  
PO BOX 942857  
SACRAMENTO CA 94257-0531**

Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

**ONLINE SERVICES:** Corporations can make payments online using Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to [ftb.ca.gov/pay](http://ftb.ca.gov/pay) for more information.

-----DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM ----- DETACH HERE -----  
**Caution:** The corporation may be required to pay electronically. See instructions.

TAXABLE YEAR

**2020**

**Corporation Estimated Tax**

**Installment 2**

CALIFORNIA FORM

**100-ES**

0000000                      52-1169362                      000000000000                      20                      FORM 2  
TYB 07-01-2020                      TYE 06-30-2021  
LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER INC

2000 MEDICAL PARKWAY    STE                      606  
ANNAPOLIS                      MD                      21401

EST TAX AMT    QSUB TAX AMT    TOTAL PAYMENT AMT

**Form at bottom of page.**

**Installment 3 -** File and Pay by the 15th day of the 9th month of the taxable year. When the due date falls on a weekend or holiday, the deadline to file and pay without a penalty is extended to the next business day.  
**If no payment is due, do not mail this form.**

**WHERE TO FILE:** Using black or blue ink, make the check or money order payable to the "Franchise Tax Board." Write the corporation number, FEIN, and CA SOS file number, if applicable, and "2020 Form 100-ES" on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with this form and mail to:  
**FRANCHISE TAX BOARD  
PO BOX 942857  
SACRAMENTO CA 94257-0531**  
Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

**ONLINE SERVICES:** Corporations can make payments online using Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to [ftb.ca.gov/pay](http://ftb.ca.gov/pay) for more information.

-----DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM ----- DETACH HERE -----  
**Caution:** The corporation may be required to pay electronically. See instructions.

TAXABLE YEAR **2020** **Corporation Estimated Tax** CALIFORNIA FORM **100-ES**

0000000                      52-1169362                      000000000000                      20                      FORM 2  
TYB 07-01-2020                      TYE 06-30-2021  
LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER INC  
  
2000 MEDICAL PARKWAY    STE                      606  
ANNAPOLIS                      MD                      21401  
  
EST TAX AMT    QSUB TAX AMT    TOTAL PAYMENT AMT

**Form at bottom of page.**

**Installment 4 -** File and Pay by the 15th day of the 12th month of the taxable year. When the due date falls on a weekend or holiday, the deadline to file and pay without a penalty is extended to the next business day.  
**If no payment is due, do not mail this form.**

**WHERE TO FILE:** Using black or blue ink, make the check or money order payable to the "Franchise Tax Board." Write the corporation number, FEIN, and CA SOS file number, if applicable, and "2020 Form 100-ES" on the check or money order. Detach form below. Enclose, but **do not** staple, the payment with this form and mail to:  
**FRANCHISE TAX BOARD  
PO BOX 942857  
SACRAMENTO CA 94257-0531**  
Make all checks or money orders payable in U.S. dollars and drawn against a U.S. financial institution.

**ONLINE SERVICES:** Corporations can make payments online using Web Pay for Businesses. Corporations can make an immediate payment or schedule payments up to a year in advance. Go to [ftb.ca.gov/pay](http://ftb.ca.gov/pay) for more information.

-----DETACH HERE ----- IF NO PAYMENT IS DUE, DO NOT MAIL THIS FORM ----- DETACH HERE -----  
**Caution:** The corporation may be required to pay electronically. See instructions.

TAXABLE YEAR **2020** **Corporation Estimated Tax** CALIFORNIA FORM **100-ES**

0000000 LUMI 52-1169362 000000000000 20 FORM 2  
TYB 07-01-2020 TYE 06-30-2021  
LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER INC  
2000 MEDICAL PARKWAY STE 606  
ANNAPOLIS MD 21401  
EST TAX AMT 1000. QSUB TAX AMT  
TOTAL PAYMENT AMT 1000.

2019

# Underpayment of Estimated Tax by Corporations

5806

For calendar year 2019 or fiscal year beginning (mm/dd/yyyy) 07/01/2019 and ending (mm/dd/yyyy) 06/30/2020

Corporation name **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.**

California corporation number

**Part I Figure the Underpayment**

1	Current year's tax. See instructions				1	8,026
		(a)	(b)	(c)		(d)
2	Installment due dates. See instructions	10/15/19	12/16/19	03/16/20		06/15/20
3	Percentage required. See instructions	30% (not less than min.)	70% less 1st	70% less prior		100% less prior
4	Amount due. See instructions	2,408	3,210			2,408
5 a	Amount paid or credited for each installment	6,123		1,000		
b	Overpayment from previous installment		3,715	505		1,505
6	Add line 5a and line 5b	6,123	3,715	1,505		1,505
7	Underpayment (subtract line 6 from line 4). See instructions. Overpayment (subtract line 4 from line 6). If line 7 shows an underpayment for any installment, go to <b>Part IV, Exceptions Worksheets.</b>	3,715	505	1,505		903

**Part II Exceptions to the Penalty.** See instructions. If Exception A, line 8a is met for all four installments, **do not** attach this form to the return. If Exception B or C is met, for any installment, attach form FTB 5806 to the back of Form 100, Form 100W, Form 100S or Form 109.

(check the applicable boxes)		Yes	No	Yes	No	Yes	No	Yes	No
8 a	Exception A - Regular Corporations, line 26, met?	X		X		X			X
b	Exception A - Large Corporations, line 30, met?								
9	Exception B (line 42) met?								
10	Exception C (line 64) met?								

**Part III Figure the Penalty.** If line 7 shows an underpayment for any installment and none of the three exceptions is met, figure the penalty for that installment by completing line 11 through line 22.

11	Enter the earlier of the payment date, or the 15th day of the 3rd month after the close of the taxable year. Form 109 filers, see instr.					
12	Number of days from date shown on line 2 to date shown on line 11					
13	Number of days on line 12 before 7/01/19, or the payment date, whichever is earlier					
14	Number of days on line 12 after 6/30/19 and before 1/01/20, or the payment date, whichever is earlier					
15	Number of days on line 12 after 12/31/19 and before 7/01/20, or the payment date, whichever is earlier. <b>Calendar yr corps.</b> , see instr.					
16	<b>For fiscal yr corps. only.</b> Number of days on line 12 after 6/30/20 and before 1/01/21. See instr.					
17	<b>For fiscal year corps. only.</b> Number of days on line 12 after 12/31/20 and before 2/15/21					
18	Number of days on line 13 Number of days in taxable year x 5% x line 7					
19	Number of days on line 14 Number of days in taxable year x 6% x line 7					
20	Number of days on line 15 Number of days in taxable year x 5% x line 7					
21	Number of days on line 16 x % (see instr.) Number of days in taxable year x line 7					
22	Number of days on line 17 x % (see instr.) Number of days in taxable year x line 7	<b>SEE ATTACHED WORKSHEET</b>				
22a	Add amounts for each column from line 18 through line 22					
22b	<b>Total estimated penalty due.</b> Add line 22a, column (a) through column (d). Enter here and on Form 100, line 43a; Form 100W, line 40a; Form 100S, line 42a; or Form 109, line 27					6

**Part IV Exceptions Worksheets.** Even if line 7 shows an underpayment for any installment, the Franchise Tax Board will **not** assess a penalty if timely payments were made and they equal or exceed the amount determined under any of the three exceptions for the same installment period.

**Exception A - Prior Year's Tax - Regular Corporations**

23	Prior year's tax (the return must have been for a full 12 months)					23	7,238			
		(a)		(b)		(c)		(d)		
		30% (not less than min.)		70%		70%		100%		
24	Enter line 23 x the percentage shown	2,171		5,067		5,067		7,238		
25	Amount paid by the installment due date (cumulative)	6,123		6,123		7,123		7,123		
26	If line 25 is greater than line 24, the exception is met. Check "Yes" here and check the applicable "Yes" box in Part II, line 8a. If line 24 is greater than line 25, the exception is <b>not</b> met. Check "No" here and check the applicable "No" box in Part II, line 8a.	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
26		Yes	No	Yes	No	Yes	No	Yes	No	

**Exception A - Prior Year's Tax - Large Corporations**

Use this exception only if prior year tax is less than current year tax.

27	Current year's tax					27				
		1st Installment		2nd Installment						
28 a	Installment due. Enter line 23 x 30%									
28 b	Installment due. Enter line 27 x 70%									
29	Amount paid by the installment due date (cumulative)									
30	If line 29 is greater than line 28 for both installments, the exception is met. Check "Yes" here for each installment and check the applicable "Yes" box in Part II, line 8b. The exception to the penalty applies <b>only</b> if line 29 is greater than line 28 for <b>both</b> installments. If line 28 is greater than line 29 for either installment, the exception is <b>not</b> met. Check "No" here and check the applicable "No" box in Part II, line 8b.	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		
30		Yes	No	Yes	No	Yes	No	Yes	No	

See instructions regarding amounts to use for installment 3 and installment 4.

**Exception B - Tax on Annualized Current Year Income**

Enter number of months for each period. See instrs. ▶

		(a)		(b)		(c)		(d)	
		30%		70%		70%		100%	
		(not less than min)							
31	Enter taxable income for each annualization period								
32	Annualization amounts. See instructions								
33 a	Annualized taxable income. Multiply line 31 by line 32								
33 b	R&TC Section 23802(e) deduction (S corporations only)								
33 c	Net income. Subtract line 33b from line 33a								
34	Tax. Multiply line 33c by the current tax rate								
35	Tax credits for each payment period								
36	Subtract line 35 from line 34								
37	Other taxes *								
38	Total tax. Add line 36 and line 37								
39	Applicable percentage. For short period returns (taxable year of less than 12 months), see the instructions for Part I, line 3	30%		70%		70%		100%	
40	Installment due. Multiply line 38 by line 39								
41	Amount paid by the installment due date (cumulative)								
42	If line 41 is greater than line 40, the exception is met. Check "Yes" here and check the applicable "Yes" box in Part II, line 9. If line 40 is greater than line 41, the exception is <b>not</b> met. Check "No" here and check the applicable "No" box in Part II, line 9.	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
42		Yes	No	Yes	No	Yes	No	Yes	No

\* Include alternative minimum tax, S corporation taxes from Schedule D (100S) and from the excess net passive income, the QSub annual tax, installment amount credit recapture, and the minimum franchise tax.

**Part IV Exceptions Worksheets (Continued)**

**Exception C - Tax on Annualized Seasonal Income**

	(a)	(b)	(c)	(d)					
<b>43</b> Enter taxable income for the following periods:	1st 3 months	1st 5 months	1st 8 months	1st 11 months					
<b>a</b> Taxable year beginning in 2016 .....	<b>43a</b>								
<b>b</b> Taxable year beginning in 2017 .....	<b>43b</b>								
<b>c</b> Taxable year beginning in 2018 .....	<b>43c</b>								
<b>44</b> Enter taxable income for each period for the taxable year beginning in 2019 .....	<b>44</b>								
<b>45</b> Enter taxable income for the following periods:	1st 4 months	1st 6 months	1st 9 months	Entire year					
<b>a</b> Taxable year beginning in 2016 .....	<b>45a</b>								
<b>b</b> Taxable year beginning in 2017 .....	<b>45b</b>								
<b>c</b> Taxable year beginning in 2018 .....	<b>45c</b>								
<b>46</b> Divide the amount in each column on line 43a by the amount in column (d) on line 45a .....	<b>46</b>								
<b>47</b> Divide the amount in each column on line 43b by the amount in column (d) on line 45b .....	<b>47</b>								
<b>48</b> Divide the amount in each column on line 43c by the amount in column (d) on line 45c .....	<b>48</b>								
<b>49</b> Add line 46 through line 48 .....	<b>49</b>								
<b>50</b> Divide line 49 by 3 .....	<b>50</b>								
<b>51 a</b> Divide line 44 by line 50 .....	1st 4 months	1st 6 months	1st 9 months	Entire year					
<b>b</b> R&TC Section 23802(e) deduction. (S corporations only) .....	<b>51b</b>								
<b>c</b> Net income. Subtract line 51b from line 51a .....	<b>51c</b>								
<b>52</b> Tax. Multiply line 51c by the current tax rate ..	<b>52</b>								
<b>53</b> Divide the amounts in column (a) through column (c) on line 45a by the amount in column (d) on line 45a .....	<b>53</b>								
<b>54</b> Divide the amounts in column (a) through column (c) on line 45b by the amount in column (d) on line 45b .....	<b>54</b>								
<b>55</b> Divide the amounts in column (a) through column (c) on line 45c by the amount in column (d) on line 45c .....	<b>55</b>								
<b>56</b> Add line 53 through line 55 .....	<b>56</b>								
<b>57</b> Divide line 56 by 3 .....	<b>57</b>								
<b>58</b> Multiply the amounts in column (a) through column (c) of line 52 by the amounts in the corresponding column of line 57. In column (d), enter the amount from line 52, column (d) .....	<b>58</b>								
<b>59</b> Tax credits for each payment period .....	<b>59</b>								
<b>60</b> Subtract line 59 from line 58 .....	<b>60</b>								
<b>61</b> Other taxes * .....	<b>61</b>								
	(not less than min.)								
<b>62</b> Total tax. Add line 60 and line 61 .....	<b>62</b>								
<b>63</b> Amount paid by the installment due date (cumulative) .....	<b>63</b>								
<b>64</b> If line 63 is greater than line 62, the exception is met. Check "Yes" here and check the applicable "Yes" box in Part II, line 10. If line 62 is greater than line 63, the exception is <b>not</b> met. Check "No" here and check the applicable "No" box in Part II, line 10. ....	<b>64</b>	Yes	No	Yes	No	Yes	No	Yes	No

\* Include alternative minimum tax, S corporation taxes from Schedule D (100S) and from the excess net passive income, QSub annual tax, installment amount credit recapture, and the minimum franchise tax.





California Exempt Organization  
Business Income Tax Return

Calendar Year 2019 or fiscal year beginning (mm/dd/yyyy) **07/01/2019**, and ending (mm/dd/yyyy) **06/30/2020**

Corporation/Organization name **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.** California corporation number

Additional information. See instructions. FEIN **52-1169362**

Street address (suite/room no.) **2000 MEDICAL PARKWAY, NO. 606** PMB no.

City (If the corporation has a foreign address, see instructions.) **ANNAPOLIS** State **MD** ZIP code **21401**

Foreign country name Foreign province/state/county Foreign postal code

- A First Return Filed?  Yes  No
- B Is this an education IRA within the meaning of R&TC Section 23712?  Yes  No
- C Is the organization under audit by the IRS or has the IRS audited in a prior year?  Yes  No
- D Final Return?  Dissolved  Surrendered (Withdrawn)  Merged/Reorganized  
Enter date (mm/dd/yyyy)
- E Amended Return  Yes  No
- F Accounting Method Used: (1)  Cash (2)  Accrual (3)  Other
- G Nature of trade or business **INVESTMENTS**
- H Is the organization a non-exempt charitable trust as described in IRC Section 4947(a)(1)?  Yes  No
- I Is this organization claiming any former; Enterprise Zone (EZ), Los Angeles Revitalization Zone (LARZ), Local Agency Military Base Recovery Area (LAMBRA), Targeted Tax Area (TTA), or Manufacturing Enhancement Area (MEA) tax benefits?  Yes  No
- J Is this organization a qualified pension, profit-sharing, or stock bonus plan as described in IRC Section 401(a)?  Yes  No
- K Unrelated Business Activity (UBA) Code **900099**
- L Is this a Hospital?  Yes  No  
If "Yes," attach federal Schedule H (Form 990)

Taxable Corporation	1	Unrelated business taxable income from Side 2, Part II, line 30	•	1	1,632,354	00
	2	Mult. In 1 by the avg. apport. pctg <b>5.5618</b> % from the Sch. R, Apport. Formula Wksh, Part A, In 2 or Part B, In 5. See instr.	•	2	90,788	00
	3	Enter the lesser amt from In 1 or In 2. If the unrelated bus. activity is wholly in CA and Sch. R was not compltd, enter the amt from In 1	•	3	90,788	00
Taxable Trust	4	Unrelated business taxable income from Side 2, Part II, line 30	•	4		00
Tax Computation	5	Unrelated business taxable income from line 3 or line 4	•	5	90,788	00
	6	EZ, LARZ, LAMBRA, or TTA NOL carryover deduction	•	6		00
	7	Net Operating Loss deduction. See General Information N	•	7		00
	8	Add line 6 and line 7	•	8		00
	9	Net unrelated business taxable income. Subtract line 8 from line 5	•	9	90,788	00
	10	Tax <b>8.84</b> % x line 9. See General Information J	•	10	8,026	00
	11	Tax credits from Schedule B. See instructions	•	11		00
Total Tax	12	Balance. Subtract line 11 from line 10. If line 11 is greater than line 10, enter -0-	•	12	8,026	00
	13	Alternative minimum tax. See General Information O	•	13		00
	14	Total tax. Add line 12 and line 13	•	14	8,026	00
Payments	15	Overpayment from a prior year allowed as a credit	•	15	6,123	00
	16	2019 estimated tax payments. See instructions	•	16	2,750	00
	17	Withholding (Form 592-B and/or 593.) See instructions	•	17		00
	18	Amount paid with extension (form FTB 3539)	•	18	4,000	00
	19	Total payments and credits. Add line 15 through line 18	•	19	12,873	00
Use Tax/Tax Due/Overpayment	20	Use tax. See instructions	•	20		00
	21	Payments balance. If line 19 is more than line 20, subtract line 20 from line 19	•	21	12,873	00
	22	Use tax balance. If line 20 is more than line 19, subtract line 19 from line 20	•	22		00
	23	Tax due. Subtract line 21 from line 14. Pay entire amount with return. See instructions	•	23		00
	24	Overpayment. Subtract line 14 from line 21. See instructions	•	24	4,841	00
	25	Enter amount of line 24 to be applied to 2020 estimated tax	•	25	4,841	00

Refund or Amount Due	26 Refund. If line 25 is less than line 24, then subtract line 25 from line 24	• 26		00
	a Fill in the account information to have the refund directly deposited. Routing number	• 26a		
	b Type: Checking <input type="checkbox"/> Savings <input type="checkbox"/> c Account Number	• 26c		
	27 Penalties and interest. See General Information M	• 27		6 00
28 <input type="checkbox"/> Check if estimate penalty computed using Exception B or C and attach form FTB 5806				
29 Total amount due. Add line 22, line 23, line 25, and line 27, then subtract line 24	• 29			00

**Unrelated Business Taxable Income**

**Part I Unrelated Trade or Business Income**

1 a Gross receipts or gross sales	575,941	b Less returns and allowances		c Balance	• 1c	575,941	00
2 Cost of goods sold and/or operations (Schedule A, line 7)					• 2		00
3 Gross profit. Subtract line 2 from line 1c					• 3	575,941	00
4 a Capital gain net income. See Specific Line Instructions - Trusts attach Schedule D (541)					• 4a		00
b Net gain (loss) from Part II, Schedule D-1					• 4b		00
c Capital loss deduction for trusts					• 4c		00
5 Income (or loss) from partnerships, limited liability companies, or S corporations. See specific line instructions. Attach Schedule K-1 (565, 568, or 100S) or similar schedule		SEE STATEMENT 2			• 5	66,220	00
6 Rental income (Schedule C)					• 6		00
7 Unrelated debt-financed income (Schedule D)					• 7		00
8 Investment income of an R&TC Section 23701g, 23701i, or 23701n organization (Schedule E)					• 8		00
9 Interest, Annuities, Royalties and Rents from controlled organizations (Schedule F)					• 9		00
10 Exploited exempt activity income (Schedule G)					• 10		00
11 Advertising income (Schedule H, Part III, Column A)					• 11		00
12 Other income. Attach schedule		SEE STATEMENT 3			• 12	1,568,134	00
13 Total unrelated trade or business income. Add line 3 through line 12					• 13	2,210,295	00

**Part II Deductions Not Taken Elsewhere** (Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees from Schedule I					• 14		00
15 Salaries and wages					• 15	575,941	00
16 Repairs					• 16		00
17 Bad debts					• 17		00
18 Interest					• 18		00
19 Taxes					• 19		00
20 Contributions					• 20		00
21 a Depreciation (Corporations and Associations - Schedule J) (Trusts - form FTB 3885F)	• 21a		00				
b Less: depreciation claimed on Schedule A	• 21b		00		21		00
22 Depletion					• 22		00
23 a Contributions to deferred compensation plans					• 23a		00
b Employee benefit programs					• 23b		00
24 Other deductions		SEE STATEMENT 4			• 24	1,000	00
25 Total deductions. Add line 14 through line 24					• 25	576,941	00
26 Unrelated business taxable income before allowable excess advertising costs. Subtract line 25 from line 13					• 26	1,633,354	00
27 Excess advertising costs (Schedule H, Part III, Column B)					• 27		00
28 Unrelated business taxable income before specific deduction. Subtract line 27 from line 26					• 28	1,633,354	00
29 Specific deduction					• 29	1,000	00
30 Unrelated business taxable income. Subtract line 29 from line 28. If line 28 is a loss, enter line 28					• 30	1,632,354	00

To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to [ftb.ca.gov/forms](http://ftb.ca.gov/forms) and search for 1131. To request this notice by mail, call 800.852.5711.

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

Sign Here	Signature of officer	Title CFO	Date	• Telephone 443-481-1308
	Preparer's signature <i>Lori Burghauer</i>	Date 05/08/21	Check if self-employed <input type="checkbox"/>	• PTIN P00370694
Paid Preparer's Use Only	Firm's name (or yours, if self-employed) and address	SC&H GROUP, INC. 910 RIDGEBROOK ROAD SPARKS, MD 21152		• FEIN 20-5991824
	May the FTB discuss this return with the preparer shown above? See instructions			• <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**Schedule A Cost of Goods Sold and/or Operations.**

Method of inventory valuation (specify)

N/A

1	Inventory at beginning of year	1	00
2	Purchases	2	00
3	Cost of labor	3	00
4 a	Additional IRC Section 263A costs. Attach schedule	4a	00
b	Other costs. Attach schedule	4b	00
5	Total. Add line 1 through line 4b	5	00
6	Inventory at end of year	6	00
7	Cost of goods sold and/or operations. Subtract line 6 from line 5. Enter here and on Side 2, Part I, line 2	7	00

Do the rules of IRC Section 263A (with respect to property produced or acquired for resale) apply to this organization?  Yes  No

**Schedule B Tax Credits.**

1	Enter credit name	code	1	00	
2	Enter credit name	code	2	00	
3	Enter credit name	code	3	00	
4	Total. Add line 1 through line 3. If claiming more than 3 credits, enter the total of all claimed credits on line 4. Enter here and on Side 1, line 11			4	00

**Schedule K Add-On Taxes or Recapture of Tax.**

1	Interest computation under the look-back method for completed long-term contracts. Attach form FTB 3834	1	00
2	Interest on tax attributable to installment: a Sales of certain timeshares or residential lots	2a	00
	b Method for non-dealer installment obligations	2b	00
3	IRC Section 197(f)(9)(B)(ii) election to recognize gain on the disposition of intangibles	3	00
4	Credit recapture. Credit name	4	00
5	Total. Combine the amounts on line 1 through line 4	5	00

**Schedule R Apportionment Formula Worksheet.** Use only for unrelated trade or business amounts.

**Part A. Standard Method - Single-Sales Factor Formula.** Complete this part only if the corporation uses the single-sales factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b) ÷ (a)] x 100
1 Total Sales	• 2,666,493	• 148,304	
2 Apportionment percentage. Divide total sales column (b) by total sales column (a) and multiply the result by 100. Enter the result here and on Form 109, Side 1, line 2.			• 5.5618%

**Part B. Three Factor Formula.** Complete this part only if the corporation uses the three-factor formula.

	(a) Total within and outside California	(b) Total within California	(c) Percent within California [(b) ÷ (a)] x 100
1 Property factor:	•	•	•
2 Payroll factor: Wages and other compensation of employees	•	•	•
3 Sales factor: Gross sales and/or receipts less returns and allowances	•	•	•
4 Total percentage: Add the percentages in column (c)			
5 Average apportionment percentage: Divide the factor on line 4 by 3 and enter the result here and on Form 109, Side 1, line 2. See instructions for exceptions			

**Schedule C Rental Income from Real Property and Personal Property Leased with Real Property**

For rental income from debt-financed property, use Schedule D, R&TC Section 23701g, Section 23701i, and Section 23701n organizations. See instructions for exceptions.

1 Description of property	2 Rent received or accrued	3 Percentage of rent attributable to personal property
		%
		%
		%
4 Complete if any item in column 3 is more than 50%, or for any item if the rent is determined on the basis of profit or income		5 Complete if any item in column 3 is more than 10%, but not more than 50%
(a) Deductions directly connected	(b) Income includible, column 2 less column 4(a)	(a) Gross income reportable, column 2 x column 3
		(b) Deductions directly connected with personal property
		(c) Net income includible, column 5(a) less column 5(b)

Add columns 4(b) and column 5(c). Enter here and on Side 2, Part I, line 6

**Schedule D Unrelated Debt-Financed Income**

1 Description of debt-financed property		2 Gross income from or allocable to debt-financed property	3 Deductions directly connected with or allocable to debt-financed property		
			(a) Straight-line depreciation	(b) Other deductions	
4 Amount of average acquisition indebtedness on or allocable to debt-financed property	5 Average adjusted basis of or allocable to debt-financed property	6 Debt basis percentage, column 4 ÷ column 5	7 Gross income reportable, column 2 x column 6	8 Allocable deductions, total of columns 3(a) and 3(b) x column 6	9 Net income (or loss) includible, column 7 less column 8
		%			
		%			
		%			
Total. Enter here and on Side 2, Part I, line 7					

**Schedule E Investment Income of an R&TC Section 23701g, Section 23701i, or Section 23701n Organization**

1 Description	2 Amount	3 Deductions directly connected	4 Net investment income, column 2 less column 3	5 Set-asides	6 Balance of investment income, column 4 less column 5
Total. Enter here and on Side 2, Part I, line 8					
Enter gross income from members (dues, fees, charges, or similar amounts)					

**Schedule F Interest, Annuities, Royalties and Rents from Controlled Organizations**

Exempt Controlled Organizations					
1 Name of controlled organizations	2 Employer Identification Number	3 Net unrelated income (loss)	4 Total of specified payments made	5 Part of column (4) that is included in the controlling organization's gross income	6 Deductions directly connected with income in column (5)
1					
2					
3					
Nonexempt Controlled Organizations					
7 Taxable Income	8 Net unrelated income (loss)	9 Total of specified payments made	10 Part of column (9) that is included in the controlling organization's gross income	11 Deductions directly connected with income in column (10)	
1					
2					
3					
4 Add columns 5 and 10					
5 Add columns 6 and 11					
6 Subtract line 5 from line 4. Enter here and on Side 2, Part I, line 9					

**Schedule G Exploited Exempt Activity Income, other than Advertising Income**

1 Description of exploited activity (attach schedule if more than one unrelated activity is exploiting the same exempt activity)	2 Gross unrelated business income from trade or business	3 Expenses directly connected with production of unrelated business income	4 Net income from unrelated trade or business, column 2 less column 3	5 Gross income from activity that is not unrelated business income	6 Expenses attributable to column 5	7 Excess exempt expense, column 6 less column 5 but not more than column 4	8 Net income includible, column 4 less column 7 but not less than zero
Total. Enter here and on Side 2, line 10							

**Schedule H Advertising Income and Excess Advertising Costs**

**Part I Income from Periodicals Reported on a Consolidated Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising income or excess advertising costs. If column 2 is greater than column 3, complete columns 5, 6, and 7. If column 3 is greater than column 2, enter the excess in Part III, column B(b). Do not complete columns 5, 6, and 7.	5 Circulation income	6 Readership costs	7 If column 5 is greater than column 6, enter the income shown in column 4, in Part III, column A(b). If column 6 is greater than column 5, subtract the sum of column 6 and column 3 from the sum of column 5 and column 2. Enter amount in Part III, column A(b). If the amount is less than zero, enter -0-.
Totals .....						

**Part II Income from Periodicals Reported on a Separate Basis**

1 Name of periodical	2 Gross advertising income	3 Direct advertising costs	4 Advertising income or excess advertising costs	5 Circulation income	6 Readership costs	7 If column 5 is greater than column 6, enter the income shown in column 4, in Part III, column A(b). If column 6 is greater than column 5, subtract the sum of column 6 and column 3 from the sum of column 5 and column 2. Enter amount in Part III, column A(b). If the amount is less than zero, enter -0-.

**Part III Column A - Net Advertising Income**

**Part III Column B - Excess Advertising Costs**

(a) Enter "consolidated periodical" and/or names of non-consolidated periodicals	(b) Enter total amount from Part I, column 4 or 7, and amount listed in Part II, column 4 or 7	(a) Enter "consolidated periodical" and/or names of non-consolidated periodicals	(b) Enter total amount from Part I, column 4, and amounts listed in Part II, column 4

Enter total here and on Side 2, Part I, line 11

Enter total here and on Side 2, Part II, line 27

**Schedule I Compensation of Officers, Directors, and Trustees**

1 Name of Officer	2 SSN or ITIN	3 Title	4 Percent of time devoted to business	5 Compensation attributable to unrelated business	6 Expense account allowances
Total. Enter here and on Side 2, Part II, line 14 .....					

**Schedule J Depreciation (Corporations and Associations only. Trusts use form FTB 3885F.)**

1 Group and guideline class or description of property	2 Date acquired (mm/dd/yyyy)	3 Cost or other basis	4 Depreciation allowed or allowable in prior years	5 Method of computing depreciation	6 Life or rate	7 Depreciation for this year
1 Total additional first-year depreciation (do not include in items below) .....						
2 Other depreciation:						
Buildings .....						
Furniture and fixtures .....						
Transportation equipment .....						
Machinery and other equipment .....						
Other (specify) .....						
3 Other depreciation .....						
4 Total .....						
5 Amount of depreciation claimed elsewhere on return .....						
6 Balance. Subtract line 5 from line 4. Enter here and on Side 2, Part II, line 21a .....						

## FOOTNOTES

## STATEMENT 1

CALIFORNIA FORM 109, PART I UNRELATED BUSINESS TAXABLE INCOME, LINE 5:

ADDITIONAL INCOME WAS INCLUDED ON LINE 5 TO FULLY RECOGNIZE THE PASSTHROUGH INCOME GENERATED BY PREMIER HEALTHCARE ALLIANCE, L.P (EIN:33-0387407). THE FULL AMOUNT OF ACTIVITY FROM PREMIER HEALTHCARE ALLIANCE'S BOX 1 THROUGH 13 HAVE BEEN INCLUDED ON FORM 109. THIS PRESENTATION REFLECTS CALIFORNIA'S POSITION OF TREATING ALL PREMIER HEALTHCARE INCOME AS UNRELATED INCOME. WE DISAGREE WITH THIS POSITION. WITH THIS POSITION.

CA 109	INCOME OR (LOSS) FROM PARTNERSHIPS, LIMITED LIABILITY COMPANIES OR S CORPORATIONS	STATEMENT 2
DESCRIPTION		AMOUNT
PREMIER PURCHASING PARTNERS, LP - ORDINARY BUSINESS INCOME (LOSS)		67,768.
HARVEST MLP INCOME FUND II LLC - ORDINARY BUSINESS INCOME (LOSS)		176.
GREENSPRING GLOBAL PARTNERS VIII-B, L.P. - ORDINARY BUSINESS INCOME (LOSS)		-1,724.
TOTAL TO FORM 109, PAGE 2, LINE 5		66,220.

CA 109	OTHER INCOME	STATEMENT 3
DESCRIPTION		AMOUNT
PREMIER PURCHASING PARTNERS, LP		1,568,134.
TOTAL TO FORM 109, PAGE 2, LINE 12		1,568,134.

CA 109

OTHER DEDUCTIONS

STATEMENT 4

DESCRIPTION

AMOUNT

ACCOUNTING FEES

1,000.

TOTAL TO FORM 109, PAGE 2, LINE 24

1,000.





**Part III Total Unrelated Business Taxable Income**

32	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	32	54,719.
33	Amounts paid for disallowed fringes	33	
34	Charitable contributions (see instructions for limitation rules)	34	0.
35	Total unrelated business taxable income before pre-2018 NOLs and specific deduction. Subtract line 34 from the sum of lines 32 and 33	35	54,719.
36	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	36	
37	Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35	37	54,719.
38	Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions)	38	1,000.
39	<b>Unrelated business taxable income.</b> Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37	39	53,719.

**Part IV Tax Computation**

40	<b>Organizations Taxable as Corporations.</b> Multiply line 39 by 21% (0.21)	40	11,281.
41	<b>Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 39 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	41	
42	<b>Proxy tax.</b> See instructions	42	
43	Alternative minimum tax (trusts only)	43	
44	<b>Tax on Noncompliant Facility Income.</b> See instructions	44	
45	<b>Total.</b> Add lines 42, 43, and 44 to line 40 or 41, whichever applies	45	11,281.

**Part V Tax and Payments**

46a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	46a	
b	Other credits (see instructions)	46b	
c	General business credit. Attach Form 3800	46c	
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	46d	
e	<b>Total credits.</b> Add lines 46a through 46d	46e	
47	Subtract line 46e from line 45	47	11,281.
48	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	48	
49	<b>Total tax.</b> Add lines 47 and 48 (see instructions)	49	11,281.
50	2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3	50	0.
51a	Payments: A 2018 overpayment credited to 2019	51a	
b	2019 estimated tax payments	51b	15,000.
c	Tax deposited with Form 8868	51c	8,000.
d	Foreign organizations: Tax paid or withheld at source (see instructions)	51d	
e	Backup withholding (see instructions)	51e	
f	Credit for small employer health insurance premiums (attach Form 8941)	51f	
g	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	51g	
52	<b>Total payments.</b> Add lines 51a through 51g	52	23,000.
53	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	53	94.
54	<b>Tax due.</b> If line 52 is less than the total of lines 49, 50, and 53, enter amount owed	54	
55	<b>Overpayment.</b> If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid	55	11,625.
56	Enter the amount of line 55 you want: <b>Credited to 2020 estimated tax</b> 11,625. <b>Refunded</b>	56	0.

**Part VI Statements Regarding Certain Activities and Other Information** (see instructions)

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

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

<b>Signature of officer</b>	_____	<b>Date</b>	_____	<b>CFO Title</b>	_____	May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	<b>Print/Type preparer's name</b>		<b>Preparer's signature</b>		<b>Date</b>	
<b>Paid Preparer Use Only</b>	LORI S. BURGHAUSER		05/08/21			P00370694
	Firm's name <b>SC&amp;H GROUP, INC.</b>	Firm's address <b>910 RIDGEBROOK ROAD SPARKS, MD 21152</b>		Firm's EIN <b>20-5991824</b>	Phone no. <b>(410) 403-1500</b>	

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

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

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

(see instructions)

1. Description of property

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

2. Rent received or accrued

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

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

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

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

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

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

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

**Nonexempt Controlled Organizations**

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

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

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

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

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

**Schedule J - Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

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

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

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

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

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

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FORM 990-T      PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER      STATEMENT 1

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CORPORATION'S NAME

IDENTIFYING NO

LUMINIS HEALTH, INC.

52-1622253

**SCHEDULE M  
(Form 990-T)**

**Unrelated Business Taxable Income from an  
Unrelated Trade or Business**

ENTITY 2

OMB No. 1545-0047

**2019**

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

▶ Go to [www.irs.gov/Form990T](http://www.irs.gov/Form990T) for instructions and the latest information.

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

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

Department of the Treasury  
Internal Revenue Service

Name of the organization **LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Employer identification number  
**52-1169362**

Unrelated Business Activity Code (see instructions) ▶

Describe the unrelated trade or business ▶ **PARTNERSHIP PASSTHROUGH INCOME**

<b>Part I Unrelated Trade or Business Income</b>		(A) Income	(B) Expenses	(C) Net
<b>1 a</b> Gross receipts or sales				
<b>b</b> Less returns and allowances	<b>c</b> Balance ▶	<b>1c</b>		
<b>2</b> Cost of goods sold (Schedule A, line 7)		<b>2</b>		
<b>3</b> Gross profit. Subtract line 2 from line 1c		<b>3</b>		
<b>4 a</b> Capital gain net income (attach Schedule D)		<b>4a</b>		
<b>b</b> Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)		<b>4b</b>		
<b>c</b> Capital loss deduction for trusts		<b>4c</b>		
<b>5</b> Income (loss) from a partnership or an S corporation (attach statement) <b>STATEMENT 2</b>		<b>5</b> 66,220.		66,220.
<b>6</b> Rent income (Schedule C)		<b>6</b>		
<b>7</b> Unrelated debt-financed income (Schedule E)		<b>7</b>		
<b>8</b> Interest, annuities, royalties, and rents from a controlled organization (Schedule F)		<b>8</b>		
<b>9</b> Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		<b>9</b>		
<b>10</b> Exploited exempt activity income (Schedule I)		<b>10</b>		
<b>11</b> Advertising income (Schedule J)		<b>11</b>		
<b>12</b> Other income (See instructions; attach schedule)		<b>12</b>		
<b>13 Total.</b> Combine lines 3 through 12		<b>13</b> 66,220.		66,220.

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions.) (Deductions must be directly connected with the unrelated business income.)

<b>14</b> Compensation of officers, directors, and trustees (Schedule K)		<b>14</b>		
<b>15</b> Salaries and wages		<b>15</b>		
<b>16</b> Repairs and maintenance		<b>16</b>		
<b>17</b> Bad debts		<b>17</b>		
<b>18</b> Interest (attach schedule) (see instructions)		<b>18</b>		
<b>19</b> Taxes and licenses		<b>19</b>		10,501.
<b>20</b> Depreciation (attach Form 4562)	<b>20</b>			
<b>21</b> Less depreciation claimed on Schedule A and elsewhere on return	<b>21a</b>			
<b>22</b> Depletion		<b>22</b>		
<b>23</b> Contributions to deferred compensation plans		<b>23</b>		
<b>24</b> Employee benefit programs		<b>24</b>		
<b>25</b> Excess exempt expenses (Schedule I)		<b>25</b>		
<b>26</b> Excess readership costs (Schedule J)		<b>26</b>		
<b>27</b> Other deductions (attach schedule) <b>SEE STATEMENT 3</b>		<b>27</b>		1,000.
<b>28 Total deductions.</b> Add lines 14 through 27		<b>28</b>		11,501.
<b>29</b> Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13		<b>29</b>		54,719.
<b>30</b> Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		<b>30</b>		0.
<b>31</b> Unrelated business taxable income. Subtract line 30 from line 29		<b>31</b>		54,719.

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2019

FORM 990-T (M)	INCOME (LOSS) FROM PARTNERSHIPS	STATEMENT 2
DESCRIPTION		NET INCOME OR (LOSS)
PREMIER PURCHASING PARTNERS, LP - ORDINARY BUSINESS INCOME (LOSS)		67,768.
HARVEST MLP INCOME FUND II LLC - ORDINARY BUSINESS INCOME (LOSS)		176.
GREENSPRING GLOBAL PARTNERS VIII-B, L.P. - ORDINARY BUSINESS INCOME (LOSS)		-1,724.
TOTAL INCLUDED ON SCHEDULE M, PART I, LINE 5		66,220.

FORM 990-T (M)	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
ACCOUNTING FEES		1,000.
TOTAL TO SCHEDULE M, PART II, LINE 27		1,000.

**SCHEDULE O  
(Form 1120)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Consent Plan and Apportionment Schedule  
for a Controlled Group**

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, or 1120-RIC.  
▶ Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

OMB No. 1545-0123

Name <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
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**Part I Apportionment Plan Information**

1 Type of controlled group:

- a  Parent-subsidiary group
- b  Brother-sister group
- c  Combined group
- d  Life insurance companies only

2 This corporation has been a member of this group:

- a  For the entire year.
- b  From \_\_\_\_\_, until \_\_\_\_\_.

3 This corporation consents and represents to:

- a  Adopt an apportionment plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on \_\_\_\_\_, and for all succeeding tax years.
- b  Amend the current apportionment plan. All the other members of this group are currently amending a previously adopted plan, which was in effect for the tax year ending \_\_\_\_\_, and for all succeeding tax years.
- c  Terminate the current apportionment plan and not adopt a new plan. All the other members of this group are not adopting an apportionment plan.
- d  Terminate the current apportionment plan and adopt a new plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on \_\_\_\_\_, and for all succeeding tax years.

4 If you checked box 3c or 3d above, check the applicable box below to indicate if the termination of the current apportionment plan was:

- a  Elected by the component members of the group.
- b  Required for the component members of the group.

5 If you did not check a box on line 3 above, check the applicable box below concerning the status of the group's apportionment plan (see instructions).

- a  No apportionment plan is in effect and none is being adopted.
- b  An apportionment plan is already in effect. It was adopted for the tax year ending JUNE 30, 2019, and for all succeeding tax years.

6 If all the members of this group are adopting a plan or amending the current plan for a tax year after the due date (including extensions) of the tax return for this corporation, is there at least one year remaining on the statute of limitations from the date this corporation filed its amended return for such tax year for assessing any resulting deficiency? See instructions.

- a  Yes.
  - (i)  The statute of limitations for this year will expire on \_\_\_\_\_.
  - (ii)  On \_\_\_\_\_, this corporation entered into an agreement with the Internal Revenue Service to extend the statute of limitations for purposes of assessment until \_\_\_\_\_.
- b  No. The members may not adopt or amend an apportionment plan.

7  If the corporation has a short tax year that does not include December 31, check the box. See instructions.



**Part II Apportionment** (See instructions)

	(a) Group member's name and employer identification number	(b) Tax year end (Yr-Mo)	Apportionment		
			(c) Accumulated earnings credit	(d) Penalty for failure to pay estimated tax	(e) Other
1	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	52-1169362	20-06		
2	PAVILION PARK, INC.	52-1890034	20-06		
3	LUMINIS HEALTH REAL ESTATE HOLDING CO., INC.	52-1622251	20-06		
4	LUMINIS HEALTH CARE SERVICES, INC. INC.	52-1646304	20-06		
5	PHYSICIAN ENTERPRISE, LLC	27-0263214	20-06		
6					
7					
8					
9					
10					
<b>Total</b>					

Schedule O (Form 1120) (Rev. 12-2018)



# Underpayment of Estimated Tax by Corporations

Department of the Treasury  
Internal Revenue Service

▶ Attach to the corporation's tax return.

FORM 990-T

**2019**

▶ Go to [www.irs.gov/Form2220](http://www.irs.gov/Form2220) for instructions and the latest information.

Name **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.**

Employer identification number  
**52-1169362**

**Note:** Generally, the corporation is not required to file Form 2220 (see Part II below for exceptions) because the IRS will figure any penalty owed and bill the corporation. However, the corporation may still use Form 2220 to figure the penalty. If so, enter the amount from page 2, line 38, on the estimated tax penalty line of the corporation's income tax return, but **do not** attach Form 2220.

**Part I Required Annual Payment**

1	Total tax (see instructions)		1	11,281.
2a	Personal holding company tax (Schedule PH (Form 1120), line 26) included on line 1	2a		
2b	Look-back interest included on line 1 under section 460(b)(2) for completed long-term contracts or section 167(g) for depreciation under the income forecast method	2b		
2c	Credit for federal tax paid on fuels (see instructions)	2c		
2d	<b>Total.</b> Add lines 2a through 2c	2d		
3	Subtract line 2d from line 1. If the result is less than \$500, <b>do not</b> complete or file this form. The corporation does not owe the penalty	3		11,281.
4	Enter the tax shown on the corporation's 2018 income tax return. See instructions. <b>Caution:</b> If the tax is zero or the tax year was for less than 12 months, skip this line and enter the amount from line 3 on line 5	4		13,460.
5	<b>Required annual payment.</b> Enter the <b>smaller</b> of line 3 or line 4. If the corporation is required to skip line 4, enter the amount from line 3	5		11,281.

**Part II Reasons for Filing** - Check the boxes below that apply. If any boxes are checked, the corporation **must** file Form 2220 even if it does not owe a penalty. See instructions.

- 6  The corporation is using the adjusted seasonal installment method.
- 7  The corporation is using the annualized income installment method.
- 8  The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

**Part III Figuring the Underpayment**

	(a)	(b)	(c)	(d)	
9 <b>Installment due dates.</b> Enter in columns (a) through (d) the 15th day of the 4th (Form 990-PF filers: Use 5th month), 6th, 9th, and 12th months of the corporation's tax year	9	10/15/19	12/15/19	03/15/20	06/15/20
10 <b>Required installments.</b> If the box on line 6 and/or line 7 above is checked, enter the amounts from Sch A, line 38. If the box on line 8 (but not 6 or 7) is checked, see instructions for the amounts to enter. If none of these boxes are checked, enter 25% (0.25) of line 5 above in each column	10	2,820.	2,821.	2,820.	2,820.
11 <b>Estimated tax paid or credited for each period.</b> For column (a) only, enter the amount from line 11 on line 15. See instructions	11			12,000.	
<b>Complete lines 12 through 18 of one column before going to the next column.</b>					
12 Enter amount, if any, from line 18 of the preceding column	12				3,539.
13 Add lines 11 and 12	13			12,000.	3,539.
14 Add amounts on lines 16 and 17 of the preceding column	14		2,820.	5,641.	
15 Subtract line 14 from line 13. If zero or less, enter -0-	15	0.	0.	6,359.	3,539.
16 If the amount on line 15 is zero, subtract line 13 from line 14. Otherwise, enter -0-	16		2,820.	0.	
17 <b>Underpayment.</b> If line 15 is less than or equal to line 10, subtract line 15 from line 10. Then go to line 12 of the next column. Otherwise, go to line 18	17	2,820.	2,821.		
18 <b>Overpayment.</b> If line 10 is less than line 15, subtract line 10 from line 15. Then go to line 12 of the next column	18			3,539.	

Go to Part IV on page 2 to figure the penalty. Do not go to Part IV if there are no entries on line 17 - no penalty is owed.

**Part IV Figuring the Penalty**

	(a)	(b)	(c)	(d)
<b>19</b> Enter the date of payment or the 15th day of the 4th month after the close of the tax year, whichever is earlier. <b>(C corporations with tax years ending June 30 and S corporations:</b> Use 3rd month instead of 4th month. <b>Form 990-PF and Form 990-T filers:</b> Use 5th month instead of 4th month.) See instructions .....	<b>19</b>			
<b>20</b> Number of days from due date of installment on line 9 to the date shown on line 19 .....	<b>20</b>			
<b>21</b> Number of days on line 20 after 4/15/2019 and before 7/1/2019 .....	<b>21</b>			
<b>22</b> Underpayment on line 17 x $\frac{\text{Number of days on line 21} \times 6\% (0.06)}{365}$ ...	<b>22</b> \$	\$	\$	\$
<b>23</b> Number of days on line 20 after 06/30/2019 and before 10/1/2019 .....	<b>23</b>			
<b>24</b> Underpayment on line 17 x $\frac{\text{Number of days on line 23} \times 5\% (0.05)}{365}$ ...	<b>24</b> \$	\$	\$	\$
<b>25</b> Number of days on line 20 after 9/30/2019 and before 1/1/2020 .....	<b>25</b>			
<b>26</b> Underpayment on line 17 x $\frac{\text{Number of days on line 25} \times 5\% (0.05)}{365}$ ...	<b>26</b> \$	\$	\$	\$
<b>27</b> Number of days on line 20 after 12/31/2019 and before 4/1/2020 .....	<b>27</b>	<b>SEE ATTACHED WORKSHEET</b>		
<b>28</b> Underpayment on line 17 x $\frac{\text{Number of days on line 27} \times 5\% (0.05)}{366}$ ...	<b>28</b> \$	\$	\$	\$
<b>29</b> Number of days on line 20 after 3/31/2020 and before 7/1/2020 .....	<b>29</b>			
<b>30</b> Underpayment on line 17 x $\frac{\text{Number of days on line 29} \times \%}{366}$ .....	<b>30</b> \$	\$	\$	\$
<b>31</b> Number of days on line 20 after 6/30/2020 and before 10/1/2020 .....	<b>31</b>			
<b>32</b> Underpayment on line 17 x $\frac{\text{Number of days on line 31} \times \%}{366}$ .....	<b>32</b> \$	\$	\$	\$
<b>33</b> Number of days on line 20 after 9/30/2020 and before 1/1/2021 .....	<b>33</b>			
<b>34</b> Underpayment on line 17 x $\frac{\text{Number of days on line 33} \times \%}{366}$ .....	<b>34</b> \$	\$	\$	\$
<b>35</b> Number of days on line 20 after 12/31/2020 and before 3/16/2021 .....	<b>35</b>			
<b>36</b> Underpayment on line 17 x $\frac{\text{Number of days on line 35} \times \%}{365}$ .....	<b>36</b> \$	\$	\$	\$
<b>37</b> Add lines 22, 24, 26, 28, 30, 32, 34, and 36 .....	<b>37</b> \$	\$	\$	\$
<b>38 Penalty.</b> Add columns (a) through (d) of line 37. Enter the total here and on Form 1120, line 34; or the comparable line for other income tax returns .....	<b>38</b> \$			<b>94.</b>

\* Use the penalty interest rate for each calendar quarter, which the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS website at [www.irs.gov](http://www.irs.gov). You can also call 1-800-829-4933 to get interest rate information.



**Information Return of U.S. Persons With Respect to Certain Foreign Corporations**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **JUL 1, 2019**, and ending **JUN 30, 2020**

Attachment  
Sequence No. **121**

Name of person filing this return <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b> Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) <b>2000 MEDICAL PARKWAY, NO. 606</b> City or town, state, and ZIP code <b>ANNAPOLIS, MD 21401</b>	<b>A Identifying number</b> <b>52-1169362</b> <b>B Category of filer (See instructions. Check applicable box(es)):</b> 1 <input checked="" type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/> <b>C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period</b> <b>100.00 %</b>
Filer's tax year beginning <b>JUL 1, 2019</b> , and ending <b>JUN 30, 2020</b>	

**D** Check box if this is a final Form 5471 for the foreign corporation

**E** Check if any excepted specified foreign financial assets are reported on this form (see instructions)

**F** Person(s) on whose behalf this information return is filed:

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
LUMINIS HEALTH, INC.	2000 MEDICAL PARKWAY, STE 606 ANNAPOLIS MD 21401	52-1622253	X		

**Important:** Fill in all applicable lines and schedules. All information **must** be in English. All amounts **must** be stated in U.S. dollars unless otherwise indicated.

<b>1a</b> Name and address of foreign corporation <b>COTTAGE INSURANCE COMPANY, LTD</b> <b>P.O. BOX 10233</b> <b>GRAND CAYMAN KY1-1002</b> <b>CAYMAN ISLANDS</b>	<b>b(1)</b> Employer identification number, if any <b>98-0461499</b> <b>b(2)</b> Reference ID number (see instructions)  <b>c</b> Country under whose laws incorporated <b>CAYMAN ISLANDS</b>			
<b>d</b> Date of incorporation <b>06/06/05</b>	<b>e</b> Principal place of business <b>CAYMAN ISLANDS</b>	<b>f</b> Principal business activity code number <b>524150</b>	<b>g</b> Principal business activity <b>SELF INSURANCE</b>	<b>h</b> Functional currency <b>UNITED STATES, DOLLAR</b>

**2** Provide the following information for the foreign corporation's accounting period stated above.

<b>a</b> Name, address, and identifying number of branch office or agent (if any) in the United States	<b>b</b> If a U.S. income tax return was filed, enter: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">(i) Taxable income or (loss)</td> <td style="width:50%;">(ii) U.S. income tax paid (after all credits)</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>	(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)		
(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)				
<b>c</b> Name and address of foreign corporation's statutory or resident agent in country of incorporation  <b>ARTEX RISK SOLUTIONS (CAYMAN) LTD</b> <b>P.O. BOX 10233</b> <b>GRAND CAYMAN KY1-1002</b> <b>CAYMAN ISLANDS</b>	<b>d</b> Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different				

<b>Schedule A Stock of the Foreign Corporation</b>		
(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	120,000	120,000



**Schedule C Income Statement**

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
<b>Income</b>	<b>1a</b> Gross receipts or sales .....	<b>1a</b>	8,120,509.
	<b>b</b> Returns and allowances .....	<b>1b</b>	
	<b>c</b> Subtract line 1b from line 1a .....	<b>1c</b>	8,120,509.
	<b>2</b> Cost of goods sold .....	<b>2</b>	
	<b>3</b> Gross profit (subtract line 2 from line 1c) .....	<b>3</b>	8,120,509.
	<b>4</b> Dividends .....	<b>4</b>	1,037,365.
	<b>5</b> Interest .....	<b>5</b>	
	<b>6a</b> Gross rents .....	<b>6a</b>	
	<b>b</b> Gross royalties and license fees .....	<b>6b</b>	
	<b>7</b> Net gain or (loss) on sale of capital assets .....	<b>7</b>	-515,421.
<b>8a</b> Foreign currency transaction gain or loss - unrealized .....	<b>8a</b>		
	<b>b</b> Foreign currency transaction gain or loss - realized .....	<b>8b</b>	
<b>9</b> Other income (attach statement) <b>SEE STATEMENT 4</b> .....	<b>9</b>	-984,585.	
<b>10</b> Total income (add lines 3 through 9) .....	<b>10</b>	7,657,868.	
<b>Deductions</b>	<b>11</b> Compensation not deducted elsewhere .....	<b>11</b>	
	<b>12a</b> Rents .....	<b>12a</b>	
	<b>b</b> Royalties and license fees .....	<b>12b</b>	
	<b>13</b> Interest .....	<b>13</b>	
	<b>14</b> Depreciation not deducted elsewhere .....	<b>14</b>	
	<b>15</b> Depletion .....	<b>15</b>	
	<b>16</b> Taxes (exclude income tax expense (benefit)) .....	<b>16</b>	
	<b>17</b> Other deductions (attach statement - exclude income tax expense (benefit)) <b>SEE STATEMENT 5</b> .....	<b>17</b>	9,783,110.
<b>18</b> Total deductions (add lines 11 through 17) .....	<b>18</b>	9,783,110.	
<b>Net Income</b>	<b>19</b> Net income or (loss) before unusual or infrequently occurring items, and income tax expense (benefit) (subtract line 18 from line 10) .....	<b>19</b>	-2,125,242.
	<b>20</b> Unusual or infrequently occurring items .....	<b>20</b>	
	<b>21a</b> Income tax expense (benefit) - current .....	<b>21a</b>	
	<b>b</b> Income tax expense (benefit) - deferred .....	<b>21b</b>	
<b>22</b> Current year net income or (loss) per books (combine lines 19 through 21b) .....	<b>22</b>	-2,125,242.	
<b>Other Comprehensive Income</b>	<b>23a</b> Foreign currency translation adjustments .....	<b>23a</b>	
	<b>b</b> Other .....	<b>23b</b>	
	<b>c</b> Income tax expense (benefit) related to other comprehensive income .....	<b>23c</b>	
	<b>24</b> Other comprehensive income (loss), net of tax (line 23a plus line 23b less line 23c) .....	<b>24</b>	



**Schedule F Balance Sheet**

**Important:** Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash .....	1	2,821,624.	3,400,185.
2a Trade notes and accounts receivable .....	2a		
b Less allowance for bad debts .....	2b	( )	( )
3 Derivatives .....	3		
4 Inventories .....	4		
5 Other current assets (attach statement) .....	5	17,379,433.	10,043,050.
6 Loans to shareholders and other related persons .....	6		
7 Investment in subsidiaries (attach statement) .....	7		
8 Other investments (attach statement) .....	8	19,332,285.	25,531,053.
9a Buildings and other depreciable assets .....	9a		
b Less accumulated depreciation .....	9b	( )	( )
10a Depletable assets .....	10a		
b Less accumulated depletion .....	10b	( )	( )
11 Land (net of any amortization) .....	11		
12 Intangible assets:			
a Goodwill .....	12a		
b Organization costs .....	12b		
c Patents, trademarks, and other intangible assets .....	12c		
d Less accumulated amortization for lines 12a, 12b, and 12c .....	12d	( )	( )
13 Other assets (attach statement) .....	13		
14 Total assets .....	14	39,533,342.	38,974,288.
<b>Liabilities and Shareholders' Equity</b>			
15 Accounts payable .....	15	91,152.	56,087.
16 Other current liabilities (attach statement) .....	16		
17 Derivatives .....	17		
18 Loans from shareholders and other related persons .....	18		
19 Other liabilities (attach statement) .....	19	36,842,635.	32,443,888.
20 Capital stock:			
a Preferred stock .....	20a		
b Common stock .....	20b	120,000.	120,000.
21 Paid-in or capital surplus (attach reconciliation) .....	21	2,463,021.	8,463,021.
22 Retained earnings .....	22	16,534.	-2,108,708.
23 Less cost of treasury stock .....	23	( )	( )
24 Total liabilities and shareholders' equity .....	24	39,533,342.	38,974,288.

**Schedule G Other Information**

	Yes	No
1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," see the instructions for required statement.		
2 During the tax year, did the foreign corporation own an interest in any trust? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as separate from their owner under Regulations sections 301.7701-2 and 301.7701-3 or did the foreign corporation own any foreign branches (see instructions)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," you are generally required to attach Form 8858 for each entity or branch (see instructions).		
4a During the tax year, did the filer pay or accrue any base erosion payment under section 59A(d) to the foreign corporation or did the filer have a base erosion tax benefit under section 59A(c)(2) with respect to a base erosion payment made or accrued to the foreign corporation (see instructions)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," complete lines 4b and 4c.		
b Enter the total amount of the base erosion payments .....	▶ \$	_____
c Enter the total amount of the base erosion tax benefit .....	▶ \$	_____
5a During the tax year, did the foreign corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," complete line 5b.		
b Enter the total amount of the disallowed deductions (see instructions) .....	▶ \$	_____

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FORM 5471	OTHER INCOME	STATEMENT 4
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DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
UNREALIZED LOSS			-984,585.
TOTAL TO 5471, SCHEDULE C, LINE 9			-984,585.

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FORM 5471	OTHER DEDUCTIONS	STATEMENT 5
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DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
UNDERWRITING EXPENSES			9,388,009.
ADMINISTRATIVE EXPENSES			395,101.
TOTAL TO 5471, SCHEDULE C, LINE 17			9,783,110.

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FORM 5471	OTHER CURRENT ASSETS	STATEMENT 10
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DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
INTEREST RECEIVABLE	20,021.	22,138.
OUTSTANDING CLAIMS RESERVES RECOVERABLE	17,285,870.	9,884,461.
PREPAID EXPENSES	5,793.	6,878.
ESCROW ACCOUNT	47,390.	129,573.
REINSURANCE RECOVERY RECEIVABLE	20,359.	0.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 5	17,379,433.	10,043,050.

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FORM 5471

OTHER INVESTMENTS

STATEMENT 11

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
EQUITY MUTUAL FUNDS	4,789,870.	5,933,362.
FIXED INCOME MUTUAL FUNDS	10,213,526.	14,197,099.
EXCHANGE TRADED FUNDS	4,328,889.	5,400,592.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 8	<u>19,332,285.</u>	<u>25,531,053.</u>

FORM 5471

OTHER LIABILITIES

STATEMENT 12

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
PROVISION FOR ADVERSE CLAIMS DEVELOPMENT	18,339,185.	21,556,480.
PROVISION FOR REPORTED CLAIMS	18,503,450.	10,887,408.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 19	<u>36,842,635.</u>	<u>32,443,888.</u>

FORM 5471

RECONCILIATION OF PAID-IN OR CAPITAL SURPLUS

STATEMENT 13

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
ADDITIONAL PAID-IN CAPITAL	2,463,021.	8,463,021.

Schedule G Other Information (continued)

Table with columns Yes, No and rows 6a through 21 containing tax questions and answers. Includes checkboxes for methods like 'Comparable uncontrolled transaction method' and 'Income method'.

FORM 5471

SCHEDULE G LINE 19 STATEMENT

STATEMENT 17

CODE	DESCRIPTION	AMOUNT
DED	DEDUCTIONS TAKEN INTO ACCOUNT	12,370.
EP	EXCESS SUBPART F INCOME OVER EARNINGS AND PROFITS	2,499,394.

**Schedule I Summary of Shareholder's Income From Foreign Corporation**

If item F on page 1 is completed, a separate Schedule I must be filed for each Category 4 or 5 filer for whom reporting is furnished on this Form 5471. This Schedule I is being completed for:

Name of U.S. shareholder ▶	Identifying number ▶	
<b>1a</b> Section 964(e)(4) Subpart F dividend income from the sale of stock of a lower-tier foreign corporation (see instructions) .....		<b>1a</b>
<b>b</b> Section 245A(e)(2) Subpart F income from hybrid dividends of tiered corporations (see instructions) .....		<b>1b</b>
<b>c</b> Section 954(c) Subpart F Foreign Personal Holding Company Income (enter result from Worksheet A) .....		<b>1c</b>
<b>d</b> Section 954(d) Subpart F Foreign Base Company Sales Income (enter result from Worksheet A) .....		<b>1d</b>
<b>e</b> Section 954(e) Subpart F Foreign Base Company Services Income (enter result from Worksheet A) .....		<b>1e</b>
<b>f</b> Other subpart F income (see instructions) .....		<b>1f</b>
<b>2</b> Earnings invested in U.S. property (enter the result from Worksheet B in the instructions) .....		<b>2</b>
<b>3</b> Section 245A eligible dividends (see instructions) .....		<b>3</b>
<b>4</b> Factoring income .....		<b>4</b>
See instructions for reporting amounts on lines 1, 2, and 4 on your income tax return.		
<b>5</b> Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....		<b>5</b>
<b>6</b> Exchange gain or (loss) on a distribution of previously taxed earnings and profits .....		<b>6</b>

	Yes	No
• Was any income of the foreign corporation blocked? .....		<b>X</b>
• Did any such income become unblocked during the tax year (see section 964(b))? .....		<b>X</b>

If the answer to either question is "Yes," attach an explanation.

**SCHEDULE E  
(Form 5471)**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

**Income, War Profits, and Excess Profits Taxes Paid or Accrued**

▶ **Attach to Form 5471.**

OMB No. 1545-0123

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>COTTAGE INSURANCE COMPANY, LTD</b>	EIN (if any) <b>98-0461499</b>	Reference ID number (see instructions) <b>PAS</b>
<b>a</b> Separate Category (Enter code - see instructions.) ..... ▶		
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**Part I Taxes for Which a Foreign Tax Credit Is Allowed**

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Country or U.S. Possession to Which Tax Is Paid (Enter code-see instructions. Use a separate line for each.)	(d) Foreign Tax Year of Foreign Corporation to Which Tax Relates (Year/Month/Day)	(e) U.S. Tax Year of Foreign Corporation to Which Tax Relates (Year/Month/Day)
1					
2					
3					
4					
5					
6					
7					
	(f) Income Subject to Tax in the Foreign Jurisdiction (see instructions)	(g) Tax Paid or Accrued (in local currency in which the tax is payable)	(h) Conversion Rate to U.S. Dollars	(i) In U.S. Dollars (divide column (g) by column (h))	(j) In Functional Currency of Foreign Corporation
1					
2					
3					
4					
5					
6					
7					
<b>8</b>	Total (combine lines 1 through 7 of column (i)). Report amount on Schedule E-1, line 4				▶
<b>9</b>	Total (combine lines 1 through 7 of column (j)). See instructions for Schedule H, line 2g				▶

**Part II Election**

For tax years beginning after December 31, 2004, has an election been made under section 986(a)(1)(D) to translate taxes using the exchange rate on the date of payment?

Yes  No If "Yes," state date of election ▶

**Part III Taxes for Which a Foreign Tax Credit Is Disallowed** (Enter in functional currency of foreign corporation.)

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Section 901(j)	(d) Section 901(k) and (l)	(e) Section 901(m)	(f) U.S. Taxes	(g) Other	(h) Total
1								
2								
<b>3</b>	In functional currency (combine lines 1 and 2) .....							▶
<b>4</b>	In U.S. dollars (translated at the average exchange rate, as defined in section 989(b)(3) and related regulations (see instructions)) .....							▶

**Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation**

<b>IMPORTANT:</b> Enter amounts in U.S. dollars unless otherwise noted (see instructions).		Taxes related to:			
		(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance) (in functional currency)	(d) Hovering Deficit and Suspended Taxes
1a	Balance at beginning of year (as reported in prior year Schedule E-1)				
b	Beginning balance adjustments (attach statement)				
c	Adjusted beginning balance (combine lines 1a and 1b)				
2	Adjustment for redetermination of prior year U.S. tax liability				
3a	Taxes unsuspending under anti-splitter rules				
b	Taxes suspended under anti-splitter rules				
4	Taxes reported on Schedule E, Part I, line 8, column (i)				
5a	Taxes carried over in nonrecognition transactions				
b	Taxes reclassified as related to hovering deficit after nonrecognition transaction				
6	Other adjustments (attach statement)				
7	Taxes paid or accrued on accumulated E&P (combine lines 1c through 6)				
8	Taxes deemed paid with respect to inclusions under section 951(a)(1) (see instructions)				
9	Taxes deemed paid with respect to inclusions under section 951A (see instructions)				
10	Taxes deemed paid with respect to actual distributions				
11	Taxes on amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P				
12	Other (attach statement)				
13	Taxes related to hovering deficit offset of undistributed post-transaction E&P				
14	Balance at beginning of next year (combine lines 7 through 13)				

**(e) Taxes related to previously taxed E&P (see instructions)**

	(i) Section 965(a) Inclusion (section 959(c)(1)(A))	(ii) Section 965(b)(4)(A) (section 959(c)(1)(A))	(iii) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(iv) Section 951A Inclusion (section 959(c)(1)(A))	(v) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(vi) Section 959(e) (section 959(c)(1)(A))	(vii) Section 964(e)(4) Inclusion (section 959(c)(1)(A))	(viii) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))
1a								
b								
c								
2								
3a								
b								
4								
5a								
b								
6								
7								
8								
9								
10								
11								
12								
13								
14								



**Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation** *(continued)*

**(e) Taxes related to previously taxed E&P** (see instructions)

	<b>(ix)</b> Earnings Invested Excess Passive Assets (section 959(c)(1)(B))	<b>(x)</b> Section 965(a) Inclusion (section 959(c)(2))	<b>(xi)</b> Section 965(b)(4)(A) (section 959(c)(2))	<b>(xii)</b> Section 951A Inclusion (section 959(c)(2))	<b>(xiii)</b> Section 245A(e)(2) Inclusion (section 959(c)(2))	<b>(xiv)</b> Section 959(e) (section 959(c)(2))	<b>(xv)</b> Section 964(e)(4) Inclusion (section 959(c)(2))	<b>(xvi)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(2))
<b>1a</b>								
<b>b</b>								
<b>c</b>								
<b>2</b>								
<b>3a</b>								
<b>b</b>								
<b>4</b>								
<b>5a</b>								
<b>b</b>								
<b>6</b>								
<b>7</b>								
<b>8</b>								
<b>9</b>								
<b>10</b>								
<b>11</b>								
<b>12</b>								
<b>13</b>								
<b>14</b>								

**SCHEDULE H  
(Form 5471)**

(December 2018)  
Department of the Treasury  
Internal Revenue Service

**Current Earnings and Profits**

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>COTTAGE INSURANCE COMPANY, LTD</b>	EIN (if any) <b>98-0461499</b>	Reference ID number (see instr.)
<b>a</b> Separate Category (Enter code-see instructions.) ..... ▶		<b>PAS</b>
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**IMPORTANT:** Enter the amounts on lines 1 through 5c in **functional** currency.

<b>1</b>	Current year net income or (loss) per foreign books of account .....	<b>1</b>	<b>-2,125,242.</b>
<b>2</b>	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
		Net Additions	Net Subtractions
<b>a</b>	Capital gains or losses .....	<b>2a</b>	<b>984,585.</b>
<b>b</b>	Depreciation and amortization .....	<b>2b</b>	
<b>c</b>	Depletion .....	<b>2c</b>	
<b>d</b>	Investment or incentive allowance .....	<b>2d</b>	
<b>e</b>	Charges to statutory reserves .....	<b>2e</b>	
<b>f</b>	Inventory adjustments .....	<b>2f</b>	
<b>g</b>	Income taxes (see Schedule E, Part I, line 9, column (j)) .....	<b>2g</b>	
<b>h</b>	Foreign currency gains or losses .....	<b>2h</b>	
<b>i</b>	Other (attach statement) ..... <b>SEE STATEMENT 18</b>	<b>2i</b>	<b>7,786,767. 8,120,509.</b>
<b>3</b>	Total net additions .....	<b>3</b>	<b>8,771,352.</b>
<b>4</b>	Total net subtractions .....	<b>4</b>	<b>8,120,509.</b>
<b>5a</b>	Current earnings and profits (line 1 plus line 3 minus line 4) .....	<b>5a</b>	<b>-1,474,399.</b>
<b>b</b>	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions) .....	<b>5b</b>	
<b>c</b>	Combine lines 5a and 5b .....	<b>5c</b>	<b>-1,474,399.</b>
<b>d</b>	Current earnings and profits in U.S. dollars (line 5c translated at the average exchange rate, as defined in section 989(b)(3) and the related regulations (see instructions)) .....	<b>5d</b>	<b>-1,474,399.</b>
	Enter exchange rate used for line 5d ▶		<b>1.000000</b>

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule H (Form 5471) (12-2018)

FORM 5471

OTHER NET ADJUSTMENTS

STATEMENT 18

<u>DESCRIPTION</u>	<u>NET ADDITIONS</u>	<u>NET SUBTRACTIONS</u>
RELATED PARTY PREMIUMS	0.	8,120,509.
RELATED PARTY CLAIMS PAID	7,786,767.	0.
TOTAL TO 5471, SCHEDULE H, LINE 2I	<u>7,786,767.</u>	<u>8,120,509.</u>

Foreign Corporation COTTAGE INSURANCE COMPANY, LTD

98-0461499

Schedule I Shareholder's Income From Foreign Corporation

Name of shareholder described in Category 5

Identifying number

LUMINIS HEALTH AAMC

52-1169362

Shareholder's income from foreign corporation

Table with 2 columns: Description and Line Number. Rows include: 1a Section 964(e)(4) Subpart F dividend income from the sale of stock of lower-tier foreign corporation, 1b Section 245A(e)(2) Subpart F income from hybrid dividends of tiered corporation, 1c Section 954(c) Subpart F Foreign Personal Holding Company Income, 1d Section 954(d) Subpart F Foreign Base Company Sales Income, 1e Section 954(e) Subpart F Foreign Base Company Services Income, 1f Other Subpart F income, 2 Earnings invested in U.S. property, 3 Section 245A eligible dividends, 4 Factoring income, 5 Dividends received (translated at spot rate on payment date under section 989(b)(1)), 6 Exchange gain or (loss) on a distribution of previously taxed earnings and profits.

**SCHEDULE I-1  
(Form 5471)**

(Rev. December 2019)

Department of the Treasury  
Internal Revenue Service

**Information for Global Intangible Low-Taxed Income**

▶ **Attach to Form 5471.**

OMB No. 1545-0704

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

Name of person filing Form 5471  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL**

Identifying number  
**52-1169362**

Name of foreign corporation  
**COTTAGE INSURANCE COMPANY, LTD**

EIN (if any)  
**98-0461499**

Reference ID number (see instr.)

Separate Category (Enter code - see instructions) ..... ▶ **PAS**

		Functional Currency	Conversion Rate	U.S. Dollars
<b>1</b>	Gross income .....	<b>1</b> 7657868.		
<b>2</b>	Exclusions			
<b>a</b>	Effectively connected income .....	<b>2a</b>		
<b>b</b>	Subpart F income .....	<b>2b</b> 7657868.		
<b>c</b>	High-tax exception income per section 954(b)(4) .....	<b>2c</b>		
<b>d</b>	Related party dividends .....	<b>2d</b>		
<b>e</b>	Foreign oil and gas extraction income .....	<b>2e</b>		
<b>3</b>	Total exclusions (total of lines 2a-2e) .....	<b>3</b> 7657868.		
<b>4</b>	Gross income less total exclusions (line 1 minus line 3) .....	<b>4</b> 0.		
<b>5</b>	Deductions properly allocable to amount on line 4 .....	<b>5</b>		
<b>6</b>	Tested income (loss) (line 4 minus line 5) .....	<b>6</b> 0.	1.000000	
<b>7</b>	Tested foreign income taxes .....	<b>7</b>	1.000000	
<b>8</b>	Qualified business asset investment (QBAI) .....	<b>8</b>	1.000000	
<b>9a</b>	Interest expense included on line 5 .....	<b>9a</b>		
<b>b</b>	Qualified interest expense .....	<b>9b</b>		
<b>c</b>	Tested loss QBAI amount .....	<b>9c</b>		
<b>d</b>	Tested interest expense (line 9a minus the sum of line 9b and line 9c). If zero or less, enter -0- .....	<b>9d</b>	1.000000	
<b>10a</b>	Interest income included in line 4 .....	<b>10a</b>		
<b>b</b>	Qualified interest income .....	<b>10b</b>		
<b>c</b>	Tested interest income (line 10a minus line 10b). If zero or less, enter -0- .....	<b>10c</b>	1.000000	

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule I-1 (Form 5471) (Rev. 12-2019)

**SCHEDULE J  
(Form 5471)**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

**Accumulated Earnings & Profits (E&P) of Controlled Foreign Corporation**

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471

**LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Identifying number

**52-1169362**

Name of foreign corporation

**COTTAGE INSURANCE COMPANY, LTD**

EIN (if any)

**98-0461499**

Reference ID number

**a** Separate Category (Enter code - see instructions.) ..... ▶ **PAS**  
**b** If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶

**Part I Accumulated E&P of Controlled Foreign Corporation**

Check the box if person filing return does not have all U.S. shareholders' information to complete amount for columns (e)(i), (e)(ii), (e)(iv), and (e)(x) through (e)(xii) (see instructions).

**Important:** Enter amounts in functional currency.

		(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance)	(d) Hovering Deficit and Deduction for Suspended Taxes	(e) Previously Taxed E&P (see instructions)	
						(i) Section 965(a) Inclusion (section 959(c)(1)(A))	(ii) Section 965(b)(4)(A) (section 959(c)(1)(A))
<b>1a</b>	Balance at beginning of year (as reported on prior year Schedule J) .....	- 938,885.	- 3,087,972.				
<b>b</b>	Beginning balance adjustments (attach statement) .....						
<b>c</b>	Adjusted beginning balance (combine lines 1a and 1b) .....	- 938,885.	- 3,087,972.				
<b>2a</b>	Reduction for taxes unsuspending under anti-splitter rules						
<b>b</b>	Disallowed deduction for taxes suspended under anti-splitter rules .....						
<b>3</b>	Current year E&P (or deficit in E&P) .....	- 1,474,399.					
<b>4</b>	E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....						
<b>5a</b>	E&P carried over in nonrecognition transaction .....						
<b>b</b>	Reclassify deficit in E&P as hovering deficit after nonrecognition transaction .....						
<b>6</b>	Other adjustments (attach statement) .....						
<b>7</b>	Total current and accumulated E&P (combine lines 1c through 6) .....	- 2,413,284.	- 3,087,972.				
<b>8</b>	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....						
<b>9</b>	Actual distributions .....						
<b>10</b>	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....						
<b>11</b>	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)						
<b>12</b>	Other adjustments (attach statement) .....						
<b>13</b>	Hovering deficit offset of undistributed posttransaction E&P (see instructions) .....						
<b>14</b>	Balance at beginning of next year (combine lines 7 through 13) .....	- 2,413,284.	- 3,087,972.				

**Part I Accumulated E&P of Controlled Foreign Corporation** *(continued)*

	(e) Previously Taxed E&P (see instructions)							(x) Section 965(a) Inclusion (section 959(c)(2))
	(iii) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(iv) Section 951A Inclusion (section 959(c)(1)(A))	(v) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(vi) Section 959(e) (section 959(c)(1)(A))	(vii) Section 964(e)(4) Inclusion (section 959(c)(1)(A))	(viii) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	(ix) Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	
1a								
b								
c								
2a								
b								
3								
4								
5a								
b								
6								
7								
8								
9								
10								
11								
12								
13								
14								

	(e) Previously Taxed E&P (see instructions)						(f)
	(xi) Section 965(b)(4)(A) (section 959(c)(2))	(xii) Section 951A Inclusion (section 959(c)(2))	(xiii) Section 245A(e)(2) Inclusion (section 959(c)(2))	(xiv) Section 959(e) (section 959(c)(2))	(xv) Section 964(e)(4) Inclusion (section 959(c)(2))	(xvi) Section 951(a)(1)(A) Inclusion (section 959(c)(2))	Total Section 964(a) E&P (combine columns (a), (b), (c), and (e)(i) through (e)(xvi))
1a							-4,026,857.
b							
c							-4,026,857.
2a							
b							
3							-1,474,399.
4							
5a							
b							
6							
7							-5,501,256.
8							
9							
10							
11							
12							
13							
14							-5,501,256.

**Part II Nonpreviously Taxed E&P Subject to Recapture as Subpart F Income (section 952(c)(2))**

**Important:** Enter amounts in functional currency.

<b>1</b>	Balance at beginning of year .....	▶	<b>1</b>	
<b>2</b>	Additions (amounts subject to future recapture) .....	▶	<b>2</b>	
<b>3</b>	Subtractions (amounts recaptured in current year) .....	▶	<b>3</b>	
<b>4</b>	Balance at end of year (combine lines 1 through 3) .....	▶	<b>4</b>	

Schedule J (Form 5471) (Rev. 12-2019)



**SCHEDULE M  
(Form 5471)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0123

▶ Attach to Form 5471.

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Identifying number  
**52-1169362**

Name of foreign corporation  
**COTTAGE INSURANCE COMPANY, LTD**

EIN (if any)  
**98-0461499**

Reference ID number

**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ **UNITED STATES, DOLLAR** **1.000000**

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory) ...					
2 Sales of tangible property other than stock in trade .....					
3 Sales of property rights (patents, trademarks, etc.) .....					
4 Platform contribution transaction payments received .....					
5 Cost sharing transaction payments received .....					
6 Compensation received for technical, managerial, engineering, construction, or like services .....					
7 Commissions received .....					
8 Rents, royalties, and license fees received ...					
9 Hybrid dividends received (see instr.) ...					
10 Dividends received (exclude hybrid dividends, deemed distributions under subpart F, and distributions of previously taxed income) .....					
11 Interest received .....					
12 Premiums received for insurance or reinsurance .....	2,443,110.				
13 Add lines 1 through 12 .....	2,443,110.				
14 Purchases of stock in trade (inventory)					
15 Purchases of tangible property other than stock in trade .....					
16 Purchases of property rights (patents, trademarks, etc.) .....					
17 Platform contribution transaction payments paid					
18 Cost sharing transaction payments paid					
19 Compensation paid for technical, managerial, engineering, construction, or like services .....					
20 Commissions paid .....					
21 Rents, royalties, and license fees paid					
22 Hybrid dividends paid (see instructions)					
23 Dividends paid (exclude hybrid dividends paid) .....					
24 Interest paid .....					
25 Premiums paid for insurance or reinsurance					
26 Add lines 14 through 25 .....					
27 Accounts Payable .....					
28 Amounts borrowed (enter the maximum loan balance during the year) - see instr.					
29 Accounts Receivable .....					
30 Amounts loaned (enter the maximum loan balance during the year) - see instr.					

**SCHEDULE P  
(Form 5471)**

(Rev. December 2019)

Department of the Treasury  
Internal Revenue Service

**Previously Taxed Earnings and Profits of U.S. Shareholder  
of Certain Foreign Corporations**

▶ **Attach to Form 5471.**

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

OMB No. 1545-0123

Name of U.S. shareholder <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>COTTAGE INSURANCE COMPANY, LTD</b>	EIN (if any) <b>98-0461499</b>	Reference ID number (see instructions) <b>PAS</b>
<b>a</b> Separate Category (Enter code - see instructions.) ..... ▶		
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**Part I Previously Taxed E&P in Functional Currency** (see instructions)

		(a) Section 965(a) Inclusion (section 959(c)(1)(A))	(b) Section 965(b)(4)(A) (section 959(c)(1)(A))	(c) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(d) Section 951A Inclusion (section 959(c)(1)(A))	(e) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(f) Section 959(e) (section 959(c)(1)(A))	(g) Section 964(e)(4) Inclusion (section 959(c)(1)(A))
<b>1a</b>	Balance at beginning of year (see instructions) .....							
<b>b</b>	Beginning balance adjustments (attach statement) .....							
<b>c</b>	Adjusted beginning balance (combine lines 1a and 1b) .....							
<b>2</b>	Reduction for taxes unsuspended under anti-splitter rules .....							
<b>3</b>	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....							
<b>4</b>	Previously taxed E&P carried over in nonrecognition transaction .....							
<b>5</b>	Other adjustments (attach statement) .....							
<b>6</b>	Total previously taxed E&P (combine lines 1c through 5) .....							
<b>7</b>	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....							
<b>8</b>	Actual distributions of previously taxed E&P ...							
<b>9</b>	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....							
<b>10</b>	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions) ...							
<b>11</b>	Other adjustments (attach statement) ...							
<b>12</b>	Balance at beginning of next year (combine lines 6 through 11) .....							

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule P (Form 5471) (Rev. 12-2019)

**Part I** Previously Taxed E&P in Functional Currency (see instructions) *(continued)*

	(h) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	(i) Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	(j) Section 965(a) Inclusion (section 959(c)(2))	(k) Section 965(b)(4)(A) (section 959(c)(2))	(l) Section 951A Inclusion (section 959(c)(2))	(m) Section 245A(e)(2) Inclusion (section 959(c)(2))	(n) Section 959(e) (section 959(c)(2))	(o) Section 964(e)(4) Inclusion (section 959(c)(2))	(p) Section 951(a)(1)(A) Inclusion (section 959(c)(2))	(q) Total
<b>1a</b>										
<b>b</b>										
<b>c</b>										
<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 II Previously Taxed E&P in U.S. Dollars**

	(a) Section 965(a) Inclusion (section 959(c)(1)(A))	(b) Section 965(b)(4)(A) (section 959(c)(1)(A))	(c) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(d) Section 951A Inclusion (section 959(c)(1)(A))	(e) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(f) Section 959(e) (section 959(c)(1)(A))	(g) Section 964(e)(4) Inclusion (section 959(c)(1)(A))
<b>1a</b> Balance at beginning of year (see instructions)							
<b>b</b> Beginning balance adjustments (attach statement) .....							
<b>c</b> Adjusted beginning balance (combine lines 1a and 1b) .....							
<b>2</b> Reduction for taxes unsuspended under anti-splitter rules .....							
<b>3</b> Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....							
<b>4</b> Previously taxed E&P carried over in nonrecognition transaction .....							
<b>5</b> Other adjustments (attach statement) .....							
<b>6</b> Total previously taxed E&P (combine lines 1c through 5) .....							
<b>7</b> Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....							
<b>8</b> Actual distributions of previously taxed E&P							
<b>9</b> Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....							
<b>10</b> Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions) .....							
<b>11</b> Other adjustments (attach statement) .....							
<b>12</b> Balance at beginning of next year (combine lines 6 through 11) .....							

Schedule P (Form 5471) (Rev. 12-2019)

**Part II** Previously Taxed E&P in U.S. Dollars *(continued)*

	(h) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	(i) Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	(j) Section 965(a) Inclusion (section 959(c)(2))	(k) Section 965(b)(4)(A) (section 959(c)(2))	(l) Section 951A Inclusion (section 959(c)(2))	(m) Section 245A(e)(2) Inclusion (section 959(c)(2))	(n) Section 959(e) (section 959(c)(2))	(o) Section 964(e)(4) Inclusion (section 959(c)(2))	(p) Section 951(a)(1)(A) Inclusion (section 959(c)(2))	(q) Total
<b>1a</b>										
<b>b</b>										
<b>c</b>										
<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>										

**Information Return of U.S. Persons With Respect to Certain Foreign Corporations**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **JUL 1, 2019**, and ending **JUN 30, 2020**

Attachment  
Sequence No. **121**

Name of person filing this return <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b> Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address) <b>2000 MEDICAL PARKWAY, NO. 606</b> City or town, state, and ZIP code <b>ANNAPOLIS, MD 21401</b> Filer's tax year beginning <b>JUL 1, 2019</b> , and ending <b>JUN 30, 2020</b>	<b>A Identifying number</b> <b>52-1169362</b> <b>B Category of filer (See instructions. Check applicable box(es)):</b> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/> <b>C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period</b> <b>45.78 %</b> <b>D Check box if this is a final Form 5471 for the foreign corporation</b> <input type="checkbox"/> <b>E Check if any excepted specified foreign financial assets are reported on this form (see instructions)</b> <input type="checkbox"/> <b>F Person(s) on whose behalf this information return is filed:</b>
--	---

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director
LUMINIS HEALTH, INC.	2000 MEDICAL PARKWAY, STE 606 ANNAPOLIS MD 21401	52-1622253	X		

**Important:** Fill in all applicable lines and schedules. All information **must** be in English. All amounts **must** be stated in U.S. dollars unless otherwise indicated.

<b>1a Name and address of foreign corporation</b> <b>THE EMERGING MARKETS EQUITY FUND, LTD.</b> <b>201 WASHINGTON STREET, 29TH FLOOR</b> <b>BOSTON MA 02108</b>				<b>b(1) Employer identification number, if any</b>  <b>b(2) Reference ID number (see instructions)</b> <b>EMER2021</b> <b>c Country under whose laws incorporated</b> <b>CAYMAN ISLANDS</b>	
<b>d Date of incorporation</b>	<b>e Principal place of business</b>	<b>f Principal business activity code number</b>	<b>g Principal business activity</b>	<b>h Functional currency</b>	
10/01/14	CJ	523900	INVESTING	UNITED STATES, DOLLAR	

<b>2 Provide the following information for the foreign corporation's accounting period stated above.</b>							
<b>a Name, address, and identifying number of branch office or agent (if any) in the United States</b>		<b>b If a U.S. income tax return was filed, enter:</b> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;"><b>(i) Taxable income or (loss)</b></td> <td style="width:50%;"><b>(ii) U.S. income tax paid (after all credits)</b></td> </tr> <tr> <td> </td> <td> </td> </tr> </table>		<b>(i) Taxable income or (loss)</b>	<b>(ii) U.S. income tax paid (after all credits)</b>		
<b>(i) Taxable income or (loss)</b>	<b>(ii) U.S. income tax paid (after all credits)</b>						
<b>c Name and address of foreign corporation's statutory or resident agent in country of incorporation</b>		<b>d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different</b>  <b>ATLANTIC FUND ADMINISTRATION, LLC</b> <b>THREE CANAL PLAZA</b> <b>PORTLAND ME 04101</b>					

<b>Schedule A Stock of the Foreign Corporation</b>		
(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	779,409	258,167



**Schedule C Income Statement**

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
<b>Income</b>	<b>1a</b> Gross receipts or sales .....	<b>1a</b>	
	<b>b</b> Returns and allowances .....	<b>1b</b>	
	<b>c</b> Subtract line 1b from line 1a .....	<b>1c</b>	
	<b>2</b> Cost of goods sold .....	<b>2</b>	
	<b>3</b> Gross profit (subtract line 2 from line 1c) .....	<b>3</b>	
	<b>4</b> Dividends .....	<b>4</b>	1,139,660.
	<b>5</b> Interest .....	<b>5</b>	
	<b>6a</b> Gross rents .....	<b>6a</b>	
	<b>b</b> Gross royalties and license fees .....	<b>6b</b>	
	<b>7</b> Net gain or (loss) on sale of capital assets .....	<b>7</b>	2,861,647.
<b>8a</b> Foreign currency transaction gain or loss - unrealized .....	<b>8a</b>		-5,441.
	<b>b</b> Foreign currency transaction gain or loss - realized .....	<b>8b</b>	-69,271.
<b>9</b> Other income (attach statement) .....	<b>9</b>		-6,981,740.
<b>SEE STATEMENT 8</b>			
<b>10</b> Total income (add lines 3 through 9) .....	<b>10</b>		-3,055,145.
<b>Deductions</b>	<b>11</b> Compensation not deducted elsewhere .....	<b>11</b>	
	<b>12a</b> Rents .....	<b>12a</b>	
	<b>b</b> Royalties and license fees .....	<b>12b</b>	
	<b>13</b> Interest .....	<b>13</b>	
	<b>14</b> Depreciation not deducted elsewhere .....	<b>14</b>	
	<b>15</b> Depletion .....	<b>15</b>	
	<b>16</b> Taxes (exclude income tax expense (benefit)) .....	<b>16</b>	
	<b>17</b> Other deductions (attach statement - exclude income tax expense (benefit)) .....	<b>17</b>	
<b>SEE STATEMENT 9</b>			
<b>18</b> Total deductions (add lines 11 through 17) .....	<b>18</b>		245,515.
<b>Net Income</b>	<b>19</b> Net income or (loss) before unusual or infrequently occurring items, and income tax expense (benefit) (subtract line 18 from line 10) .....	<b>19</b>	-3,300,660.
	<b>20</b> Unusual or infrequently occurring items .....	<b>20</b>	
	<b>21a</b> Income tax expense (benefit) - current .....	<b>21a</b>	
	<b>b</b> Income tax expense (benefit) - deferred .....	<b>21b</b>	
<b>22</b> Current year net income or (loss) per books (combine lines 19 through 21b) .....	<b>22</b>		-3,300,660.
<b>Other Comprehensive Income</b>	<b>23a</b> Foreign currency translation adjustments .....	<b>23a</b>	
	<b>b</b> Other .....	<b>23b</b>	
	<b>c</b> Income tax expense (benefit) related to other comprehensive income .....	<b>23c</b>	
	<b>24</b> Other comprehensive income (loss), net of tax (line 23a plus line 23b less line 23c) .....	<b>24</b>	



**Schedule F Balance Sheet**

**Important:** Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash .....	1	1,259,413.	430,494.
2a Trade notes and accounts receivable .....	2a		
b Less allowance for bad debts .....	2b	( )	( )
3 Derivatives .....	3		
4 Inventories .....	4		
5 Other current assets (attach statement) .....	5	615,368.	305,679.
6 Loans to shareholders and other related persons .....	6		
7 Investment in subsidiaries (attach statement) .....	7		
8 Other investments (attach statement) .....	8	79,280,017.	23,656,606.
9a Buildings and other depreciable assets .....	9a		
b Less accumulated depreciation .....	9b	( )	( )
10a Depletable assets .....	10a		
b Less accumulated depletion .....	10b	( )	( )
11 Land (net of any amortization) .....	11		
12 Intangible assets:			
a Goodwill .....	12a		
b Organization costs .....	12b		
c Patents, trademarks, and other intangible assets .....	12c		
d Less accumulated amortization for lines 12a, 12b, and 12c .....	12d	( )	( )
13 Other assets (attach statement) .....	13		
14 Total assets .....	14	81,154,798.	24,392,779.
<b>Liabilities and Shareholders' Equity</b>			
15 Accounts payable .....	15		
16 Other current liabilities (attach statement) .....	16	293,636.	696.
17 Derivatives .....	17		
18 Loans from shareholders and other related persons .....	18		
19 Other liabilities (attach statement) .....	19		
20 Capital stock:			
a Preferred stock .....	20a	80,861,162.	24,392,083.
b Common stock .....	20b		
21 Paid-in or capital surplus (attach reconciliation) .....	21		
22 Retained earnings .....	22		
23 Less cost of treasury stock .....	23	( )	( )
24 Total liabilities and shareholders' equity .....	24	81,154,798.	24,392,779.

**Schedule G Other Information**

	Yes	No
1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," see the instructions for required statement.		
2 During the tax year, did the foreign corporation own an interest in any trust? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as separate from their owner under Regulations sections 301.7701-2 and 301.7701-3 or did the foreign corporation own any foreign branches (see instructions)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," you are generally required to attach Form 8858 for each entity or branch (see instructions).		
4a During the tax year, did the filer pay or accrue any base erosion payment under section 59A(d) to the foreign corporation or did the filer have a base erosion tax benefit under section 59A(c)(2) with respect to a base erosion payment made or accrued to the foreign corporation (see instructions)? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," complete lines 4b and 4c.		
b Enter the total amount of the base erosion payments .....		\$ _____
c Enter the total amount of the base erosion tax benefit .....		\$ _____
5a During the tax year, did the foreign corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," complete line 5b.		
b Enter the total amount of the disallowed deductions (see instructions) .....		\$ _____

FORM 5471 AMOUNT AND TYPE OF INDEBTEDNESS OF FOREIGN CORPORATION TO THE RELATED PERSONS DESCRIBED IN REGULATIONS SECTION 1.6046-1(B)(11) STATEMENT 6

AMOUNT	DESCRIPTION
0.	N/A

FORM 5471 NAME, ADDRESS, IDENTIFYING NUMBER AND NUMBER OF SHARES SUBSCRIBED TO BY EACH SUBSCRIBER TO THE STOCK OF THE FOREIGN CORPORATION STATEMENT 7

NAME AND ADDRESS	IDENTIFYING NUMBER	NUMBER OF SHARES
N/A		

FORM 5471 OTHER INCOME STATEMENT 8

DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
UNREALIZED LOSS			-6,981,740.
TOTAL TO 5471, SCHEDULE C, LINE 9			-6,981,740.

FORM 5471 OTHER DEDUCTIONS STATEMENT 9

DESCRIPTION	FUNCTIONAL CURRENCY	EXCHANGE RATE	U.S. DOLLAR
OPERATING FEE			245,515.
TOTAL TO 5471, SCHEDULE C, LINE 17			245,515.

FORM 5471

OTHER CURRENT ASSETS

STATEMENT 14

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
FOREIGN CURRENCY	69,970.	16,761.
INVESTMENTS SOLD RECEIVABLE	0.	99,902.
DIVIDENDS RECEIVABLE	503,058.	189,016.
OTHER ASSETS	5,485.	0.
DUE FROM INVESTMENT MANAGER	36,855.	0.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 5	<u>615,368.</u>	<u>305,679.</u>

FORM 5471

OTHER INVESTMENTS

STATEMENT 15

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
INVESTMENTS IN SECURITIES	79,280,017.	23,656,606.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 8	<u>79,280,017.</u>	<u>23,656,606.</u>

FORM 5471

OTHER CURRENT LIABILITIES

STATEMENT 16

DESCRIPTION	BEG. OF ANNUAL ACCOUNTING PERIOD	END OF ANNUAL ACCOUNTING PERIOD
FOREIGN CAPITAL GAINS TAX PAYABLE	195,841.	696.
MANAGEMENT FEES PAYABLE	48,545.	0.
PROFESSIONAL FEES PAYABLE	36,541.	0.
OTHER LIABILITIES	12,709.	0.
TOTAL TO 5471, PAGE 4, SCHEDULE F, LINE 16	<u>293,636.</u>	<u>696.</u>

Schedule G Other Information (continued)

Table with 2 columns: Yes, No. Rows 6a-21 containing tax questions and answers. Includes monetary values and checkboxes for various methods.

**Schedule I Summary of Shareholder's Income From Foreign Corporation**

If item F on page 1 is completed, a separate Schedule I must be filed for each Category 4 or 5 filer for whom reporting is furnished on this Form 5471. This Schedule I is being completed for:

Name of U.S. shareholder ▶	Identifying number ▶		
<b>1a</b> Section 964(e)(4) Subpart F dividend income from the sale of stock of a lower-tier foreign corporation (see instructions) .....		<b>1a</b>	
<b>b</b> Section 245A(e)(2) Subpart F income from hybrid dividends of tiered corporations (see instructions) .....		<b>1b</b>	
<b>c</b> Section 954(c) Subpart F Foreign Personal Holding Company Income (enter result from Worksheet A) .....		<b>1c</b>	
<b>d</b> Section 954(d) Subpart F Foreign Base Company Sales Income (enter result from Worksheet A) .....		<b>1d</b>	
<b>e</b> Section 954(e) Subpart F Foreign Base Company Services Income (enter result from Worksheet A) .....		<b>1e</b>	
<b>f</b> Other subpart F income (see instructions) .....		<b>1f</b>	521,736.
<b>2</b> Earnings invested in U.S. property (enter the result from Worksheet B in the instructions) .....		<b>2</b>	
<b>3</b> Section 245A eligible dividends (see instructions) .....		<b>3</b>	
<b>4</b> Factoring income .....		<b>4</b>	
See instructions for reporting amounts on lines 1, 2, and 4 on your income tax return.			
<b>5</b> Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....		<b>5</b>	
<b>6</b> Exchange gain or (loss) on a distribution of previously taxed earnings and profits .....		<b>6</b>	

	Yes	No
• Was any income of the foreign corporation blocked? .....		
• Did any such income become unblocked during the tax year (see section 964(b))? .....		

If the answer to either question is "Yes," attach an explanation.

**SCHEDULE E  
(Form 5471)**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

**Income, War Profits, and Excess Profits Taxes Paid or Accrued**

▶ **Attach to Form 5471.**

OMB No. 1545-0123

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>THE EMERGING MARKETS EQUITY FUND, LTD.</b>	EIN (if any)	Reference ID number (see instructions) <b>EMER2021</b>
<b>a</b> Separate Category (Enter code - see instructions.) ..... ▶ <b>GEN</b> <b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**Part I Taxes for Which a Foreign Tax Credit Is Allowed**

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Country or U.S. Possession to Which Tax Is Paid (Enter code-see instructions. Use a separate line for each.)	(d) Foreign Tax Year of Foreign Corporation to Which Tax Relates (Year/Month/Day)	(e) U.S. Tax Year of Foreign Corporation to Which Tax Relates (Year/Month/Day)
1					
2					
3					
4					
5					
6					
7					
	(f) Income Subject to Tax in the Foreign Jurisdiction (see instructions)	(g) Tax Paid or Accrued (in local currency in which the tax is payable)	(h) Conversion Rate to U.S. Dollars	(i) In U.S. Dollars (divide column (g) by column (h))	(j) In Functional Currency of Foreign Corporation
1					
2					
3					
4					
5					
6					
7					
<b>8</b>	Total (combine lines 1 through 7 of column (i)). Report amount on Schedule E-1, line 4				▶
<b>9</b>	Total (combine lines 1 through 7 of column (j)). See instructions for Schedule H, line 2g				▶

**Part II Election**

For tax years beginning after December 31, 2004, has an election been made under section 986(a)(1)(D) to translate taxes using the exchange rate on the date of payment?

Yes  No If "Yes," state date of election ▶

**Part III Taxes for Which a Foreign Tax Credit Is Disallowed** (Enter in functional currency of foreign corporation.)

	(a) Name of Payor Entity	(b) EIN or Reference ID Number of Payor Entity	(c) Section 901(j)	(d) Section 901(k) and (l)	(e) Section 901(m)	(f) U.S. Taxes	(g) Other	(h) Total
1								
2								
<b>3</b>	In functional currency (combine lines 1 and 2) .....							▶
<b>4</b>	In U.S. dollars (translated at the average exchange rate, as defined in section 989(b)(3) and related regulations (see instructions)) .....							▶

**Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation**

<b>IMPORTANT:</b> Enter amounts in U.S. dollars unless otherwise noted (see instructions).		Taxes related to:			
		(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance) (in functional currency)	(d) Hovering Deficit and Suspended Taxes
1a	Balance at beginning of year (as reported in prior year Schedule E-1)				
b	Beginning balance adjustments (attach statement)				
c	Adjusted beginning balance (combine lines 1a and 1b)				
2	Adjustment for redetermination of prior year U.S. tax liability				
3a	Taxes unsuspending under anti-splitter rules				
b	Taxes suspended under anti-splitter rules				
4	Taxes reported on Schedule E, Part I, line 8, column (i)				
5a	Taxes carried over in nonrecognition transactions				
b	Taxes reclassified as related to hovering deficit after nonrecognition transaction				
6	Other adjustments (attach statement)				
7	Taxes paid or accrued on accumulated E&P (combine lines 1c through 6)				
8	Taxes deemed paid with respect to inclusions under section 951(a)(1) (see instructions)				
9	Taxes deemed paid with respect to inclusions under section 951A (see instructions)				
10	Taxes deemed paid with respect to actual distributions				
11	Taxes on amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P				
12	Other (attach statement)				
13	Taxes related to hovering deficit offset of undistributed post-transaction E&P				
14	Balance at beginning of next year (combine lines 7 through 13)				

**(e) Taxes related to previously taxed E&P** (see instructions)

	(i) Section 965(a) Inclusion (section 959(c)(1)(A))	(ii) Section 965(b)(4)(A) (section 959(c)(1)(A))	(iii) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(iv) Section 951A Inclusion (section 959(c)(1)(A))	(v) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(vi) Section 959(e) (section 959(c)(1)(A))	(vii) Section 964(e)(4) Inclusion (section 959(c)(1)(A))	(viii) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))
1a								
b								
c								
2								
3a								
b								
4								
5a								
b								
6								
7								
8								
9								
10								
11								
12								
13								
14								

**Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation** *(continued)*

**(e) Taxes related to previously taxed E&P** (see instructions)

	<b>(ix)</b> Earnings Invested Excess Passive Assets (section 959(c)(1)(B))	<b>(x)</b> Section 965(a) Inclusion (section 959(c)(2))	<b>(xi)</b> Section 965(b)(4)(A) (section 959(c)(2))	<b>(xii)</b> Section 951A Inclusion (section 959(c)(2))	<b>(xiii)</b> Section 245A(e)(2) Inclusion (section 959(c)(2))	<b>(xiv)</b> Section 959(e) (section 959(c)(2))	<b>(xv)</b> Section 964(e)(4) Inclusion (section 959(c)(2))	<b>(xvi)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(2))
<b>1a</b>								
<b>b</b>								
<b>c</b>								
<b>2</b>								
<b>3a</b>								
<b>b</b>								
<b>4</b>								
<b>5a</b>								
<b>b</b>								
<b>6</b>								
<b>7</b>								
<b>8</b>								
<b>9</b>								
<b>10</b>								
<b>11</b>								
<b>12</b>								
<b>13</b>								
<b>14</b>								



**SCHEDULE H  
(Form 5471)**

(December 2018)  
Department of the Treasury  
Internal Revenue Service

**Current Earnings and Profits**

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>THE EMERGING MARKETS EQUITY FUND,</b>	EIN (if any)	Reference ID number (see instr.) <b>EMER2021</b>
<b>a</b> Separate Category (Enter code-see instructions.) ..... ▶		<b>GEN</b>
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**IMPORTANT:** Enter the amounts on lines 1 through 5c in **functional** currency.

<b>1</b>	Current year net income or (loss) per foreign books of account .....	<b>1</b>	<b>-3,300,660.</b>
<b>2</b>	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
		Net Additions	Net Subtractions
<b>a</b>	Capital gains or losses .....	<b>2a</b>	
<b>b</b>	Depreciation and amortization .....	<b>2b</b>	
<b>c</b>	Depletion .....	<b>2c</b>	
<b>d</b>	Investment or incentive allowance .....	<b>2d</b>	
<b>e</b>	Charges to statutory reserves .....	<b>2e</b>	
<b>f</b>	Inventory adjustments .....	<b>2f</b>	
<b>g</b>	Income taxes (see Schedule E, Part I, line 9, column (j)) .....	<b>2g</b>	
<b>h</b>	Foreign currency gains or losses .....	<b>2h</b>	<b>5,441.</b>
<b>i</b>	Other (attach statement) ..... <b>SEE STATEMENT 19</b>	<b>2i</b>	<b>6,981,740.</b>
<b>3</b>	Total net additions .....	<b>3</b>	<b>6,987,181.</b>
<b>4</b>	Total net subtractions .....	<b>4</b>	
<b>5a</b>	Current earnings and profits (line 1 plus line 3 minus line 4) .....	<b>5a</b>	<b>3,686,521.</b>
<b>b</b>	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions) .....	<b>5b</b>	
<b>c</b>	Combine lines 5a and 5b .....	<b>5c</b>	<b>3,686,521.</b>
<b>d</b>	Current earnings and profits in U.S. dollars (line 5c translated at the average exchange rate, as defined in section 989(b)(3) and the related regulations (see instructions)) .....	<b>5d</b>	<b>3,686,521.</b>
	Enter exchange rate used for line 5d ▶		<b>1.000000</b>

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule H (Form 5471) (12-2018)

FORM 5471

OTHER NET ADJUSTMENTS

STATEMENT 19

<u>DESCRIPTION</u>	<u>NET ADDITIONS</u>	<u>NET SUBTRACTIONS</u>
UNREALIZED LOSS REVERSAL	6,981,740.	0.
TOTAL TO 5471, SCHEDULE H, LINE 2I	6,981,740.	0.

Foreign Corporation THE EMERGING MARKETS EQUITY FUND, LTD.

**Schedule I Shareholder's Income From Foreign Corporation**

Name of shareholder described in Category 5	Identifying number
<b>Shareholder's income from foreign corporation</b>	
1a Section 964(e)(4) Subpart F dividend income from the sale of stock of lower-tier foreign corporation .....	1a _____
b Section 245A(e)(2) Subpart F income from hybrid dividends of tiered corporation .....	1b _____
c Section 954(c) Subpart F Foreign Personal Holding Company Income .....	1c _____
d Section 954(d) Subpart F Foreign Base Company Sales Income .....	1d _____
e Section 954(e) Subpart F Foreign Base Company Services Income .....	1e _____
f Other Subpart F income .....	1f <u>521,736.</u>
2 Earnings invested in U.S. property .....	2 _____
3 Section 245A eligible dividends .....	3 _____
4 Factoring income .....	4 _____
5 Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....	5 _____
6 Exchange gain or (loss) on a distribution of previously taxed earnings and profits .....	6 _____

**SCHEDULE I-1  
(Form 5471)**

(Rev. December 2019)

Department of the Treasury  
Internal Revenue Service

**Information for Global Intangible Low-Taxed Income**

▶ **Attach to Form 5471.**

OMB No. 1545-0704

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

Name of person filing Form 5471  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL** Identifying number  
**52-1169362**

Name of foreign corporation  
**THE EMERGING MARKETS EQUITY FUND, L** EIN (if any) Reference ID number (see instr.)  
**EMER2021**

Separate Category (Enter code - see instructions) ▶ **GEN**

		Functional Currency	Conversion Rate	U.S. Dollars
<b>1</b>	Gross income	<b>1</b> 4001307.		
<b>2</b>	Exclusions			
<b>a</b>	Effectively connected income	<b>2a</b>		
<b>b</b>	Subpart F income	<b>2b</b> 1139660.		
<b>c</b>	High-tax exception income per section 954(b)(4)	<b>2c</b>		
<b>d</b>	Related party dividends	<b>2d</b>		
<b>e</b>	Foreign oil and gas extraction income	<b>2e</b>		
<b>3</b>	Total exclusions (total of lines 2a-2e)	<b>3</b> 1139660.		
<b>4</b>	Gross income less total exclusions (line 1 minus line 3)	<b>4</b> 2861647.		
<b>5</b>	Deductions properly allocable to amount on line 4	<b>5</b> 314,786.		
<b>6</b>	Tested income (loss) (line 4 minus line 5)	<b>6</b> 2546861.	1.000000	2546861.
<b>7</b>	Tested foreign income taxes	<b>7</b>	1.000000	
<b>8</b>	Qualified business asset investment (QBAI)	<b>8</b>	1.000000	
<b>9a</b>	Interest expense included on line 5	<b>9a</b>		
<b>b</b>	Qualified interest expense	<b>9b</b>		
<b>c</b>	Tested loss QBAI amount	<b>9c</b>		
<b>d</b>	Tested interest expense (line 9a minus the sum of line 9b and line 9c). If zero or less, enter -0-	<b>9d</b>	1.000000	
<b>10a</b>	Interest income included in line 4	<b>10a</b>		
<b>b</b>	Qualified interest income	<b>10b</b>		
<b>c</b>	Tested interest income (line 10a minus line 10b). If zero or less, enter -0-	<b>10c</b>	1.000000	

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule I-1 (Form 5471) (Rev. 12-2019)

**SCHEDULE J  
(Form 5471)**

(Rev. December 2019)  
Department of the Treasury  
Internal Revenue Service

**Accumulated Earnings & Profits (E&P) of Controlled Foreign Corporation**

▶ Attach to Form 5471.

OMB No. 1545-0123

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471

**LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Identifying number

**52-1169362**

Name of foreign corporation

**THE EMERGING MARKETS EQUITY FUND, LTD.**

EIN (if any)

Reference ID number

**EMER2021**

- a** Separate Category (Enter code - see instructions.) ..... ▶ **GEN**
- b** If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶

**Part I Accumulated E&P of Controlled Foreign Corporation**

Check the box if person filing return does not have all U.S. shareholders' information to complete amount for columns (e)(i), (e)(ii), (e)(iv), and (e)(x) through (e)(xii) (see instructions).

**Important:** Enter amounts in functional currency.

	(a) Post-2017 E&P Not Previously Taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 Undistributed Earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P Not Previously Taxed (pre-1987 section 959(c)(3) balance)	(d) Hovering Deficit and Deduction for Suspended Taxes	(e) Previously Taxed E&P (see instructions)	
					(i) Section 965(a) Inclusion (section 959(c)(1)(A))	(ii) Section 965(b)(4)(A) (section 959(c)(1)(A))
<b>1a</b> Balance at beginning of year (as reported on prior year Schedule J) .....						
<b>b</b> Beginning balance adjustments (attach statement) .....						
<b>c</b> Adjusted beginning balance (combine lines 1a and 1b) .....						
<b>2a</b> Reduction for taxes unsuspending under anti-splitter rules						
<b>b</b> Disallowed deduction for taxes suspended under anti-splitter rules .....						
<b>3</b> Current year E&P (or deficit in E&P) .....	<b>3,686,521.</b>					
<b>4</b> E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....						
<b>5a</b> E&P carried over in nonrecognition transaction .....						
<b>b</b> Reclassify deficit in E&P as hovering deficit after nonrecognition transaction .....						
<b>6</b> Other adjustments (attach statement) .....						
<b>7</b> Total current and accumulated E&P (combine lines 1c through 6) .....	<b>3,686,521.</b>					
<b>8</b> Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....	<b>-3,686,521.</b>					
<b>9</b> Actual distributions .....						
<b>10</b> Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....						
<b>11</b> Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)						
<b>12</b> Other adjustments (attach statement) .....						
<b>13</b> Hovering deficit offset of undistributed posttransaction E&P (see instructions) .....						
<b>14</b> Balance at beginning of next year (combine lines 7 through 13) .....		<b>0.</b>				

**Part I Accumulated E&P of Controlled Foreign Corporation** *(continued)*

	(e) Previously Taxed E&P (see instructions)							(x) Section 965(a) Inclusion (section 959(c)(2))
	(iii) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(iv) Section 951A Inclusion (section 959(c)(1)(A))	(v) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(vi) Section 959(e) (section 959(c)(1)(A))	(vii) Section 964(e)(4) Inclusion (section 959(c)(1)(A))	(viii) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	(ix) Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	
1a								
b								
c								
2a								
b								
3								
4								
5a								
b								
6								
7								
8								
9								
10								
11								
12								
13								
14								

	(e) Previously Taxed E&P (see instructions)						(f) Total Section 964(a) E&P (combine columns (a), (b), (c), and (e)(i) through (e)(xvi))
	(xi) Section 965(b)(4)(A) (section 959(c)(2))	(xii) Section 951A Inclusion (section 959(c)(2))	(xiii) Section 245A(e)(2) Inclusion (section 959(c)(2))	(xiv) Section 959(e) (section 959(c)(2))	(xv) Section 964(e)(4) Inclusion (section 959(c)(2))	(xvi) Section 951(a)(1)(A) Inclusion (section 959(c)(2))	
1a							
b							
c							
2a							
b							
3							3,686,521.
4							
5a							
b							
6							
7							3,686,521.
8		2,546,861.				1,139,660.	0.
9							
10							
11							
12							
13							
14		2,546,861.				1,139,660.	3,686,521.

**Part II Nonpreviously Taxed E&P Subject to Recapture as Subpart F Income (section 952(c)(2))**

**Important:** Enter amounts in functional currency.

<b>1</b>	Balance at beginning of year .....	▶	<b>1</b>	
<b>2</b>	Additions (amounts subject to future recapture) .....	▶	<b>2</b>	
<b>3</b>	Subtractions (amounts recaptured in current year) .....	▶	<b>3</b>	
<b>4</b>	Balance at end of year (combine lines 1 through 3) .....	▶	<b>4</b>	

Schedule J (Form 5471) (Rev. 12-2019)

**SCHEDULE M  
(Form 5471)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0123

▶ Attach to Form 5471.

▶ Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.

Name of person filing Form 5471  
**LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Identifying number  
**52-1169362**

Name of foreign corporation  
**THE EMERGING MARKETS EQUITY FUND,**

EIN (if any)

Reference ID number  
**EMER2021**

**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ▶ **UNITED STATES, DOLLAR** **1.000000**

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory) ...					
2 Sales of tangible property other than stock in trade .....					
3 Sales of property rights (patents, trademarks, etc.) .....					
4 Platform contribution transaction payments received .....					
5 Cost sharing transaction payments received .....					
6 Compensation received for technical, managerial, engineering, construction, or like services .....					
7 Commissions received .....					
8 Rents, royalties, and license fees received ...					
9 Hybrid dividends received (see instr.) ...					
10 Dividends received (exclude hybrid dividends, deemed distributions under subpart F, and distributions of previously taxed income) .....					
11 Interest received .....					
12 Premiums received for insurance or reinsurance .....					
13 Add lines 1 through 12 .....					
14 Purchases of stock in trade (inventory)					
15 Purchases of tangible property other than stock in trade .....					
16 Purchases of property rights (patents, trademarks, etc.) .....					
17 Platform contribution transaction payments paid					
18 Cost sharing transaction payments paid					
19 Compensation paid for technical, managerial, engineering, construction, or like services .....					
20 Commissions paid .....					
21 Rents, royalties, and license fees paid					
22 Hybrid dividends paid (see instructions)					
23 Dividends paid (exclude hybrid dividends paid) .....					
24 Interest paid .....					
25 Premiums paid for insurance or reinsurance					
26 Add lines 14 through 25 .....					
27 Accounts Payable .....					
28 Amounts borrowed (enter the maximum loan balance during the year) - see instr.					
29 Accounts Receivable .....					
30 Amounts loaned (enter the maximum loan balance during the year) - see instr.					



**SCHEDULE O  
(Form 5471)**

(Rev. December 2012)

Department of the Treasury  
Internal Revenue Service

**Organization or Reorganization of Foreign Corporation, and Acquisitions and Dispositions of its Stock**

Information about Schedule O (Form 5471) and its instructions is at [www.irs.gov/form5471](http://www.irs.gov/form5471)

▶ Attach to Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471 <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>THE EMERGING MARKETS EQUITY FUND,</b>	EIN (if any)	Reference ID number <b>EMER2021</b>

**Important:** Complete a separate Schedule O for each foreign corporation for which information must be reported.

**Part I To Be Completed by U.S. Officers and Directors**

(a) Name of shareholder for whom acquisition information is reported	(b) Address of shareholder	(c) Identifying number of shareholder	(d) Date of original 10% acquisition	(e) Date of additional 10% acquisition

**Part II To Be Completed by U.S. Shareholders**

**Note:** If this return is required because one or more shareholders became U.S. persons, attach a list showing the names of such persons and the date each became a U.S. person.

**Section A - General Shareholder Information**

(a) Name, address, and identifying number of shareholder(s) filing this schedule	(b) For shareholder's latest U.S. income tax return filed, indicate:			(c) Date (if any) shareholder last filed information return under section 6046 for the foreign corporation
	(1) Type of return (enter form number)	(2) Date return filed	(3) Internal Revenue Service Center where filed	
<b>STMT 20 LUMINIS HEALTH AAMC 2001 MEDICAL PARKWAY ANNAPOLIS</b>				
<b>NATIONAL FIRE PROTECTION 1 BATTERYMARCH PARK QUINCY, MA</b>				

**Section B - U.S. Persons Who Are Officers or Directors of the Foreign Corporation**

(a) Name of U.S. officer or director	(b) Address	(c) Social security number	(d) Check appropriate box(es)	
			Officer	Director

**Section C - Acquisition of Stock**

(a) Name of shareholder(s) filing this schedule	(b) Class of stock acquired	(c) Date of acquisition	(d) Method of acquisition	(e) Number of shares acquired		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount paid or value given	(g) Name and address of person from whom shares were acquired

**Section D - Disposition of Stock**

(a) Name of shareholder disposing of stock	(b) Class of stock	(c) Date of disposition	(d) Method of disposition	(e) Number of shares disposed of		
				(1) Directly	(2) Indirectly	(3) Constructively

(f) Amount received	(g) Name and address of person to whom disposition of stock was made

**Section E - Organization or Reorganization of Foreign Corporation**

(a) Name and address of transferor	(b) Identifying number (if any)	(c) Date of transfer

(d) Assets transferred to foreign corporation			(e) Description of assets transferred by, or notes or securities issued by, foreign corporation
(1) Description of assets	(2) Fair market value	(3) Adjusted basis (if transferor was U.S. person)	

**Section F - Additional Information**

(a) If the foreign corporation or a predecessor U.S. corporation filed (or joined with a consolidated group in filing) a U.S. income tax return for any of the last 3 years, attach a statement indicating the year for which a return was filed (and, if applicable, the name of the corporation filing the consolidated return), the taxable income or loss, and the U.S. income tax paid (after all credits).

(b) List the date of any reorganization of the foreign corporation that occurred during the last 4 years while any U.S. person held 10% or more in value or vote (directly or indirectly) of the corporation's stock ►

(c) If the foreign corporation is a member of a group constituting a chain of ownership, attach a chart, for each unit of which a shareholder owns 10% or more in value or voting power of the outstanding stock. The chart must indicate the corporation's position in the chain of ownership and the percentages of stock ownership (see instructions for an example).

5471 SCHEDULE O

GENERAL SHAREHOLDER INFORMATION

STATEMENT 20

(A) NAME, ADDRESS, AND IDENTIFYING NUMBER OF SHAREHOLDER(S) FILING THIS SCHEDULE	(B) FOR SHAREHOLDER'S LATEST U.S. INCOME TAX RETURN FILED INDICATE:			(C) DATE SHAREHOLD -ER LAST FILED IN- FORMATION RTN UNDER SEC. 6046
	(1) TYPE OF RETURN (ENTER FORM NUMBER)	(2) DATE RETURN FILED	(3) INTERNAL REVENUE SERVICE CENTER WHERE FILED	

LUMINIS HEALTH AAMC  
2001 MEDICAL PARKWAY ANNAPOLIS

NATIONAL FIRE PROTECTION  
1 BATTERYMARCH PARK QUINCY, MA

**SCHEDULE P  
(Form 5471)**

(Rev. December 2019)

Department of the Treasury  
Internal Revenue Service

**Previously Taxed Earnings and Profits of U.S. Shareholder  
of Certain Foreign Corporations**

▶ **Attach to Form 5471.**

▶ **Go to [www.irs.gov/Form5471](http://www.irs.gov/Form5471) for instructions and the latest information.**

OMB No. 1545-0123

Name of U.S. shareholder <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL</b>		Identifying number <b>52-1169362</b>
Name of foreign corporation <b>THE EMERGING MARKETS EQUITY FUND, LTD.</b>	EIN (if any)	Reference ID number (see instructions) <b>EMER2021</b>
<b>a</b> Separate Category (Enter code - see instructions.) ..... ▶		<b>GEN</b>
<b>b</b> If code 901j is entered on line a, enter the country code for the sanctioned country (see instructions) ..... ▶		

**Part I Previously Taxed E&P in Functional Currency** (see instructions)

		(a) Section 965(a) Inclusion (section 959(c)(1)(A))	(b) Section 965(b)(4)(A) (section 959(c)(1)(A))	(c) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(d) Section 951A Inclusion (section 959(c)(1)(A))	(e) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(f) Section 959(e) (section 959(c)(1)(A))	(g) Section 964(e)(4) Inclusion (section 959(c)(1)(A))
<b>1a</b>	Balance at beginning of year (see instructions) .....							
<b>b</b>	Beginning balance adjustments (attach statement) .....							
<b>c</b>	Adjusted beginning balance (combine lines 1a and 1b) .....							
<b>2</b>	Reduction for taxes unsuspended under anti-splitter rules .....							
<b>3</b>	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....							
<b>4</b>	Previously taxed E&P carried over in nonrecognition transaction .....							
<b>5</b>	Other adjustments (attach statement) .....							
<b>6</b>	Total previously taxed E&P (combine lines 1c through 5) .....							
<b>7</b>	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....							
<b>8</b>	Actual distributions of previously taxed E&P ...							
<b>9</b>	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....							
<b>10</b>	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions) ...							
<b>11</b>	Other adjustments (attach statement) ...							
<b>12</b>	Balance at beginning of next year (combine lines 6 through 11) .....							

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule P (Form 5471) (Rev. 12-2019)

<b>Part I Previously Taxed E&amp;P in Functional Currency</b> (see instructions) <i>(continued)</i>										
	<b>(h)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	<b>(i)</b> Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	<b>(j)</b> Section 965(a) Inclusion (section 959(c)(2))	<b>(k)</b> Section 965(b)(4)(A) (section 959(c)(2))	<b>(l)</b> Section 951A Inclusion (section 959(c)(2))	<b>(m)</b> Section 245A(e)(2) Inclusion (section 959(c)(2))	<b>(n)</b> Section 959(e) (section 959(c)(2))	<b>(o)</b> Section 964(e)(4) Inclusion (section 959(c)(2))	<b>(p)</b> Section 951(a)(1)(A) Inclusion (section 959(c)(2))	<b>(q)</b> Total
<b>1a</b>										
<b>b</b>										
<b>c</b>										
<b>2</b>										
<b>3</b>										
<b>4</b>										
<b>5</b>										
<b>6</b>										
<b>7</b>					1165953.			521,736.	1687689.	
<b>8</b>										
<b>9</b>										
<b>10</b>										
<b>11</b>										
<b>12</b>					1165953.			521,736.	1687689.	

**Part II Previously Taxed E&P in U.S. Dollars**

	(a) Section 965(a) Inclusion (section 959(c)(1)(A))	(b) Section 965(b)(4)(A) (section 959(c)(1)(A))	(c) Earnings Invested in U.S. Property (section 959(c)(1)(A))	(d) Section 951A Inclusion (section 959(c)(1)(A))	(e) Section 245A(e)(2) Inclusion (section 959(c)(1)(A))	(f) Section 959(e) (section 959(c)(1)(A))	(g) Section 964(e)(4) Inclusion (section 959(c)(1)(A))
<b>1a</b> Balance at beginning of year (see instructions)							
<b>b</b> Beginning balance adjustments (attach statement) .....							
<b>c</b> Adjusted beginning balance (combine lines 1a and 1b) .....							
<b>2</b> Reduction for taxes unsuspended under anti-splitter rules .....							
<b>3</b> Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation .....							
<b>4</b> Previously taxed E&P carried over in nonrecognition transaction .....							
<b>5</b> Other adjustments (attach statement) .....							
<b>6</b> Total previously taxed E&P (combine lines 1c through 5) .....							
<b>7</b> Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P .....							
<b>8</b> Actual distributions of previously taxed E&P							
<b>9</b> Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P .....							
<b>10</b> Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions) .....							
<b>11</b> Other adjustments (attach statement) .....							
<b>12</b> Balance at beginning of next year (combine lines 6 through 11) .....							

Schedule P (Form 5471) (Rev. 12-2019)

**Part II** Previously Taxed E&P in U.S. Dollars *(continued)*

	(h) Section 951(a)(1)(A) Inclusion (section 959(c)(1)(A))	(i) Earnings Invested in Excess Passive Assets (section 959(c)(1)(B))	(j) Section 965(a) Inclusion (section 959(c)(2))	(k) Section 965(b)(4)(A) (section 959(c)(2))	(l) Section 951A Inclusion (section 959(c)(2))	(m) Section 245A(e)(2) Inclusion (section 959(c)(2))	(n) Section 959(e) (section 959(c)(2))	(o) Section 964(e)(4) Inclusion (section 959(c)(2))	(p) Section 951(a)(1)(A) Inclusion (section 959(c)(2))	(q) Total
<b>1a</b>										
<b>b</b>										
<b>c</b>										
<b>2</b>										
<b>3</b>										
<b>4</b>										
<b>5</b>										
<b>6</b>										
<b>7</b>					1165953.			521,736.	1687689.	
<b>8</b>										
<b>9</b>										
<b>10</b>										
<b>11</b>										
<b>12</b>					1165953.			521,736.	1687689.	

**Return of U.S. Persons With Respect to Certain Foreign Partnerships**

▶ **Go to [www.irs.gov/Form8865](http://www.irs.gov/Form8865) for instructions and the latest information.**

**2019**

Department of the Treasury  
Internal Revenue Service

Information furnished for the foreign partnership's tax year

beginning **JAN 1**, 2019, and ending **DEC 31**, 2019

Attachment Sequence No. **118**

Name of person filing this return <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Filer's identification number <b>52-1169362</b>
--	--

Filer's address (if you aren't filing this form with your tax return)	<b>A</b> Category of filer (see Categories of Filers in the instructions and check applicable box(es)): 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/>
	<b>B</b> Filer's tax year beginning <b>JUL 1</b> , 2019, and ending <b>JUN 30</b> , 2020

**C** Filer's share of liabilities: Nonrecourse \$ **187**. Qualified nonrecourse financing \$ **0**. Other \$ **0**.

**D** If filer is a member of a consolidated group but not the parent, enter the following information about the parent:

Name <b>LUMINIS HEALTH, INC.</b>	EIN <b>52-1622253</b>
Address <b>2000 MEDICAL PARKWAY, SUITE 606 ANNAPOLIS, MD 21401</b>	

**E** Check if any excepted specified foreign financial assets are reported on this form. See instructions

**F** Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identification number	(4) Check applicable box(es)		
			Category 1	Category 2	Constructive owner

**G1** Name and address of foreign partnership  
**GREENSPRING GLOBAL PARTNERS VIII-B, LP**

**100 PAINTERS MILL ROAD, SUITE 700 OWINGS MILLS, MD 21117**

<b>2(a)</b> EIN (if any) <b>98-1335583</b>
<b>2(b)</b> Reference ID number
<b>3</b> Country under whose laws organized <b>CAYMAN ISLANDS</b>

<b>4</b> Date of organization <b>11/04/2016</b>	<b>5</b> Principal place of business <b>OTHER COUNTRY</b>	<b>6</b> Principal business activity code number <b>523900</b>	<b>7</b> Principal business activity <b>INVESTMENT</b>	<b>8a</b> Functional currency <b>US DOLLAR</b>	<b>8b</b> Exchange rate (see instructions)
--	--	---	---	---	--

**H** Provide the following information for the foreign partnership's tax year:

<b>1</b> Name, address, and identification number of agent (if any) in the United States <b>GREENSPRING ASSOCIATES, INC. 100 PAINTERS MILL ROAD, SUITE 700 OWINGS MILLS, MD 21117</b>	<b>2</b> Check if the foreign partnership must file: <input type="checkbox"/> Form 1042 <input type="checkbox"/> Form 8804 <input checked="" type="checkbox"/> Form 1065 Service Center where Form 1065 is filed: <b>E-FILE</b>
--	--

<b>3</b> Name and address of foreign partnership's agent in country of organization, if any <b>MAPLES CORPORATE SERVICES LIMITED P.O. BOX 309, UGLAND HOUSE , GRAND CAYMAN CAYMAN ISLANDS KY1-110</b>	<b>4</b> Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different <b>GREENSPRING ASSOCIATES, INC. 100 PAINTERS MILL ROAD, SUITE 700 OWINGS MILLS, MD 21117</b>
--	---

**5** During the tax year, did the foreign partnership pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions  Yes  No  
If "Yes," enter the total amount of the disallowed deductions \$ .....

**6** Is the partnership a section 721(c) partnership, as defined in Temporary Regulations section 1.721(c)-1T(b)(14)?  Yes  No

**7** Were any special allocations made by the foreign partnership?  Yes  No

**8** Enter the number of Forms 8858, Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), attached to this return. See instructions ..... **0**

**9** How is this partnership classified under the law of the country in which it's organized? ▶ **PARTNERSHIP**

**10 a** Does the filer have an interest in the foreign partnership, or an interest indirectly through the foreign partnership, that's a separate unit under Reg. 1.1503(d)-1(b)(4) or part of a combined separate unit under Reg. 1.1503(d)-1(b)(4)(ii)? If "No," skip question 10b  Yes  No

**b** If "Yes," does the separate unit or combined separate unit have a dual consolidated loss, as defined in Reg. 1.1503(d)-1(b)(5)(ii)?  Yes  No

**11** Does this partnership meet **both** of the following requirements?  
 1. The partnership's total receipts for the tax year were less than \$250,000.  
 2. The value of the partnership's total assets at the end of the tax year was less than \$1 million.  
 If "Yes," don't complete Schedules L, M-1, and M-2.  Yes  No



- 12 a** Is the filer of this Form 8865 claiming a foreign-derived intangible income deduction (under section 250) with respect to any amounts listed on Schedule N?  Yes  No
- b** If "Yes," enter the amount of gross income derived from sales, leases, exchanges, or other dispositions (but not licenses) from transactions with or by the foreign partnership that the filer included in its computation of foreign-derived deduction eligible income (FDDEI) ▶ \_\_\_\_\_
- c** If "Yes," enter the amount of gross income derived from a license of property to or by the foreign partnership that the filer included in its computation of FDDEI ▶ \_\_\_\_\_
- d** If "Yes," enter the amount of gross income derived from services provided to or by the foreign partnership that the filer included in its computation of FDDEI ▶ \_\_\_\_\_
- 13** Enter the number of foreign partners subject to section 864(c)(8) as a result of transferring all or a portion of an interest in the partnership or of receiving a distribution from the partnership ▶ \_\_\_\_\_
- 14** At any time during the tax year were any transfers between the partnership and its partners subject to the disclosure requirements of Regulations section 1.707-8?  Yes  No
- 15 a** Were there any transfers of property or money within a 2-year period between the partnership and any of its partners that would require disclosure under Regs. 1.703-3 or 1.707-6? If "Yes," attach a statement identifying the transfers, the amount or value of each transfer, and an explanation of the tax treatment. See instructions for exceptions  Yes  No
- b** Did the partnership assume a liability or receive property subject to a liability where such liability was incurred by a partner within a 2-year period of transferring the property to the partnership? If "Yes," attach a statement identifying the property transferred, the amount or value of each transfer, the debt assumed or taken by the partnership, and an explanation of the tax treatment  Yes  No

Sign Here Only if You're Filing This Form Separately and Not With Your Tax Return. 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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

▶ \_\_\_\_\_ Signature of general partner or limited liability company member ▶ \_\_\_\_\_ Date

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>LORI S. BURGHAUSER</b>	Preparer's signature <i>Lori Burghauser</i>	Date <b>05/08/21</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00370694</b>
	Firm's name ▶ <b>SC&amp;H GROUP, INC.</b>			Firm's EIN ▶ <b>20-5991824</b>	
	Firm's address ▶ <b>910 RIDGEBROOK ROAD</b>			Phone no. ( <b>410</b> ) <b>403-1500</b>	
	<b>SPARKS, MD 21152</b>				

**Schedule A Constructive Ownership of Partnership Interest.** Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identification number (if any) of the person(s) whose interest you constructively own. See instructions.

**a**  Owns a direct interest **b**  Owns a constructive interest

Name	Address	Identification number (if any)	Check if foreign person	Check if direct partner

**Schedule A-1 Certain Partners of Foreign Partnership** (see instructions)

Name	Address	Identification number (if any)	Check if foreign person

**Schedule A-2 Foreign Partners of Section 721(c) Partnership** (see instructions)

Name of foreign partner	Address	Country of organization (if any)	U.S. taxpayer identification number (if any)	Check if related to U.S. transferor	Percentage interest	
					Capital	Profits
				<input type="checkbox"/>	%	%
				<input type="checkbox"/>	%	%

Does the partnership have any other foreign person as a direct partner?  Yes  No

**Schedule A-3 Affiliation Schedule.** List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
<b>GREENSPRING GLOBAL PARTNER</b>	<b>100 PAINTERS MILL ROAD</b>	<b>81-4458274</b>		
	<b>OWINGS MILLS, MD 21117</b>			

**SCHEDULE O  
(Form 8865)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Transfer of Property to a Foreign Partnership  
(Under Section 6038B)**

OMB No. 1545-1668

▶ **Attach to Form 8865. See the Instructions for Form 8865.**  
▶ **Go to [www.irs.gov/Form8865](http://www.irs.gov/Form8865) for instructions and the latest information.**

Name of transferor **LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.** Filer's identifying number **52-1169362**

Name of foreign partnership **GREENSPRING GLOBAL PARTNERS VIII-** EIN (if any) **98-1335583** Reference ID number (see instr)

- 1 a** Is the partnership a section 721(c) partnership (as defined in Temporary Regulations section 1.721(c)-1T(b)(14))? See instructions .....  Yes  No  
**b** If "Yes," was the gain deferral method applied to avoid the recognition of gain upon the contribution of property? .....  Yes  No  
**2** Was any intangible property transferred considered or anticipated to be, at the time of the transfer or at any time thereafter, a platform contribution as defined in Regulations section 1.482-7(c)(1)? .....  Yes  No

**Part I Transfers Reportable Under Section 6038B**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Recovery period	(f) Section 704(c) allocation method	(g) Gain recognized on transfer
Cash	01/01/20		1,000,000.				
Stock, notes receivable and payable, and other securities							
Inventory							
Tangible property used in trade or business							
Intangible property described in section 197(f)(9)							
Intangible property, other than intangible property described in section 197(f)(9)							
Other property							
<b>Totals</b>			<b>1,000,000.</b>				

**3** Enter the transferor's percentage interest in the partnership: (a) Before the transfer **.9860** % (b) After the transfer **.9720** %

**Supplemental Information Required To Be Reported** (see instructions):

**Part II Dispositions Reportable Under Section 6038B**

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner

**Part III** Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? .....  Yes  No

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 8865.

Schedule O (Form 8865) 12-2018

**Return by a U.S. Transferor of Property  
 to a Foreign Corporation**

▶ Go to [www.irs.gov/Form926](http://www.irs.gov/Form926) for instructions and the latest information.  
 ▶ Attach to your income tax return for the year of the transfer or distribution.

**Part I U.S. Transferor Information** (see instructions)

Name of transferor <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Identifying number (see instructions) <b>52-1169362</b>
---	--

- 1** Is the transferee a specified 10%-owned foreign corporation that is not a controlled foreign corporation?  Yes  No
- 2** If the transferor was a corporation, complete questions 2a through 2d.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by five or fewer domestic corporations?  Yes  No
- b** Did the transferor remain in existence after the transfer?  Yes  No  
 If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation?  Yes  No  
 If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation <b>LUMINIS HEALTH, INC.</b>	EIN of parent corporation <b>52-1622253</b>
---	--

- d** Have basis adjustments under section 367(a)(4) been made?  Yes  No

- 3** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 3a through 3d.
- a** List the name and EIN of the transferor's partnership.

Name of partnership	EIN of partnership
<b>N/A</b>	

- b** Did the partner pick up its pro rata share of gain on the transfer of partnership assets?  Yes  No
- c** Is the partner disposing of its **entire** interest in the partnership?  Yes  No
- d** Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market?  Yes  No

**Part II Transferee Foreign Corporation Information** (see instructions)

<b>4</b> Name of transferee (foreign corporation) <b>ABERDEEN U.S. PRIVATE EQUITY VII (OFFSHORE), LP</b>	<b>5a</b> Identifying number, if any <b>98-1334150</b>
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<b>6</b> Address (including country) <b>94 SOLARIS AVENUE, PO BOX 1348 CAMANA BAY KY1-1108 CAYMAN ISLANDS</b>	<b>5b</b> Reference ID number
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**7** Country code of country of incorporation or organization  
**CJ**

**8** Foreign law characterization (see instructions)  
**CORPORATION**

- 9** Is the transferee foreign corporation a controlled foreign corporation?  Yes  No

**Part III Information Regarding Transfer of Property** (see instructions)

**Section A - Cash**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	10/16/2019		850,000.		

**10** Was cash the only property transferred?  **Yes**  **No**  
 If "Yes," skip the remainder of Part III and go to Part IV.

**Section B - Other Property (other than intangible property subject to section 367(d))**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Stock and securities					
Inventory					
Other property (not listed under another category)					
Property with built-in loss					
Totals					

**11** Did the transferor transfer stock or securities subject to section 367(a) with respect to which a gain recognition agreement was filed?  **Yes**  **No**

**12 a** Were any assets of a foreign branch (including a branch that is a foreign disregarded entity) transferred to a foreign corporation?  **Yes**  **No**  
 If "Yes," go to line 12b.

**b** Was the transferor a domestic corporation that transferred substantially all of the assets of a foreign branch (including a branch that is a foreign disregarded entity) to a specified 10%-owned foreign corporation?  **Yes**  **No**  
 If "Yes," continue to line 12c. If "No," skip lines 12c and 12d, and go to line 13.

**c** Immediately after the transfer, was the domestic corporation a U.S. shareholder with respect to the transferee foreign corporation?  **Yes**  **No**  
 If "Yes," continue to line 12d. If "No," skip line 12d, and go to line 13.

**d** Enter the transferred loss amount included in gross income as required under section 91 ► \$ \_\_\_\_\_

**13** Did the transferor transfer property described in section 367(d)(4)?  **Yes**  **No**  
 If "No," skip Section C and questions 14a through 15.

**Section C - Intangible Property Subject to Section 367(d)**

Type of property	(a) Date of transfer	(b) Description of property	(c) Useful life	(d) Arm's length price on date of transfer	(e) Cost or other basis	(f) Income inclusion for year of transfer
Property described in sec. 367(d)(4)						
Totals						

- 14 a Did the transferor transfer any intangible property that, at the time of the transfer, had a useful life reasonably anticipated to exceed 20 years?  Yes  No
- b At the time of the transfer, did any of the transferred intangible property have an indefinite useful life?  Yes  No
- c Did the transferor choose to apply the 20-year inclusion period provided under Regulations section 1.367(d)-1(c)(3)(ii) for any intangible property?  Yes  No
- d If the answer to line 14c is "Yes," enter the total estimated anticipated income or cost reduction attributable to the intangible property's, or properties', as applicable, use(s) beyond the 20-year period described in Regulations section 1.367(d)-1(c)(3)(ii) ▶ \$ \_\_\_\_\_
- 15 Was any intangible property transferred considered or anticipated to be, at the time of the transfer or at any time thereafter, a platform contribution as defined in Regulations section 1.482-7(c)(1)?  Yes  No

**Supplemental Part III Information Required To Be Reported** (see instructions)

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC., ON VARIOUS DATES THROUGHOUT THE YEAR, TRANSFERRED CASH WITH AN AGGREGATE FAIR MARKET VALUE AND A BASIS OF \$1,000,000 TO ABERDEEN U.S. PRIVATE EQUITY VII (OFFSHORE), LP. NO PRIVATE LETTER RULINGS WERE ISSUED BY THE INTERNAL REVENUE SERVICE IN CONNECTION WITH THE SECTION 351 EXCHANGE.

**Part IV Additional Information Regarding Transfer of Property** (see instructions)

- 16 Enter the transferor's interest in the transferee foreign corporation before and after the transfer.  
(a) Before 4.227 % (b) After 4.227 %
- 17 Type of nonrecognition transaction (see instructions) ▶ IRC SECTION 351
- 18 Indicate whether any transfer reported in Part III is subject to any of the following.
  - a Gain recognition under section 904(f)(3)  Yes  No
  - b Gain recognition under section 904(f)(5)(F)  Yes  No
  - c Recapture under section 1503(d)  Yes  No
  - d Exchange gain under section 987  Yes  No
- 19 Did this transfer result from a change in entity classification?  Yes  No
- 20 a Did a domestic corporation make a distribution of property covered by section 367(e)(2)? (see instructions)  Yes  No  
If "Yes," complete lines 20b and 20c.
- b Enter the total amount of gain or loss recognized pursuant to Regulations section 1.367(e)-2(b) ▶ \$ \_\_\_\_\_
- c Did the domestic corporation not recognize gain or loss on the distribution of property because the property was used in the conduct of U.S. trade or business under Regulations section 1.367(e)-2(b)(2)?  Yes  No
- 21 Did a domestic corporation make a section 355 distribution of stock in a foreign controlled corporation covered by section 367(e)(1)? See instructions  Yes  No

**Return by a U.S. Transferor of Property  
 to a Foreign Corporation**

OMB No. 1545-0026

▶ Go to [www.irs.gov/Form926](http://www.irs.gov/Form926) for instructions and the latest information.  
 ▶ Attach to your income tax return for the year of the transfer or distribution.

Attachment  
 Sequence No. **128**

**Part I U.S. Transferor Information** (see instructions)

Name of transferor <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Identifying number (see instructions) <b>52-1169362</b>
---	--

- 1** Is the transferee a specified 10%-owned foreign corporation that is not a controlled foreign corporation?  Yes  No
- 2** If the transferor was a corporation, complete questions 2a through 2d.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by five or fewer domestic corporations?  Yes  No
- b** Did the transferor remain in existence after the transfer?  Yes  No
- If not, list the controlling shareholder(s) and their identifying number(s).

Controlling shareholder	Identifying number

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation?  Yes  No
- If not, list the name and employer identification number (EIN) of the parent corporation.

Name of parent corporation <b>LUMINIS HEALTH, INC.</b>	EIN of parent corporation <b>52-1622253</b>
---	--

- d** Have basis adjustments under section 367(a)(4) been made?  Yes  No

- 3** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 3a through 3d.
- a** List the name and EIN of the transferor's partnership.

Name of partnership <b>N/A</b>	EIN of partnership
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- b** Did the partner pick up its pro rata share of gain on the transfer of partnership assets?  Yes  No
- c** Is the partner disposing of its **entire** interest in the partnership?  Yes  No
- d** Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market?  Yes  No

**Part II Transferee Foreign Corporation Information** (see instructions)

<b>4</b> Name of transferee (foreign corporation) <b>COTTAGE INSURANCE COMPANY, LTD.</b>	<b>5a</b> Identifying number, if any <b>98-0461499</b>
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<b>6</b> Address (including country) <b>P.O. BOX 10233 GRAND CAYMAN KY1-1002 CAYMAN ISLANDS</b>	<b>5b</b> Reference ID number
--	-------------------------------

**7** Country code of country of incorporation or organization  
**CJ**

**8** Foreign law characterization (see instructions)  
**CORPORATION**

- 9** Is the transferee foreign corporation a controlled foreign corporation?  Yes  No

**Part III Information Regarding Transfer of Property** (see instructions)

**Section A - Cash**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash	07/01/2019		8,120,509.		

**10** Was cash the only property transferred?  **Yes**  **No**  
 If "Yes," skip the remainder of Part III and go to Part IV.

**Section B - Other Property (other than intangible property subject to section 367(d))**

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Stock and securities					
Inventory					
Other property (not listed under another category)					
Property with built-in loss					
Totals					

**11** Did the transferor transfer stock or securities subject to section 367(a) with respect to which a gain recognition agreement was filed?  **Yes**  **No**

**12 a** Were any assets of a foreign branch (including a branch that is a foreign disregarded entity) transferred to a foreign corporation?  **Yes**  **No**  
 If "Yes," go to line 12b.

**b** Was the transferor a domestic corporation that transferred substantially all of the assets of a foreign branch (including a branch that is a foreign disregarded entity) to a specified 10%-owned foreign corporation?  **Yes**  **No**  
 If "Yes," continue to line 12c. If "No," skip lines 12c and 12d, and go to line 13.

**c** Immediately after the transfer, was the domestic corporation a U.S. shareholder with respect to the transferee foreign corporation?  **Yes**  **No**  
 If "Yes," continue to line 12d. If "No," skip line 12d, and go to line 13.

**d** Enter the transferred loss amount included in gross income as required under section 91 ► \$ \_\_\_\_\_

**13** Did the transferor transfer property described in section 367(d)(4)?  **Yes**  **No**  
 If "No," skip Section C and questions 14a through 15.

**Section C - Intangible Property Subject to Section 367(d)**

Type of property	(a) Date of transfer	(b) Description of property	(c) Useful life	(d) Arm's length price on date of transfer	(e) Cost or other basis	(f) Income inclusion for year of transfer
Property described in sec. 367(d)(4)						
Totals						

- 14 a Did the transferor transfer any intangible property that, at the time of the transfer, had a useful life reasonably anticipated to exceed 20 years?  Yes  No
- b At the time of the transfer, did any of the transferred intangible property have an indefinite useful life?  Yes  No
- c Did the transferor choose to apply the 20-year inclusion period provided under Regulations section 1.367(d)-1(c)(3)(ii) for any intangible property?  Yes  No
- d If the answer to line 14c is "Yes," enter the total estimated anticipated income or cost reduction attributable to the intangible property's, or properties', as applicable, use(s) beyond the 20-year period described in Regulations section 1.367(d)-1(c)(3)(ii) ▶ \$ \_\_\_\_\_
- 15 Was any intangible property transferred considered or anticipated to be, at the time of the transfer or at any time thereafter, a platform contribution as defined in Regulations section 1.482-7(c)(1)?  Yes  No

**Supplemental Part III Information Required To Be Reported** (see instructions)  
**SEE STATEMENT 21**

**Part IV Additional Information Regarding Transfer of Property** (see instructions)

- 16 Enter the transferor's interest in the transferee foreign corporation before and after the transfer.  
 (a) Before 100.000 % (b) After 100.000 %
- 17 Type of nonrecognition transaction (see instructions) ▶ IRC SECTION 351
- 18 Indicate whether any transfer reported in Part III is subject to any of the following.
  - a Gain recognition under section 904(f)(3)  Yes  No
  - b Gain recognition under section 904(f)(5)(F)  Yes  No
  - c Recapture under section 1503(d)  Yes  No
  - d Exchange gain under section 987  Yes  No
- 19 Did this transfer result from a change in entity classification?  Yes  No
- 20 a Did a domestic corporation make a distribution of property covered by section 367(e)(2)? (see instructions)  Yes  No  
 If "Yes," complete lines 20b and 20c.  
 b Enter the total amount of gain or loss recognized pursuant to Regulations section 1.367(e)-2(b) ▶ \$ \_\_\_\_\_  
 c Did the domestic corporation not recognize gain or loss on the distribution of property because the property was used in the conduct of U.S. trade or business under Regulations section 1.367(e)-2(b)(2)?  Yes  No
- 21 Did a domestic corporation make a section 355 distribution of stock in a foreign controlled corporation covered by section 367(e)(1)? See instructions  Yes  No



FORM 926

STATEMENT 21

STATEMENT PURSUANT TO SECTION 1.351-3(A) BY LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC., 52-1169362, A SIGNIFICANT TRANSFEROR:

LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC., ON VARIOUS DATES THROUGHOUT THE YEAR, TRANSFERRED CASH WITH AN AGGREGATE FAIR MARKET VALUE AND A BASIS OF \$8,120,509 TO COTTAGE INSURANCE COMPANY, LTD. NO PRIVATE LETTER RULINGS WERE ISSUED BY THE INTERNAL REVENUE SERVICE IN CONNECTION WITH THE SECTION 351 EXCHANGE.

# Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**  
▶ **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Taxpayer identification number (TIN) <b>52-1169362</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>2000 MEDICAL PARKWAY, NO. 606</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ANNAPOLIS, MD 21401</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**KEVIN L. SMITH**

- The books are in the care of ▶ **2000 MEDICAL PARKWAY, SUITE 606 - ANNAPOLIS, MD 21401**  
Telephone No. ▶ **(443) 481-1308** Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and TINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **MAY 17, 2021**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year \_\_\_\_\_ or  
▶  tax year beginning **JUL 1, 2019**, and ending **JUN 30, 2020**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	0.
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	0.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

# Application for Automatic Extension of Time To File an Exempt Organization Return

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Internal Revenue Service

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**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Taxpayer identification number (TIN) <b>52-1169362</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>2000 MEDICAL PARKWAY, NO. 606</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ANNAPOLIS, MD 21401</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 7

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**KEVIN L. SMITH**

- The books are in the care of ▶ **2000 MEDICAL PARKWAY, SUITE 606 - ANNAPOLIS, MD 21401**  
Telephone No. ▶ **(443) 481-1308** Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and TINs of all members the extension is for.

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 ▶  calendar year \_\_\_\_\_ or  
 ▶  tax year beginning **JUL 1, 2019**, and ending **JUN 30, 2020**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	23,000.
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$	15,000.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	8,000.

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

# Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**  
▶ **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

<b>Type or print</b>	Name of exempt organization or other filer, see instructions. <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Taxpayer identification number (TIN) <b>52-1169362</b>
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. <b>2000 MEDICAL PARKWAY, NO. 606</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>ANNAPOLIS, MD 21401</b>	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 9

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**KEVIN L. SMITH**

- The books are in the care of ▶ **2000 MEDICAL PARKWAY, SUITE 606 - ANNAPOLIS, MD 21401**  
Telephone No. ▶ **(443) 481-1308** Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and TINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **MAY 17, 2021**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
 ▶  calendar year \_\_\_\_\_ or  
 ▶  tax year beginning **JUL 1, 2019**, and ending **JUN 30, 2020**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$ <b>210,000.</b>
<b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b>	\$ <b>0.</b>
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$ <b>210,000.</b>

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

CONSOLIDATED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

Luminis Health, Inc. and Subsidiaries  
Years Ended June 30, 2020 and 2019  
With Report of Independent Auditors

Ernst & Young LLP



Luminis Health, Inc. and Subsidiaries  
Consolidated Financial Statements and Supplementary Information  
Years Ended June 30, 2020 and 2019

**Contents**

Report of Independent Auditors.....	1
Audited Consolidated Financial Statements	
Consolidated Balance Sheets .....	3
Consolidated Statements of Operations and Changes in Net Assets .....	5
Consolidated Statements of Cash Flows.....	7
Notes to Consolidated Financial Statements.....	9
Supplementary Information	
Supplementary Consolidating Balance Sheet .....	65
Supplementary Consolidating Statement of Operations .....	67
Anne Arundel Medical Center, Inc. and Subsidiaries:	
Supplementary Consolidating Balance Sheet .....	68
Supplementary Consolidating Statement of Operations .....	70
Supplementary Description of Consolidating and Eliminating Entries .....	71



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## Report of Independent Auditors

The Board of Trustees  
Luminis Health, Inc.

We have audited the accompanying consolidated financial statements of Luminis Health, Inc. (a Maryland not-for-profit corporation) and subsidiaries, which comprise the consolidated balance sheets as of June 30, 2020 and 2019, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Doctors Community Medical Center and subsidiaries, a wholly owned subsidiary, which statements reflect total assets of \$320,453,000 as of June 30, 2020, and revenues and gains in excess of expenses of \$4,460,000, for the year then ended or the financial statements of Cottage Insurance Company, Ltd., a wholly owned subsidiary, which statements reflect total assets of \$38,974,000 and \$39,535,000 as of June 30, 2020 and 2019, respectively, and net loss after elimination of intercompany revenues of \$10,246,000 and \$10,149,000, respectively, for the years then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Doctors Community Medical Center and subsidiaries and Cottage Insurance Company, Ltd., are based solely on the reports of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to



design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

In our opinion, based on our audits and the reports of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Luminis Health, Inc. and subsidiaries at June 30, 2020 and 2019, and the consolidated results of their operations, changes in their net assets, and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

## **Adoption of New Accounting Pronouncements**

As discussed in Note 2 to the consolidated financial statements, Luminis Health, Inc. and subsidiaries changed its method of accounting for leases as a result of the adoption of the amendments to the Financial Accounting Standards Board Accounting Standards Codification resulting from Accounting Standards Update No. 2016-02, *Leases (Topic 842)*, effective July 1, 2019. Our opinion is not modified with respect to this matter.

## **Supplementary Information**

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

October 23, 2020



# Luminis Health, Inc. and Subsidiaries

## Consolidated Balance Sheets

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 178,795,000	\$ 15,100,000
Short-term investments	1,365,000	15,261,000
Current portion of assets whose use is limited	15,912,000	15,190,000
Patient receivables, net	118,882,000	80,307,000
Current portion of pledges receivable, net	945,000	494,000
Inventories	21,789,000	8,650,000
Prepaid expenses and other current assets	19,857,000	14,125,000
Total current assets	<b>357,545,000</b>	149,127,000
Property and equipment	1,096,845,000	918,666,000
Less accumulated depreciation and amortization	(538,353,000)	(493,004,000)
Net property and equipment	<b>558,492,000</b>	425,662,000
Other assets:		
Investments	338,985,000	386,056,000
Investments in joint ventures	14,024,000	8,886,000
Pledges receivable, net	3,192,000	2,802,000
Assets whose use is limited	41,020,000	35,973,000
Restricted collateral for interest rate swap contract	110,002,000	67,404,000
Right of use asset	44,995,000	—
Other assets	53,613,000	34,374,000
Total assets	<b>\$ 1,521,868,000</b>	\$ 1,110,284,000

Luminis Health, Inc. and Subsidiaries  
Consolidated Balance Sheets (continued)

	June 30	
	2020	2019
<b>Liabilities and net assets</b>		
Current liabilities:		
Accounts payable	\$ 40,441,000	\$ 30,458,000
Accrued salaries, wages, and benefits	53,438,000	37,814,000
Other accrued expenses	32,413,000	18,389,000
Current portion of long-term debt	16,440,000	11,029,000
Advances from third-party payors	182,697,000	23,903,000
Current portion of lease liability	8,753,000	—
Total current liabilities	334,182,000	121,593,000
Long-term debt, less current portion and unamortized original issue premium	470,308,000	359,735,000
Interest rate swap contracts	117,037,000	78,479,000
Accrued pension liability	29,276,000	6,076,000
Lease liability, less current portion	37,429,000	—
Other long-term liabilities	47,032,000	37,010,000
Total liabilities	1,035,264,000	602,893,000
Net assets:		
Without donor restrictions	460,552,000	482,661,000
With donor restrictions	23,861,000	24,730,000
Non-controlling interest	2,191,000	—
Total net assets	486,604,000	507,391,000
Total liabilities and net assets	<b>\$ 1,521,868,000</b>	<b>\$ 1,110,284,000</b>

*See accompanying notes.*

Luminis Health, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
Operating revenue:		
Net patient service revenue	\$ 969,105,000	\$ 742,876,000
Other operating revenue	78,393,000	33,180,000
Total operating revenue	<u>1,047,498,000</u>	<u>776,056,000</u>
Operating expenses:		
Salaries and wages	479,880,000	349,660,000
Employee benefits	75,930,000	56,356,000
Supplies	197,487,000	159,489,000
Purchased services	226,375,000	137,557,000
Depreciation and amortization	45,994,000	36,833,000
Interest	16,151,000	13,118,000
Transaction costs	—	3,279,000
Total operating expenses	<u>1,041,817,000</u>	<u>756,292,000</u>
Operating income	<u>5,681,000</u>	<u>19,764,000</u>
Other (loss) income:		
Investment (loss) income, net	(9,700,000)	13,873,000
Loss from joint ventures and other, net	(673,000)	(545,000)
Inherent contribution	61,715,000	—
Pension credit (expense), net	1,116,000	(4,777,000)
Unrealized (losses) gains on trading securities, net	(15,151,000)	10,034,000
Realized and unrealized losses on interest rate swap contracts, net	<u>(43,149,000)</u>	<u>(23,361,000)</u>
Total other loss, net	<u>(5,842,000)</u>	<u>(4,776,000)</u>
(Deficit) excess of revenue over expenses	<u>\$ (161,000)</u>	<u>\$ 14,988,000</u>

## Luminis Health, Inc. and Subsidiaries

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

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Net assets, June 30, 2018	\$ 469,018,000	\$ 26,304,000	\$ 495,322,000
Excess of revenues over expenses	14,988,000	–	14,988,000
Pension liability adjustment	(2,784,000)	–	(2,784,000)
Released from restrictions used for			
purchase of property and equipment	163,000	–	163,000
Transfers and other, net	1,276,000	–	1,276,000
Restricted gifts, bequests, and contributions	–	5,451,000	5,451,000
Unrealized losses on investments	–	(18,000)	(18,000)
Restricted investment income	–	60,000	60,000
Net assets released from restrictions	–	(7,964,000)	(7,964,000)
Other	–	897,000	897,000
Changes in net assets	<u>13,643,000</u>	<u>(1,574,000)</u>	<u>12,069,000</u>
Net assets, June 30, 2019	482,661,000	24,730,000	507,391,000
Net assets acquired	<b>2,265,000</b>	<b>487,000</b>	<b>2,752,000</b>
Deficit of revenues over expenses	<b>(161,000)</b>	–	<b>(161,000)</b>
Pension liability adjustment	<b>(24,810,000)</b>	–	<b>(24,810,000)</b>
Released from restrictions used for			
purchase of property and equipment	<b>1,837,000</b>	–	<b>1,837,000</b>
Transfers and other, net	<b>951,000</b>	<b>(598,000)</b>	<b>353,000</b>
Restricted gifts, bequests, and contributions	–	<b>9,518,000</b>	<b>9,518,000</b>
Unrealized losses on investments	–	<b>(3,394,000)</b>	<b>(3,394,000)</b>
Restricted investment income	–	<b>693,000</b>	<b>693,000</b>
Net assets released from restrictions	–	<b>(7,575,000)</b>	<b>(7,575,000)</b>
Changes in net assets	<u><b>(19,918,000)</b></u>	<u><b>(869,000)</b></u>	<u><b>(20,787,000)</b></u>
Net assets, June 30, 2020	<u><b>\$ 462,743,000</b></u>	<u><b>\$ 23,861,000</b></u>	<u><b>\$ 486,604,000</b></u>

*See accompanying notes.*

# Luminis Health, Inc. and Subsidiaries

## Consolidated Statements of Cash Flows

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
<b>Operating activities</b>		
(Decrease) increase in net assets	\$ (20,787,000)	\$ 12,069,000
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Change in net unrealized losses (gains) on investments	18,545,000	(10,016,000)
Realized and unrealized losses on interest rate swap contracts, net	43,149,000	23,361,000
Pension liability adjustment	24,810,000	2,784,000
Equity in earnings of joint ventures and other	804,000	854,000
Restricted contributions and pledges, net	(9,518,000)	(5,374,000)
Depreciation and amortization	45,994,000	36,833,000
Restricted investment income	(693,000)	(60,000)
Decrease (increase) in investments – trading	60,680,000	(86,894,000)
(Increase) decrease in assets whose use is limited, net – trading	(5,164,000)	625,000
Inherent contribution and net assets acquired	(64,467,000)	–
Net change in operating assets and liabilities	154,413,000	6,846,000
Net cash provided by (used in) operating activities	247,766,000	(18,972,000)
<b>Investing activities</b>		
Purchases of property and equipment	(62,284,000)	(34,686,000)
Payments on interest rate swaps	(4,591,000)	(4,185,000)
Cash acquired	34,168,000	–
Net cash used in investing activities	(32,707,000)	(38,871,000)
<b>Financing and fundraising activities</b>		
Payoff amount for 2008 Term and Construction Loans	–	(61,920,000)
Proceeds received from real estate loan	–	61,920,000
Repayments of long-term debt	(17,530,000)	(11,310,000)
Restricted contributions received and other	8,676,000	6,193,000
Restricted income received	693,000	60,000
Net cash used in financing and fundraising activities	(8,161,000)	(5,057,000)
Net increase (decrease) in cash, cash equivalents, and restricted cash	206,898,000	(62,900,000)
Cash, cash equivalents, and restricted cash at beginning of year	98,930,000	161,830,000
Cash, cash equivalents, and restricted cash at end of year	\$ 305,828,000	\$ 98,930,000
Cash and cash equivalents	\$ 178,795,000	\$ 15,100,000
Restricted cash, included in restricted collateral and assets whose use is limited	127,033,000	83,830,000
Cash, cash equivalents, and restricted cash at end of year	\$ 305,828,000	\$ 98,930,000

Luminis Health, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (continued)

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2020</b>
<b>Changes in operating assets and liabilities</b>		
(Decrease) increase in operating assets:		
Patient receivables, net	\$ 265,000	\$ (1,418,000)
Inventories	(8,896,000)	(674,000)
Prepaid expenses and other	3,869,000	(2,734,000)
Other assets	11,797,000	10,425,000
	<u>7,035,000</u>	<u>5,599,000</u>
Increase in operating liabilities:		
Accounts payable	(5,845,000)	8,543,000
Accrued salaries, wages, and benefits	(422,000)	1,714,000
Other accrued expenses	14,024,000	(3,089,000)
Advances from third-party payors	151,029,000	2,898,000
Other long-term liabilities	(11,408,000)	(8,819,000)
	<u>147,378,000</u>	<u>1,247,000</u>
Net change in operating assets and liabilities	<u>\$ 154,413,000</u>	<u>\$ 6,846,000</u>
<b>Supplemental disclosures of cash flow information</b>		
Cash paid for interest	<u>\$ 15,541,000</u>	<u>\$ 13,118,000</u>

*See accompanying notes.*

# Luminis Health, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

June 30, 2020

### **1. Organization and Basis of Presentation**

Luminis Health, Inc. (Luminis or the System), formerly known as Anne Arundel Health System, Inc. (AAHS), is a Maryland not-for-profit corporation. Luminis has the following wholly owned subsidiaries: Anne Arundel Medical Center, Inc. (the Hospital or AAMC) and its subsidiaries, Anne Arundel General Treatment Services, Inc. (GTS), Anne Arundel Mental Health Hospital, Inc., and Cottage Insurance Company, Ltd. (Cottage); Anne Arundel Medical Center Foundation, Inc. (the Foundation); Anne Arundel Health Care Services, Inc. (HCS); Anne Arundel Health Care Enterprises, Inc. (HCE); Physician Enterprise, LLC (PE) and its subsidiaries, Anne Arundel Physician Group, LLC, Orthopedic Physicians of Annapolis, Anne Arundel Medical Group Physical Therapy, LLC, and Community Clinics; Anne Arundel Real Estate Holding Company, Inc. (the Real Estate Company) and its subsidiaries, Pavilion Park, Inc. (PPI), Annapolis Exchange, LLC, and Blue Building, LLC; Anne Arundel Health System Research Institute, Inc. (RI); and Anne Arundel Medical Center Collaborative Care Network, LLC. AAMC is a private, not-for-profit corporation that operates a 349-licensed bed acute care hospital. AAMC, the Real Estate Company, and PPI own an interest in Kent Island Medical Arts, LLC (KIMA), a limited liability company that owns and operates a medical office building. PPI is the managing member of KIMA and has substantive participation rights in KIMA. The financial statements of KIMA are consolidated in the accompanying consolidated financial statements. The non-controlling interest in KIMA was 50% as of June 30, 2020 and 2019. The interest was \$929,000 and \$884,000 at June 30, 2020 and 2019, respectively, and is included within net assets without donor restriction on the accompanying consolidated balance sheets.

On July 1, 2019, Anne Arundel Health System, Inc. and Doctors Community Hospital and subsidiaries executed an affiliation agreement (the Agreement) providing for an affiliation between AAHS and Doctors Community Hospital and subsidiaries. In September 2019, Doctors Community Hospital and subsidiaries changed its name to Doctors Community Medical Center and subsidiaries (DCMC). This affiliation agreement resulted in DCMC becoming a wholly owned subsidiary of AAHS. DCMC is a Maryland health system that includes an acute care hospital and a network of other health care providers serving residents of Prince Georges County region near Lanham, Maryland, east of Washington, DC. On the date of the affiliation, the articles of incorporation and bylaws of DCMC were amended such that AAHS became the sole corporate member of the Doctors Community Medical Center and its subsidiaries. As part of the Agreement, AAHS committed approximately \$138,000,000 over a five-year period in strategic investments to DCMC to expand health care services.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **1. Organization and Basis of Presentation (continued)**

DCMC includes the following: Doctors Community Hospital, Inc. and its subsidiaries Doctors Community Medical Group, LLC; Doctors Community Healthcare Programs, LLC; Doctors Community Hospital Clinic, LLC; Doctors Community Health Ventures, Inc.; Doctors Regional Cancer Center LLC; Southern Maryland Integrated Care LLC; and Doctors Community Hospital Foundation, Inc. Doctors Community Hospital, Inc. is a nonprofit corporation that operates an acute care general hospital facility licensed for 190 beds. The accompanying consolidated financial statements include non-controlling interest held by third parties in less than wholly owned subsidiaries. The interest at DCMC was \$2,191,000 at June 30, 2020, and is included within net assets without donor restriction on the accompanying consolidated balance sheets.

In September 2019, Anne Arundel Health System, Inc. changed its name to Luminis Health, Inc.

#### **Global Pandemic**

In response to the ongoing COVID-19 pandemic, the Governor of the state of Maryland proclaimed a state of emergency and catastrophic health emergency within the state of Maryland on March 5, 2020, and renewed on March 17, 2020, April 10, 2020, and May 6, 2020. Effective March 16, 2020, all Maryland hospitals were ordered by the Maryland Department of Health to cease all elective and non-urgent medical procedures for the duration of the catastrophic health emergency. The Governor issued a state-wide stay-at-home order effective March 30, 2020.

Effective May 7, 2020, the Maryland Department of Health allowed resumption of elective and non-urgent medical procedures, and effective May 15, 2020, major provisions of the Governor's stay-at-home order were rescinded.

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

The HSCRC has publicly announced its intention to support Maryland hospitals during the state of emergency and catastrophic health emergency within the state of Maryland and its collaboration with other Maryland regulatory agencies to remove licensure, regulatory, and other barriers to



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **1. Organization and Basis of Presentation (continued)**

hospitals in the provision of emergency health care services. Recognizing that hospitals will experience volume decline due to self-quarantining and canceled elective surgeries, the HSCRC has stated that Maryland hospitals will be permitted to increase rate corridors up to the 10% threshold or by an additional 5% from their current charging position, whichever is greater. This action is intended to allow hospitals that are undercharged under their Global Budget Revenue due to volume losses to increase their charges in order to make up for lost revenue and prepare for the eventual increase in COVID-19-related patient volume. The HSCRC has stated that this rate corridor increase will be a temporary, onetime adjustment to ensure financial viability of Maryland hospitals as they prepare for increased volume in COVID-19 patients. The HSCRC has also stated that it will consider additional corridor relief beyond this new policy on a case-by-case basis.

To further accommodate any Global Budget Revenue that Maryland hospitals may be unable to bill in fiscal year 2020 due to fluctuating volumes resulting from the COVID-19 pandemic, the HSCRC has stated that it will suspend undercharge penalties and allow Maryland hospitals to recoup those undercharges over the 12 months of fiscal year 2021 as a onetime adjustment net of the application of CARES Act relief funding. The HSCRC is proposing to reduce the System's undercharge by an amount derived from the CARES Act funding. Maryland hospitals will be allowed to bill any net undercharge in the next fiscal year, thus allowing them to recoup a portion of lost revenue associated with the catastrophic health emergency period. Further action by the HSCRC is expected in order to aid Maryland hospitals with regard to the increased expenses resulting from the COVID-19 pandemic.

The COVID-19 pandemic has severely impacted global financial markets and travel and commerce generally. As a result of the COVID-19 pandemic, many businesses and retail establishments in the United States, including Maryland, have closed or reduced business activity. Many potential patients are now unemployed, have been furloughed or their work hours have been reduced, which results in reduced wages and potential loss of health care insurance. The System cannot determine at this time the long-term impact of the COVID-19 pandemic on the System's ability to conduct its operations and the costs of its operations, its financial condition, or the returns and value of its investments and any effect on its pension funding and contribution obligations. In addition, while the suspension with respect to elective and non-urgent medical procedures was lifted, to date the volume of elective and non-urgent medical procedures, and the revenues resulting from such procedures, have not returned to pre-suspension levels and the amount of time needed to establish the volume of such procedures to pre-suspension levels cannot be determined.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies**

##### **Principles of Consolidation**

The accompanying consolidated financial statements include the accounts of Luminis and its wholly owned subsidiaries. The financial results of Doctors Community Medical Center and subsidiaries are only included from the date of acquisition, which was July 1, 2019. All significant intercompany accounts and transactions have been eliminated in consolidation.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

##### **Acquisition of Doctors' Hospital, Inc.**

On July 1, 2019, AAHS completed a transaction that resulted in Doctors Community Hospital and subsidiaries becoming a wholly owned subsidiary of AAHS. This transaction was accounted for as an acquisition under Accounting Standards Codification (ASC) 958-805, *Not-for-Profit Mergers and Acquisitions*, during the year ended June 30, 2020.

The System elected to apply pushdown accounting whereby individual assets and liabilities were adjusted to the new basis of accounting as of the acquisition date.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

The following information summarizes the recorded fair values of the assets acquired and liabilities assumed as of the date of the acquisition:

Cash and cash equivalents	\$ 34,168,000
Patient accounts receivable, net	38,840,000
Other receivables	5,620,000
Inventories	4,243,000
Prepaid expenses	3,981,000
Marketable securities	18,258,000
Joint ventures and equity investments	5,942,000
Property and equipment	116,540,000
Other noncurrent assets	30,093,000
Total assets acquired	<u>257,685,000</u>
Accounts payable and accrued expenses	31,875,000
Advances from third-party payors	7,765,000
Current portion of long-term debt	4,448,000
Long-term debt	128,123,000
Net pension liability	5,001,000
Deferred compensation and claims incurred but not reported	16,006,000
Total liabilities assumed	<u>193,218,000</u>
Non-controlling interest	<u>2,265,000</u>
Net assets acquired, net of non-controlling interest	<u>\$ 62,202,000</u>

An inherent contribution of \$61,715,000 was recorded by Luminis on its consolidated statements of operations and changes in net assets resulting from the difference between the net assets acquired, net of non-controlling interest and net assets with donor restrictions at Doctors Community Hospital and subsidiaries as of the acquisition date. Net assets with donor restrictions of \$487,000 was recorded within changes in net assets with donor restrictions.

# Luminis Health, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements (continued)

### 2. Summary of Significant Accounting Policies (continued)

#### Cash and Cash Equivalents

Cash and cash equivalents include cash held in checking and savings accounts, money market accounts, and short-term certificates of deposit with original maturities of 90 days or less, excluding those held in short-term investments and those classified as long-term investments. Cash balances and collateral held by a counterparty are principally uninsured and are subject to normal credit risks. At June 30, 2020 and 2019, and at various times during the year, the System maintained cash-in-bank balances in excess of the \$250,000 federally insured limits.

#### Derivative Instruments

On May 10, 2006, the Hospital entered into a forward variable-to-fixed interest rate swap agreement with an effective date of November 1, 2008. This contract was entered into in an effort to reduce the risk of variable interest rate debt and has a term through July 1, 2048. Under ASC 815, *Derivatives and Hedging*, the Hospital has recognized its derivative instruments as either assets or liabilities on the accompanying consolidated balance sheets at fair value. As these derivative instruments are not designated as hedges, the unrealized gain or loss on these contracts has been recognized on the accompanying consolidated statements of operations and changes in net assets as realized and unrealized gains (losses) on interest rate swap contracts, net. The fair market values of the derivative instruments include a credit valuation adjustment (CVA) as required by ASC 820, *Fair Value Measurement*. When applying the CVA, the valuation of the variable-to-fixed interest rate swap contract was decreased by \$375,000 and \$361,000 as of June 30, 2020 and 2019, respectively.

On March 23, 2016, in an effort to reduce the amount of restricted cash pledged as collateral with the original counterparty, the Hospital entered into a novation agreement with a second counterparty. Immediately prior to the novation agreement, the System modified the existing swap to bifurcate the existing swap into a five-year swap with the remainder into a 2021 through 2048 swap. The terms of the bifurcated swap remain identical to the original swap. The novation agreement resulted in the return of \$29,164,000 as of June 30, 2016.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

A summary of the Hospital's derivative instruments and related activity at June 30 and for the years then ended, is as follows:

<u>Description of Derivative Instrument</u>	<u>Fair Value Liability</u>	
	<u>2020</u>	<u>2019</u>
Variable-to-fixed interest rate swap contract (maturity date March 2021)	\$ (4,442,000)	\$ (8,126,000)
Variable-to-fixed interest rate swap contract (maturity date July 2048)	<u>(112,595,000)</u>	<u>(70,353,000)</u>
	<u><b>\$(117,037,000)</b></u>	<u><b>\$ (78,479,000)</b></u>

The change in unrealized losses recognized in (deficit) excess of revenues over expenses for the years ended June 30, 2020 and 2019, were \$38,558,000 and \$19,176,000, respectively.

At June 30, 2020 and 2019, the net termination value (i.e., mark-to-market value) of the derivative instruments totaled \$119,671,000 and \$78,840,000, respectively. The Hospital may be exposed to credit loss in the event of nonperformance by the other party to the interest rate swap agreements, the risk of which is reflected in the fair value of the instruments under ASC 820. However, the Hospital does not anticipate nonperformance by the counterparty.

During fiscal year 2020 and 2019, the Hospital paid net payments under its interest rate swap program of \$4,591,000 and \$4,185,000, respectively. These amounts are included within realized and unrealized gains (losses) on interest rate swap contracts, net on the accompanying consolidated statements of operations and changes in net assets and within investing activities on the accompanying consolidated statements of cash flows.

Under the derivative contract for the 2021 through 2048 swap, the Hospital must transfer collateral for the benefit of the counterparty, to the extent that the termination values exceed certain limits. The Hospital's collateral requirement for the benefit of the counterparty was approximately \$110,002,000 and \$67,404,000 at June 30, 2020 and 2019, respectively. The ongoing mark-to-market values and resulting collateral requirements of the Hospital's interest rate swap contract are subject to variability based on market factors (primarily changes in interest rates). Collateral requirements under this interest rate swap contract are excluded from unrestricted cash and investments for purposes of determining the System's compliance with its liquidity covenants

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

under its Maryland Health and Higher Educational Facilities Authority (MHHEFA or the Authority) revenue bond agreements and its derivative agreements. Collateral amounts are included in noncurrent assets on the accompanying consolidated balance sheets. Approximately \$575,000 and \$2,795,000 of collateral was due to the financial institution as of June 30, 2020 and 2019.

The amount due to the financial institution is included in other accrued expenses on the accompanying consolidated balance sheet as of June 30, 2020 and 2019, and is reflected within investing activities on the accompanying consolidated statement of cash flows.

#### Assets Whose Use is Limited and Investments

Assets whose use is limited are principally composed of certain funds established to be held and invested by a trustee. These funds are related to the issuance of the Hospital's revenue bonds, investments held at Cottage, and certain permanently restricted endowment assets.

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Current:		
Principal, interest and other – bonds	<b>\$ 12,382,000</b>	\$ 12,258,000
Investments held at trustee	<b>3,530,000</b>	2,932,000
	<b>\$ 15,912,000</b>	\$ 15,190,000
Noncurrent:		
Endowment assets	<b>\$ 15,482,000</b>	\$ 16,641,000
Investments held at trustee	<b>25,538,000</b>	19,332,000
	<b>\$ 41,020,000</b>	\$ 35,973,000

The fair values of publicly traded securities and mutual funds are based on quoted market prices of individual securities or investments or estimated amounts using quoted market prices of similar investments. Alternative investments, some of which are structured so that the System holds limited partnership interests, are stated at fair value as estimated in an unquoted market. Valuations of these investments, and therefore the System's holdings, may be determined by the investment manager or general partner and for fund-of-funds investments are primarily based on financial data supplied by the underlying investee funds. Values may be based on historical cost, appraisals, or

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

other estimates that require varying degrees of judgment. Investment income or loss from all unrestricted investments is included on the accompanying consolidated statements of operations and changes in net assets as part of other income (loss).

Investment income or loss on investments of assets with donor restrictions is added to or deducted from the restricted fund balance if the income is restricted. The cost of securities sold is based on the specific-identification method.

All investment balances are principally uninsured and subject to normal credit risk. Investments are classified as either current or noncurrent based on the maturity dates and the availability for current operations. Investments included in noncurrent assets consist of board-designated investment funds of \$338,985,000 and \$386,056,000 as of June 30, 2020 and 2019, respectively. Based on the System's investment policy, such amounts could be liquidated, at the discretion of the board, to satisfy short-term requirements.

Substantially all investments, other than borrowed funds required to be expended for capital projects, are classified as trading securities, with unrealized gains and losses included in (deficit) excess of revenues over expenses.

Borrowed funds required to be expended for capital projects are classified as other-than-trading and are included in assets whose use is limited.

#### **Patient Receivables**

Patient receivable include charges for amounts due from all patients less price concessions relating to allowances for the excess of established charges over the payments to be received on behalf of patients covered by Medicare, Medicaid, and other insurers. The provision for price concessions is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the price concessions based upon historical experience of self-pay accounts receivable, including those balances after insurance payments and not covered by insurance.

Insurance coverage and credit information are obtained from patients, when available. No collateral is obtained for accounts receivable.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Inventories

Inventories, which primarily consist of medical supplies and drugs, are carried at the lower of cost or market. Cost is determined using the first-in, first-out method (FIFO) or a similar method that approximates FIFO.

##### Property and Equipment

Property and equipment are stated at cost or fair value as of the acquisition date for DCMC property and equipment. Included in computers and software are capitalized labor costs of \$14,344,000 and \$11,594,000 as of June 30, 2020 and 2019, respectively. Depreciation and amortization, including amortization of assets recorded under capital leases, are recorded on the straight-line method over the estimated useful lives of the assets.

The following is a summary of property and equipment:

	<b>Estimated Useful Lives</b>	<b>June 30 2020</b>	<b>2019</b>
Land		\$ 22,823,000	\$ 14,901,000
Land improvements	20 years	23,480,000	22,413,000
Buildings and improvements	20–40 years	592,593,000	491,022,000
Fixed equipment	5–20 years	55,510,000	10,824,000
Leasehold improvements	5–10 years	62,389,000	55,651,000
Movable equipment	7–10 years	221,851,000	203,404,000
Computers and software	3–5 years	96,079,000	88,528,000
Construction-in-progress	–	22,120,000	31,923,000
		<b>\$ 1,096,845,000</b>	<b>\$ 918,666,000</b>

Construction-in-progress consists of direct costs associated with hospital department renovations, certain leasehold improvements, and smaller capital projects. As these projects are completed, the related assets are transferred out of construction-in-progress and into the appropriate asset category and are depreciated over the applicable useful lives.



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

##### **Investments in Joint Ventures**

Luminis accounts for its investments in joint ventures using the equity method of accounting. During 2011, the Real Estate Company and another party formed West County, LLC, a joint venture that owns and operates a medical office building that opened in December 2012. The Real Estate Company has a 50% interest in this joint venture, with each owner's investment being \$7,575,000 and \$7,242,000 as of June 30, 2020 and 2019, respectively.

Doctors Community Health Ventures, Inc. (Health Ventures) has a \$5,388,000 joint venture investment in Magnolia Gardens LLC. This investment is consistent with the mission and strategic plan of Doctors Community Medical Center. The investment in Magnolia Gardens LLC represents a 51% interest and is not consolidated with the financial statements of Luminis because Health Ventures does not control the investee.

##### **Deferred Debt Issuance Costs**

Administrative, legal, financing, underwriting discount, and other miscellaneous expenses that were incurred in connection with debt financings were deferred and are being amortized over the lives of the bond issues using the straight-line method, which approximates the effective-interest method in all material respects. The amortization expense of the deferred debt issue costs was \$479,000 and \$297,000 for the years ended June 30, 2020 and 2019, respectively.

##### **Net Assets**

Net resources that are not restricted by donors are included in net assets without donor restrictions. Gifts of long-lived operating assets, such as property, plant, or equipment, are reported as net assets without donor restrictions and excluded from income. Resources restricted by donors for a specified time or purpose are reported as net assets with donor restrictions.

When the specific purposes are met, either through passage of a stipulated time period or when the purpose for restriction is accomplished, they are released to other operating revenues on the statement of operations and changes in net assets. Resources restricted by donors for additions to property, plant, and equipment are initially reported as net assets with donor restrictions and are transferred to net assets without donor restrictions when expended. Donor-imposed restrictions, which stipulate that the resources be maintained permanently, are reported as net assets with donor restrictions.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

Investment income related to net assets with donor restrictions is classified as net assets without donor restrictions based on the intent of the donor.

#### Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered. This includes regulatory discounts allowed to Blue Cross, Medicare, Medicaid, and other third-party payors and charity care.

During 2020 and 2019, approximately 39% and 35%, respectively, of net patient service revenue was received under the Medicare program, 25% and 28% from Blue Cross, 26% and 30% from contracts with other third parties, and 10% and 7% from other sources.

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

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
Gross patient service revenue	<b>\$ 1,262,664,000</b>	\$ 955,469,000
Revenue deductions:		
Charity care	<b>15,409,000</b>	5,326,000
Contractual and other allowances	<b>278,148,000</b>	207,267,000
Net patient service revenue	<b><u>\$ 969,105,000</u></b>	<b><u>\$ 742,876,000</u></b>

In May 2014, the Financial Accounting Standards Board (FASB) issued a new standard related to revenue recognition. The System adopted the new standard effective July 1, 2018, using the modified retrospective method of transition. The most significant change from the adoption of the new standard relates to the System's estimation for the allowance for doubtful accounts. Under the previous standards, the System's estimate for amounts not expected to be collected based upon historical experience, were reflected as provision for bad debts and deducted from net patient service revenue to arrive at net patient service revenue less provision for bad debts. Under the new standard, those amounts will continue to be recognized as a reduction to net patient service revenue, however, not reflected separately as provision for bad debts, and accordingly the caption net patient service revenue less provision for bad debts will no longer be presented on the consolidated statements of operations and changes in net assets. Subsequent changes in the

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

estimate of collectibility due to a change in the financial status of a payor, for example a bankruptcy, will be recognized as bad debt expense in operating expenses. This adoption of the new standard did not have a material impact on the accompanying consolidated financial statements.

Additionally, the System's revenues may be subject to adjustment as a result of examination by government agencies or contractors and as a result of differing interpretation of government regulations, medical diagnosis, charge coding, medical necessity, or other contract terms. Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreements with the payor, correspondence from the payor and the System's historical settlement activity, including an assessment to ensure it is probable a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known, or as years are settled or are no longer subject to such audits, reviews and investigations.

The System has elected the practical expedient allowed under FASB ASC 606-10-32-18, *Revenue from Contracts with Customers*, and does not adjust the promised amount of consideration from patients and third-party payors for the effects of a significant financing component due to the System's expectation that the period between the time the service is provided to a patient and the time that the patient or third-party payor pays for that service will be one year or less.

The estimates for implicit price concessions are based upon management's assessment of historical write-offs and expected net collections; business and economic conditions; trends in federal, state, and private employer health care coverage; and other collection indicators. Management relies on the results of detailed reviews of historical write-offs and collections at facilities that represent a majority of the System's revenues and patient receivable as a primary source of information in estimating the collectibility of patient receivable.

Luminis employs physicians in several hospital-based specialties (including, but not limited to, obstetrics, intensive care, and hospitalists). Net physician revenue is recognized when the services are provided and recorded at the estimated net realizable amount based on the contractual arrangements with third-party payors and the expected payments from the third-party payors and

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

the patients. The difference between the billed charges and the estimated net realizable amounts are recorded as a reduction in physician revenue when the services are provided. The System recognized net physician revenue of \$149,933,000 and \$141,202,000 for the years ended June 30, 2020 and 2019, respectively. At June 30, 2020 and 2019, \$15,097,000 and \$10,764,000, respectively, of net physician accounts receivable are included in patient receivables on the accompanying consolidated balance sheets.

#### **Charity Care**

AAMC provides charity care to patients who meet certain criteria established under its charity care guidelines. Because members of AAMC do not pursue the collection of amounts determined to qualify as charity care, they are not reported as revenue on the accompanying consolidated statements of operations and changes in net assets. The direct and indirect costs associated with providing this care are \$4,531,000 and \$4,493,000 for the years ended June 30, 2020 and 2019, respectively. These costs are calculated by applying a ratio of operating expenses over gross patient charges to the charity care provided at established rates. The state of Maryland's rate system includes components within the rates to partially compensate hospitals for uncompensated care.

The cost of charity care provided by DCMC totaled \$9,528,010 for the year ended June 30, 2020. Rates charged by DCMC for regulated services are determined based on assessment of direct and indirect cost calculated pursuant to the methodology established by the Commission, and therefore the cost of charity services noted above for DCMC are equivalent to its established rates for those services. For any charity services rendered by subsidiaries other than from the DCMC, the cost of charity care is calculated by applying the estimated total cost-to-charge ratio for the non-Hospital services to the total amount of charges for services provided to patients benefitting from the charity care policies of the DCMC's non-Hospital affiliates. These charges are excluded from consolidated net patient service revenue.

#### **Other Operating Revenue**

Other operating revenue is composed of grant revenue, cafeteria revenue, net assets released from restrictions for operating purposes, and other miscellaneous items.

On April 2, 2020, the System received \$45,472,000 in provider relief funds authorized in the CARES Act from the U.S. Department of Health and Human Services (HHS). The System expects that these relief funds will be forgivable, but uncertainty exists as to the final outcome of the terms

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

and conditions associated with the relief funds. Management will continue to monitor compliance with the terms and conditions of the Relief Fund and the impact of the pandemic on the System's revenues and expenses. If unable to attest to or comply with current or future terms and conditions, the System's ability to retain some or all of the distributions received may be impacted. Furthermore, the HSCRC is proposing to reduce the System's ability to recoup undercharges from its GBR reimbursement program in future years by an amount derived from these provider relief funds. The final outcome of the HSCRC's decisions on treatment of the undercharge resulting from the Global Budget Reimbursement Revenue program and application of CARES Act funding to GBR limits is still being evaluated. Luminis recognized these funds in other operating revenue during the period as the conditions for use were deemed to have been met.

#### **Advances From Third-Party Payors**

On April 10, 2020, the System received \$151,767,000 from the Centers for Medicare and Medicaid Services (CMS) Accelerated and Advance Payment Program. This program provides hospitals with working capital advances that begin to become payable 120 days from the date of receipt of the funds and must be fully repaid within one year through an automatic reduction of claims receipts from CMS. As of June 30, 2020, none of these funds have been used. These funds, which represent contract liabilities as defined in ASC 606, have been recorded within advances from third-party payors on the accompanying consolidated balance sheet at June 30, 2020.

#### **Transaction Costs**

During fiscal year 2019, the System incurred \$3,279,000 for administrative and marketing costs that resulted from the transaction for Doctors Community Medical Center and subsidiaries becoming a wholly owned subsidiary of Luminis Health, Inc.

#### **Donations and Bequests**

Unconditional promises to give cash and other assets are reported at fair value on the date the promise is received. Conditional promises to give, and indications of intentions to give, are reported at fair value on the date the gift is received. The gifts are reported as donor-restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, the asset is reclassified to without donor restrictions on the accompanying consolidated statements of operations and changes in net assets. Donor-restricted contributions

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements. Contributions that are unrestricted are reflected as other operating revenue on the accompanying consolidated statements of operations and changes in net assets.

Scheduled payments for pledges receivable for the years ending June 30 are as follows:

2021	\$ 2,599,000
2022–2024	658,000
2025 and thereafter	1,605,000
Less:	
Impact of discounting pledges receivable to net present value	352,000
Allowance for uncollectible pledges	373,000
Net pledges receivable	<u>\$ 4,137,000</u>

Pledges receivable are discounted using rates between 1.2% and 2.5%.

#### **(Deficit) Excess of Revenues Over Expenses**

The accompanying consolidated statements of operations and changes in net assets include (deficit) excess of revenues over expenses. Changes in net assets without donor restrictions that are excluded from (deficit) excess of revenues over expenses, consistent with industry practice, include contributions received and used for additions of long-lived assets and certain changes in pension liabilities.

#### **Group Purchasing Organization Initial Public Offering**

The Hospital has participated and owned equity in the Premier Limited Partnership (Premier), which has served as a group purchasing organization for many years. This participation provides purchasing contract rates and rebates the System would not be able to obtain on its own. The Hospital accounts for its investment in Premier using the equity method of accounting.

During the year ended June 30, 2014, Premier restructured from a privately held company to a public company in an initial public offering (IPO) and several financial transactions have occurred with those holding equity in Premier before the IPO, including the System. As a result, the System

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

received a cash payment of approximately \$1,500,000 in exchange for 16% of its previous ownership in Premier. In addition, in exchange for the extension of the group purchasing contract, the System received partial ownership of the new public company (the Class B units).

The System received 309,580 Class B units that are earned in seven separate tranches over an 85-month period ending October 31, 2020. At June 30, 2020 and 2019, this investment was \$10,388,000 and \$13,094,000, respectively, and is reflected in other assets on the consolidated balance sheets. The opportunity will exist in the future for these Class B units to be converted to the Premier public company stock. Prior to vesting, the Class B units may be transferred or sold with the approval of Premier. During the years ended June 30, 2020 and 2019, the System recognized approximately \$1,216,000 and \$1,988,000, respectively, of income related to tranches 6 and 7 of the Class B units, which is included as a reduction of supplies expense on the consolidated statement of operations and changes in net assets. The value of the Class B units is tied to the group purchasing contract and is considered a vendor incentive.

#### **Income Tax Status**

Luminis, the Hospital, the Foundation, HCS, GTS, PE, and RI have received determination letters from the Internal Revenue Service (IRS) stating that they are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (Code). The Real Estate Company has received a determination letter from the IRS stating that it is exempt from federal income taxes under Section 501(c)(2) of the Internal Revenue Code. Doctors Community Hospital and the Doctors Community Hospital Foundation are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code as public charities. Both entities are entitled to rely on this determination as long as there are no substantial changes in their character, purposes, or methods of operation. Management has concluded that there have been no such changes, and therefore the status of the various entities as public charities exempt from federal income taxation remain in effect.

Anne Arundel Mental Health Hospital is organized and operated as a tax-exempt organization, and has applied for IRS recognition of exemption from federal income tax under Section 501(c)(3) of the Code, but has not yet received IRS recognition of exemption.

The state in which the various entities operate also provides a general exemption from state income taxation for organizations that are exempt from federal income taxation. However, both entities are subject to federal and state income taxation at corporate tax rates on unrelated business income.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **2. Summary of Significant Accounting Policies (continued)**

Exemption from other state and local taxes, such as real and personal property taxes is separately determined. The various entities had no unrecognized tax benefits or such amounts were immaterial during the periods presented. For tax periods with respect to which unrelated business income was recognized, a tax return was filed in order to report any unrelated business income as well as any taxes due.

HCE and PPI are subject to federal and state income taxes. These income taxes are immaterial to the accompanying consolidated financial statements.

Certain limited liability companies within the consolidated group are not subject to income taxes. Taxable income or loss is passed through to and reportable by the members individually.

Under the Cayman Islands Tax Concessions Law (Revised), the Governor-in-Cabinet issued an undertaking regarding Cottage on November 29, 2005, exempting it from all local income, profit, or capital gains taxes. The undertaking has been issued for a period of 20 years and, at the present time, no such taxes are levied in the Cayman Islands. Accordingly, no provision for taxes is made in these consolidated financial statements.

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

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

Under the requirements of ASC 740, *Income Taxes*, tax-exempt organizations could be required to record an obligation as the result of a tax position they have historically taken on various tax exposure items. Luminis has determined that it does not have any uncertain tax positions through June 30, 2020.



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 2. Summary of Significant Accounting Policies (continued)

##### Use of Estimates

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

##### Recent Accounting Pronouncements

Effective July 1, 2018, the System adopted FASB Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*, using the modified retrospective method of transition. This ASU converged and replaced existing revenue recognition guidance, including industry-specific guidance and requires revenue to be recognized in an amount that reflects the consideration the entity expects to be entitled in an exchange of goods or services. The adoption of this ASU did not materially impact the consolidated financial statements.

Effective June 30, 2019, the System adopted FASB ASU 2016-14, *Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*. This ASU changed certain financial statement requirements for not-for-profit entities in an effort to make the information more meaningful to users and reduce reporting complexity. The System adopted the ASU in the prior year and adjusted the presentation in these consolidated financial statements accordingly. The ASU was applied retrospectively to all periods presented.

Effective July 1, 2019, the System adopted the FASB ASU 2016-02, *Leases (Topic 842)*, using the modified retrospective transition approach as of the period of adoption, or fiscal year 2020. The FASB issued ASU 2016-02 in order to increase transparency and comparability by recognizing lease assets and liabilities on the balance sheet and disclosing key information about leasing arrangements. The System's financial statements for periods prior to July 1, 2019, were not modified for the application of the new lease accounting standard. The main difference between the guidance in ASU 2016-02 and previous U.S. GAAP is the recognition of lease assets and lease liabilities by lessees for those leases classified as operating under previous U.S. GAAP.

Upon the adoption of ASU 2016-02, the System recorded the following balances on the consolidated balance sheet: \$54,977,000 in right-of-use asset long term; \$10,056,000 of current liabilities in lease liability short term; and \$44,976,000 of long-term liabilities in lease liability

# Luminis Health, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements (continued)

### 2. Summary of Significant Accounting Policies (continued)

long term. The standard did not materially impact the System's accompanying consolidated statement of operations and changes in net assets or consolidated statement of cash flows for the year ended June 30, 2020.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*, which requires that the statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. Luminis has adopted ASU 2016-18 using a retrospective transition method, and as such, certain reclassifications were made to 2019 amounts previously reported on the consolidated statement of cash flows.

#### New Accounting Standards Not Yet Adopted

In August 2018, the FASB issued ASU 2018-15, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*. The amendments help entities evaluate the accounting for implementation costs paid by a customer in a cloud computing arrangement by providing guidance for determining when the service contract includes a software license. The System is evaluating the impact of this guidance, which will be effective in 2021.

### 3. Regulatory Environment

#### Medicare and Medicaid

The Medicare and Medicaid reimbursement programs represent a substantial portion of Luminis' revenues. Luminis' operations are subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Over the past several years, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **3. Regulatory Environment (continued)**

programs, together with the imposition of fines and penalties, as well as repayments for patient services previously billed. Compliance with fraud and abuse standards and other government regulations can be subject to future government review and interpretation. Also, future changes in federal and state reimbursement funding mechanisms and related government budgeting constraints could have an adverse effect on Luminis.

In 1983, Congress approved a Medicare prospective payment plan for most inpatient services as part of the Social Security Amendment Act of 1983. Hospitals in Maryland were granted a waiver from the Medicare prospective payment system under Section 1814(b) of the Social Security Act. The waiver would remain in effect as long as the Maryland rate of increase in payments per admission remained below the national average rate of increase.

In January 2014, the Centers for Medicare and Medicaid Services approved a modernized waiver that includes both inpatient and outpatient revenue. The new waiver will be in place as long as Maryland hospitals achieve significant quality improvements and limit the per capita growth for all payors for Maryland residents.

#### **Maryland Health Services Cost Review Commission**

AAMC and Doctors Community Hospital's rate structure for all hospital-based services is subject to review and approval by the Maryland Health Services Cost Review Commission (HSCRC or the Commission). Under the HSCRC rate-setting system, the Hospital's inpatient and outpatient charges are the same for all patients, regardless of payor, including Medicare and Medicaid.

Beginning in fiscal year 2014, AAMC and Doctors Community Hospital entered into an agreement with the HSCRC to participate in the Global Budget Revenue (GBR) program. The GBR model is a revenue constraint and quality improvement system to provide hospitals with strong financial incentives to manage their resources efficiently and effectively in order to slow the rate of increase in health care costs and improve health care delivery processes and outcomes. Under the GBR, total revenue is capped at a predetermined fixed amount. The annual approved revenue is calculated using a permanent base revenue with positive or negative adjustments for inflation, assessments, performance in quality-based programs, infrastructure requirements, and population. Revenue may also be adjusted annually for market share levels and shifts of regulated services to unregulated settings.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **3. Regulatory Environment (continued)**

Starting in January 2019, Maryland's hospitals began operating under a new ten-year contract with the federal government entitled Maryland Performance Adjustment (MPA). The MPA is designed to test whether the improvements hospitals have made under the previous modernized waiver can be expanded to all health care providers. The GBR methodology will remain in place for hospital rate setting under the MPA. In addition, programs aimed to measure and reduce total health care spending for attributed Medicare patients, including pre- and post-acute care by all providers, are being introduced during this contract period.

The Commission's rate-setting methodology compares the approved rate with the actual average rate charged. Overcharges and undercharges due to either patient volume or price variances, adjusted for penalties where applicable, are applied to decrease (in the case of overcharges) or increase (in the case of undercharges) future approved rates on an annual basis. The System was undercharged by \$54,399,000 and overcharged by \$260,000 for the years ended June 30, 2020 and 2019, respectively. The undercharge of \$54,399,000 for the year ended June 30, 2020 did not include amounts recognized in CARES Act funding discussed in the other operating revenue section in Note 2.

While the System is expecting the HSCRC to allow for recovery in future periods of the undercharge experienced during the year, mainly due to lower volume as the result of the COVID-19 pandemic, uncertainty exists as to the final outcome of HSCRC rate-setting decision making.

The timing of HSCRC's rate adjustments for the System could result in an increase or reduction in rates due to the variances and penalties described above in a year subsequent to the year in which such items occur, and there is at least a possibility that the amounts may be material.

The AAMC and DCMC's policy is to recognize revenue based on actual charges for services to patients in the year in which the services are performed. The Hospital's revenues may be subject to adjustment as a result of examination by government agencies or contractors, and as a result of differing interpretation of government regulations, medical diagnoses, charge coding, medical necessity, or other contract terms. The resolution of these matters, if any, often is not finalized until a subsequent period than which the services were rendered.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 4. Investments

Investments, including assets whose use is limited, are stated at fair value. Borrowed funds that are required to be expended on specified capital projects under MHHEFA revenue bond agreements are classified as available for sale. All other investments and assets whose use is limited are classified as trading securities.

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Assets whose use is limited:		
Endowment assets:		
Cash and cash equivalents	<b>\$ 1,145,000</b>	\$ 1,237,000
Equity mutual funds	<b>9,279,000</b>	9,661,000
Fixed income mutual funds	<b>5,058,000</b>	5,737,000
	<b>15,482,000</b>	16,635,000
Amounts held by trustee:		
Cash and cash equivalents	<b>12,382,000</b>	12,320,000
U.S. Government obligations	<b>7,000</b>	7,000
	<b>12,389,000</b>	12,327,000
Amounts held by Cottage:		
Cash and cash equivalents	<b>3,504,000</b>	2,869,000
Equity mutual funds	<b>11,334,000</b>	6,581,000
Fixed income mutual funds	<b>14,223,000</b>	12,751,000
	<b>29,061,000</b>	22,201,000
Total assets whose use is limited	<b>56,932,000</b>	51,163,000
Less current portion	<b>15,912,000</b>	15,190,000
	<b>\$ 41,020,000</b>	\$ 35,973,000

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**4. Investments (continued)**

Amounts held by the trustee are broken down as follows:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Bond indenture	<b>\$ 12,389,000</b>	\$ 12,270,000
Other investments:		
	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Cash and cash equivalents	<b>\$ 14,388,000</b>	\$ 15,368,000
Equity mutual funds	<b>173,069,000</b>	178,576,000
Fixed income mutual funds	<b>100,475,000</b>	133,747,000
Alternative investments	<b>52,418,000</b>	73,626,000
	<b>340,350,000</b>	401,317,000
Less short-term investments	<b>1,365,000</b>	15,261,000
Investments	<b>\$ 338,985,000</b>	\$ 386,056,000

The components of investment (loss) income, net are as follows:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Interest and dividend income, net	<b>\$ 132,000</b>	\$ 10,257,000
Realized (losses) gains, net	<b>(9,832,000)</b>	3,616,000
	<b>\$ (9,700,000)</b>	\$ 13,873,000

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **5. Fair Value Measurements**

ASC 820 defines fair value and establishes a framework for measuring fair value in accordance with U.S. GAAP. ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include:

- Level 1 – Defined as observable inputs, such as quoted prices in active markets
- Level 2 – Defined as inputs other than quoted prices in active markets that are either directly or indirectly observable
- Level 3 – Defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The methods described above may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, while Luminis believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

ASC 820 requires that the fair value of derivative contracts include adjustments related to the credit risks of both parties associated with the derivative transactions. The fair value of Luminis' derivative contracts reflected in the accompanying consolidated financial statements includes adjustments related to the credit risks of the parties to the transactions.

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**5. Fair Value Measurements (continued)**

The following tables present the fair value hierarchy for Luminis' financial assets and liabilities measured at fair value on a recurring basis.

	<b>June 30, 2020</b>			
	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 178,795,000	\$ 178,126,000	\$ 669,000	\$ –
Trading securities and assets whose use is limited:				
Cash and cash equivalents	31,296,000	18,257,000	13,039,000	–
Equity securities	194,977,000	194,977,000	–	–
Fixed income securities	122,785,000	119,753,000	3,032,000	–
U.S. Government obligation securities	6,000	6,000	–	–
Alternative investments	52,418,000	22,663,000	–	29,755,000
Total	<u>401,482,000</u>	<u>355,656,000</u>	<u>16,071,000</u>	<u>29,755,000</u>
Collateral for interest rate swap:				
Cash and cash equivalents	110,002,000	110,002,000	–	–
Less investments included in other assets	4,200,000	4,200,000	–	–
Total assets	<u>\$ 686,079,000</u>	<u>\$ 639,584,000</u>	<u>\$ 16,740,000</u>	<u>\$ 29,755,000</u>
<b>Liabilities</b>				
Derivative instruments	<u>\$ (117,037,000)</u>	<u>\$ –</u>	<u>\$ (117,037,000)</u>	<u>\$ –</u>
Total liabilities	<u>\$ (117,037,000)</u>	<u>\$ –</u>	<u>\$ (117,037,000)</u>	<u>\$ –</u>



Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**5. Fair Value Measurements (continued)**

	<b>June 30, 2019</b>			
	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 15,100,000	\$ 15,100,000	\$ —	\$ —
Trading securities and assets whose use is limited:				
Cash and cash equivalents	31,794,000	31,794,000	—	—
Equity securities	194,818,000	194,818,000	—	—
Fixed income securities	152,235,000	152,235,000	—	—
U.S. Government obligation securities	6,000	6,000	—	—
Alternative investments	73,627,000	37,997,000	—	35,630,000
<b>Total</b>	<b>452,480,000</b>	<b>416,850,000</b>	<b>—</b>	<b>35,630,000</b>
Collateral for interest rate swap:				
Cash and cash equivalents	67,404,000	67,404,000	—	—
<b>Total assets</b>	<b>\$ 534,984,000</b>	<b>\$ 499,354,000</b>	<b>\$ —</b>	<b>\$ 35,630,000</b>
<b>Liabilities</b>				
Derivative instruments	\$ (78,479,000)	\$ —	\$ (78,479,000)	\$ —
<b>Total liabilities</b>	<b>\$ (78,479,000)</b>	<b>\$ —</b>	<b>\$ (78,479,000)</b>	<b>\$ —</b>

Luminis' Level 1 securities primarily consist of U.S. Treasury securities, exchange-traded mutual funds, and cash. Luminis determines the estimated fair value for its Level 1 securities using quoted (unadjusted) prices for identical assets or liabilities in active markets.

Luminis' Level 2 securities primarily consist of cash and cash equivalents. Luminis determines the estimated fair value for these Level 2 securities using the following methods: quoted prices for similar assets/liabilities in active markets, quoted prices for identical or similar assets in non-active markets (few transactions, limited information, noncurrent prices, high variability over time), inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curve volatilities, default rates), and inputs that are derived principally from or corroborated by other observable market data. Part of AAMC's alternative investments, approximately \$22,663,000 and \$35,800,000 at June 30, 2020 and 2019, respectively, are invested in international

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 5. Fair Value Measurements (continued)

equity funds and are considered Level 1 investments due to quoted price being readily available. The majority of the remaining alternative investments \$24,489,000 and \$29,653,000 at June 30, 2020 and 2019, respectively are invested in a fund focused on energy infrastructure and are considered Level 3 investments due to quoted price not being readily available. The underlying assets of the fund are publicly traded energy-related master limited partnerships and equity securities. Certain alternative investments require written notification over a certain period prior to redemption.

Luminis' Level 2 securities also consist of derivative instruments, which are reported using valuation models commonly used for derivatives. Valuation models require a variety of inputs, including contractual terms, market-fixed prices, inputs from forward price yield curves, notional quantities, measures of volatility, and correlations of such inputs.

The following table sets forth a summary of changes in the fair value of the Level 3 assets:

Balance at June 30, 2019	\$ 35,630,000
Realized and unrealized gains and losses	<u>(5,875,000)</u>
Balance at June 30, 2020	<u><u>\$ 29,755,000</u></u>

Luminis also has pledges receivable, which are measured at fair value on a nonrecurring basis and are discounted to the net present value upon receipt using an appropriate risk-free discount rate based on the term of the receivable. Since these inputs are not observable, pledges receivable would be considered Level 3 fair value measurements upon their initial recording. Pledges receivable are recorded net of an allowance for uncollectible pledges. The following table provides a reconciliation of the beginning and ending balances of pledges receivable that used significant unobservable inputs.

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
Pledges receivable:		
Balance at July 1	\$ 3,296,000	\$ 4,115,000
New pledges	2,967,000	2,542,000
Collections of pledges	(2,028,000)	(3,146,000)
Write-off of pledges	(160,000)	(168,000)
Change in reserves	62,000	(47,000)
Balance at June 30	<u><u>\$ 4,137,000</u></u>	<u><u>\$ 3,296,000</u></u>

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 6. Long-Term Debt and Line of Credit

For AAMC and affiliates, long-term debt consists of the following:

	Interest Rate	Maturity Dates	June 30	
			2020	2019
Maryland Health and Higher Educational Facilities Authority Revenue Bonds – Series 2017	2.0%–5.0%	2018–2043	\$ 56,905,000	\$ 58,935,000
Maryland Health and Higher Educational Facilities Authority Revenue Bonds – Series 2014	2.0%–5.0%	2015–2040	113,817,000	116,200,000
Maryland Health and Higher Educational Facilities Authority Revenue Bonds – Series 2012	2.0%–5.0%	2013–2035	56,991,000	59,735,000
Maryland Health and Higher Educational Facilities Authority Revenue Bonds – Series 2009B	Variable	2041–2044	60,000,000	60,000,000
Kent Island term loan from a bank	Variable	2021	5,617,000	5,908,000
Real Estate Loan	Variable	2028	55,850,000	59,492,000
			<b>349,180,000</b>	<b>360,270,000</b>
Less current portion of long-term debt			11,461,000	11,029,000
Less deferred debt issue costs			3,531,000	3,803,000
Unamortized original issue premium, net			13,354,000	14,297,000
Long-term debt			<b>\$ 347,542,000</b>	<b>\$ 359,735,000</b>

These debt instruments are secured by the receipts of the AAMC obligated group and substantially all of the property and equipment of the consolidated Group.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 6. Long-Term Debt and Line of Credit (continued)

For AAMC and affiliates, principal payments due under all debt instruments as of June 30, 2020, are as follows:

2021	\$ 11,461,000
2022	16,589,000
2023	11,667,000
2024	11,987,000
2025	12,332,000
Thereafter	285,144,000
	<u>\$ 349,180,000</u>

#### Series 2017 Revenue Bonds

In November 2017, AAMC entered into a loan agreement with the MHHEFA for the issuance of Series 2017 Revenue Bonds (referred to as the 2017 Bonds). The proceeds of the 2017 Bonds were used to advance refund the Series 2010 Bonds previously provided by MHHEFA. The bonds being refunded were originally obtained to finance the expansion of the parking garage for AAMC's acute care pavilion, and costs related to the issuance. The 2017 Bonds provide for annual principal payments each July 1 from 2018 through 2043. Interest is payable annually each July 1 starting in July 2018. The 2017 Bonds bear stated interest rates between 2.00% and 5.00% and were issued at a premium of \$4,590,000, which is amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. The effective annual interest rate for the 2017 Bonds for the year ended June 30, 2020 and June 30, 2019, was 3.64% and 1.93%, respectively.

#### Series 2014 Revenue Bonds

In November 2014, AAMC entered into a loan agreement with the MHHEFA for the issuance of Series 2014 Revenue Bonds (referred to as the 2014 Bonds). The proceeds of the 2014 Bonds were used to advance refund the Series 2009A Bonds previously provided by MHHEFA. The bonds being refunded were originally obtained to finance a portion of the costs of construction for an eight-story patient care building, two parking garages, and costs related to the issuance. The 2014 Bonds provide for annual principal payments each July 1 from 2015 through 2040. Interest is payable semiannually each July 1 and January 1, beginning in January 2015. The 2014 Bonds bear stated interest rates between 2.00% to 5.00% and were issued at a premium of \$7,520,000, which

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **6. Long-Term Debt and Line of Credit (continued)**

is amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. The effective annual interest rate for the 2014 Bonds for the years ended June 30, 2020 and 2019, was 4.49% and 2.24%, respectively.

#### **Series 2012 Revenue Bonds**

In October 2012, AAMC entered into a loan agreement with MHHEFA for the issuance of \$73,625,000 of Series 2012 Revenue Bonds (referred to as the 2012 Bonds). The proceeds of the 2012 Bonds were used to repay the Series 2004A Bonds and the Series 1998 Bonds previously provided by the Authority. The bonds being refinanced were originally obtained to finance a new replacement hospital (Series 1998 Bonds) and to finance major renovations to AAMC's Cancer Center and land acquisition (Series 2004A Bonds). The 2012 Bonds provide for annual principal payments each July 1 from 2013 through 2035. Interest is payable semiannually on each July 1 and January 1, beginning July 1, 2013. The 2012 Bonds bear stated interest at rates of 2.00% to 5.00% and were issued at a premium of \$6,746,000. The effective annual interest rates for the 2012 Bonds for the years ended June 30, 2020 and 2019, were 4.34% and 2.16%, respectively.

The provisions of the 2017, 2014, and 2012 Bonds, together with the Series 2009 Bonds, require Luminis and certain subsidiaries to comply with certain covenants on an annual basis, including a debt service coverage requirement, a debt-to-capitalization requirement, and a liquidity requirement. Luminis, AAMC, and HCS are members of the AAMC obligated group for all of the above stated revenue bonds issued by MHHEFA.

#### **Series 2009 Revenue Bonds**

In January 2009, AAMC entered into a loan agreement with the MHHEFA for the issuance of \$120,000,000 of Series 2009A Revenue Bonds (the 2009A Bonds) and in February 2009, \$60,000,000 of Series 2009B Revenue Bonds (the 2009B Bonds) (collectively referred to as the 2009 Bonds). The proceeds of the 2014 Bonds were used to advance refund the Series 2009A Bonds previously provided by the MHHEFA. The proceeds of the 2009 Bonds were used to finance a portion of the costs of construction of an eight-story patient care building, two new parking garages, and certain costs relating to the issuance. The 2009B Bonds provide for annual principal payments each July 1, from 2041 through 2044. Interest is payable semiannually on each July 1 and January 1, beginning July 1, 2009. The 2009B Bonds bear interest at variable rates, as set forth in the loan agreement. The maximum interest rate is 12% for the 2009B Bonds. The effective annual interest rates for the 2009B Bonds for the years ended June 30, 2020 and 2019,

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 6. Long-Term Debt and Line of Credit (continued)

were 1.18% and 1.65%, respectively. The principal and interest payments on the Series 2009B Bonds are secured by a letter of credit equal to the original principal of the bonds plus an amount equal to 40 days' interest thereon, calculated at the maximum rate. The current letter of credit, which was extended on May 1, 2019, expires on July 1, 2024. Under certain circumstances, AAMC would need to fully redeem the 2009B Bonds upon expiration of the letter of credit, unless a conforming replacement letter of credit was secured prior to such expiration.

The related balances are included in assets whose use is limited and consist of the following:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Debt service funds	<b>\$ 12,382,000</b>	\$ 12,263,000
Construction fund and capitalized interest fund	<b>7,000</b>	7,000
	<b><u>\$ 12,389,000</u></b>	<b><u>\$ 12,270,000</u></b>

#### Bank Line of Credit and Real Estate Loan

AAMC maintains two lines of credit with a bank providing available credit of \$90,000,000. An agreement for \$50,000,000 with the bank is reviewed for renewal on February 28 of each year. Interest on any borrowings accrues at the one-month London Interbank Offered Rate (LIBOR) plus 0.75%. A second agreement for \$40,000,000 was completed on April 24, 2020, and is reviewed for renewal each year. Interest on any borrowing accrues at the one-month LIBOR plus 1.5%. At June 30, 2020 and 2019, AAMC had no balance on the lines of credit.

On October 23, 2008, the Real Estate Company secured a term loan in the amount of \$55,000,000 with a bank. The proceeds from the term loan were used to refinance line of credit proceeds and fund certain construction costs related to a medical office building. The loan bore interest at a variable rate, based on the LIBOR market index rate plus 1.25%. The term loan required monthly payments of \$235,000 with all remaining amounts due upon final maturity on November 5, 2018. The effective annual interest rate for the year ending June 30, 2019, was 2.25%. This loan was subsequently refinanced on October 17, 2018.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **6. Long-Term Debt and Line of Credit (continued)**

On October 23, 2008, the Real Estate Company entered into a construction loan in the amount of \$30,000,000 with a bank to fund the construction of a medical office building. The loan was issued under the same loan agreement as the term loan discussed in the preceding paragraph. The debt is secured by the medical office building. Interest only was due during the construction period at a rate equal to the LIBOR market index rate plus 1.25%. The loan converted to a term loan after the completion of the construction in July 2009. The term loan provided for monthly principal and interest payments and has a final maturity of November 5, 2018. The effective annual interest rate for the year ended June 30, 2019, was 4.65%. This loan was subsequently refinanced on October 17, 2018.

On October 17, 2018, the Real Estate Company secured a real estate loan from the bank through a wholly owned subsidiary and the proceeds were used to pay off the 2008 Term Loan and 2008 Construction Loan previously provided by the bank. The loans being refinanced were originally obtained to finance certain medical office buildings owned by the Real Estate Company. The new loan requires flat monthly principal payments (amortized over 17 years) plus interest at one month Libor + 1.10% from 2018 through 2028 with a balloon payment due October 5, 2028, of \$25,800,000. The effective interest rates for the years ended June 30, 2020 and 2019, were 2.65% and 4.65%.

#### **Kent Island Term Loan**

In August 2007, KIMA entered into a construction loan agreement with a bank in the amount of \$9,000,000 that would convert to a term loan after the completion of the construction. The proceeds were used to construct a medical office building. The debt was secured by the medical office building. Interest only was due during the construction period at a rate of the 30-day LIBOR plus 1.0%. The construction was completed in June 2008.

On May 9, 2017, KIMA refinanced the term loan with a \$6,567,000 promissory note. The promissory note provides for monthly principal and interest payments and has a final maturity of December 2021. The promissory note bears interest at a variable rate, based on the 30-day LIBOR plus 1.2%. The effective annual interest rates for the years ended June 30, 2020 and 2019, were 2.88% and 3.58%, respectively.

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**6. Long-Term Debt and Line of Credit (continued)**

For DCMC, long-term debt consists of the following:

	<b>Interest Rate</b>	<b>Maturity Dates</b>	<b>June 30, 2020</b>
<b>Maryland Health and Higher Education Facilities</b>			
Authority Revenue Bonds, Series 2017B Bond	2.18%	2024	\$ 24,165,000
Authority Revenue Bonds, Series 2016 Bond:			
Series 2016A – Tax-Exempt Private Placement 2007 Refunding	2.57%	2030	16,795,000
Series 2016A – Tax-Exempt Private Placement 2010 Partial Refunding	2.57%	2030	15,150,000
Authority Revenue Bonds, Series 2017A:			
Term bond	5.00%	2031	6,720,000
Term bond	5.00%	2032	7,055,000
Term bond	5.00%	2033	7,410,000
Term bond	5.00%	2034	7,780,000
Term bond	5.00%	2038	35,234,000
			<u>120,309,000</u>
Less current portion of long-term debt			4,979,000
Less deferred debt issue costs			1,340,000
Premium, net of accumulated amortization			8,776,000
Long-term debt			<u>\$ 122,766,000</u>

For DCMC, principal payments due under all debt instruments as of June 30, 2020, are as follows:

2021	\$ 4,979,000
2022	5,070,000
2023	5,195,000
2024	5,265,000
2025	5,965,000
Thereafter	93,835,000
	<u>\$ 120,309,000</u>



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **6. Long-Term Debt and Line of Credit (continued)**

On June 28, 2016, MHHEFA issued \$73,445,000 principal amount of Revenue Bonds, Series 2016A (\$31,945,000), and Series 2016B (\$41,500,000). The proceeds of this issue were used to retire the Series 2007A Bonds and Series 2010 Bonds (partial) previously provided by the Authority. In 2017, the Series 2016B taxable note was converted as planned to Series 2017B. On March 23, 2017, the Series 2016 were converted to Series 2017B bonds as planned when the 2016B bonds were issued in June 2016.

On February 8, 2017, MHHEFA issued \$64,165,000 principal amount of Revenue Bonds, Series 2017A. The proceeds of this issue were used to retire the remainder of the Series 2010 Bonds previously provided by the Authority.

The obligated group for MHHEFA bond issuances issued to Doctors Community Medical Center includes Doctors Community Hospital, CHP, Foundation, Sleep Center, Doctors Community Medical Group and Doctors Integrated Healthcare Network and Health Ventures excluding the MAUI, Magnolia Gardens, DI LLC, ACO, and STM. The Series 2017A, Series 2017B, and Series 2016 Bonds are secured by the revenue and accounts receivable of the obligated group, and certain other property secured by a deed of trust. The obligated group is required to maintain certain compliance ratios and covenants as defined under the bond documents.

#### **7. Retirement Plans**

##### **Anne Arundel Medical Center Plan**

AAMC has a qualified noncontributory, defined benefit pension plan (the Plan) that covers substantially all employees. AAMC's policy is to fund pension costs as determined by its actuary. Adopted by the Board of Trustees on June 11, 2009, and effective September 1, 2009, AAMC amended the Plan to freeze future benefit accruals, and participants have not earned any additional benefits under the Plan since that date. However, subsequent to September 1, 2009, participants have continued to vest in benefits they have earned through September 1, 2009. The frozen benefit balance for the participants will only accrue interest credits until the participants' benefit commencement dates. FASB ASC 715, *Compensation – Retirement Benefits*, requires AAMC to recognize the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its pension plan on its consolidated balance sheet, with a corresponding adjustment to unrestricted net assets. The pension liability adjustment to net assets without donor restrictions represents the change in net unrecognized actuarial losses that have not

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

yet been recognized as part of (deficit) excess of revenues over expenses. These amounts are subsequently recognized as a net periodic benefit cost pursuant to AAMC's historical accounting policy for amortizing such amounts.

The reconciliation of the beginning and ending balances of the projected benefit obligation and the fair value of plan assets for the years ended June 30 and the accumulated benefit obligation for the AAMC is as follows:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Accumulated benefit obligation	<b>\$ 138,148,000</b>	\$ 124,331,000
Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	<b>\$ 124,331,000</b>	\$ 124,571,000
Service cost	—	—
Interest cost	<b>4,047,000</b>	4,758,000
Actuarial loss	<b>16,039,000</b>	8,705,000
Benefits paid	<b>(2,446,000)</b>	(2,332,000)
Settlements paid	<b>(3,823,000)</b>	(11,371,000)
Projected benefit obligation at end of year	<b>138,148,000</b>	124,331,000
Change in plan assets:		
Fair value of plan assets at beginning of year	<b>118,255,000</b>	121,257,000
Actual return on plan assets	<b>(1,421,000)</b>	5,901,000
Employer contribution	<b>4,832,000</b>	4,800,000
Benefits paid	<b>(2,446,000)</b>	(2,332,000)
Settlements paid	<b>(3,823,000)</b>	(11,371,000)
Fair value of plan assets at end of year	<b>115,397,000</b>	118,255,000
Net liability recognized	<b>\$ (22,751,000)</b>	\$ (6,076,000)

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Net amounts recognized on the consolidated balance sheets consist of:		
Accrued pension costs	<u><b>\$ (22,751,000)</b></u>	<u><b>\$ (6,076,000)</b></u>
Amounts recognized in unrestricted net assets that have not been recognized in net periodic benefit costs consist of:		
Net actuarial loss	<u><b>\$ 95,271,000</b></u>	<u><b>\$ 71,988,000</b></u>

The following table sets forth the weighted average assumptions used to determine the benefit obligations of AAMC:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Discount rate	<b>2.45%</b>	3.35%
Rate of compensation increase	<b>N/A</b>	N/A

The following table sets forth the weighted average assumptions used to determine the net periodic benefit cost of AAMC:

	<b>Year Ended June 30</b>	
	<b>2020</b>	<b>2019</b>
Discount rate	<b>3.35%</b>	4.13%
Expected return on plan assets	<b>6.25%</b>	7.00%
Rate of compensation increase	<b>N/A</b>	N/A

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

AAMC's net periodic pension benefit cost included the following components:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Service cost	\$ —	\$ —
Interest cost	<b>4,047,000</b>	4,758,000
Expected return on plan assets	<b>(7,533,000)</b>	(8,403,000)
Amortization of prior service cost	—	—
Recognized net actuarial loss	<b>1,709,000</b>	1,484,000
Loss recognized from partial settlement of projected benefit obligation	—	6,938,000
Net periodic cost (credit)	<b>\$ (1,777,000)</b>	<b>\$ 4,777,000</b>

The estimated net loss of the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year for AAMC is \$1,777,000.

AAMC's defined benefit plan invests in a diversified mix of traditional asset classes. Investments in certain types of U.S. equity securities and fixed-income securities are made to maximize long-term results while recognizing the need for adequate liquidity to meet ongoing benefit and administrative obligations. Risk tolerance of unexpected investment and actuarial outcomes is continually evaluated by understanding the pension plan's liability characteristics. Equity investments are used primarily to increase the overall plan returns. Debt securities provide diversification benefits and liability hedging attributes that are desirable, especially in falling interest rate environments.

AAMC's target asset allocation percentages as of June 30, 2020, were as follows: 60% investment grade bonds, 16% international equity, 13% large cap domestic stocks, 4% small cap domestic stocks, and 7% alternative investments and exchange-traded notes.

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

The following tables present the fair value hierarchy of assets of the defined benefit pension plan of AAMC.

	<b>June 30, 2020</b>			
	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 669,000	\$ —	\$ 669,000	\$ —
Mutual funds:				
Equity	20,127,000	20,127,000	—	—
Corporate bonds	57,830,000	57,830,000	—	—
International equity	12,520,000	12,520,000	—	—
International bonds	8,715,000	8,715,000	—	—
Closed-end funds ETF	5,512,000	5,512,000	—	—
Alternative investments:				
Common/collective trust	2,398,000	2,398,000	—	—
Partnership	2,395,000	2,395,000	—	—
Other	5,231,000	—	—	5,231,000
	<b>\$ 115,397,000</b>	<b>\$ 109,497,000</b>	<b>\$ 669,000</b>	<b>\$ 5,231,000</b>

Luminis Health, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (continued)

**7. Retirement Plans (continued)**

	<b>June 30, 2019</b>			
	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 4,025,000	\$ —	\$ 4,025,000	\$ —
Mutual funds:				
Equity	20,237,000	20,237,000	—	—
Corporate bonds	57,573,000	57,573,000	—	—
International equity	11,922,000	11,922,000	—	—
International bonds	9,382,000	9,382,000	—	—
Alternative investments:				
Common/collective trust	3,813,000	—	3,813,000	—
Partnership	3,248,000	—	3,248,000	—
Other	8,055,000	—	8,055,000	—
	<u>\$ 118,255,000</u>	<u>\$ 99,114,000</u>	<u>\$ 19,141,000</u>	<u>\$ —</u>

Level 1 securities primarily consist of exchange-traded mutual funds. Level 2 securities primarily consist of money market funds. Methods consistent with those discussed in Note 5 are used to estimate the fair values of these securities. Level 3 securities consist of a fund focused on energy infrastructure and are considered Level 3 investments due to quoted price not being readily available. The underlying assets of the fund are publicly traded energy-related master limited partnerships and equity securities.

The overall expected rate of return on assets assumptions was based on historical returns, with adjustments made to reflect expectations of future returns. The extent to which the future expectations were recognized considered the target rates of returns for the future, which have historically not changed.

AAMC currently intends to make voluntary contributions to the defined benefit pension plan of \$4,800,000 in fiscal year 2021.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

The following benefit payments for AAMC are expected to be paid:

2021	\$ 7,855,000
2022	7,470,000
2023	7,391,000
2024	7,071,000
2025	7,586,000
2026–2030	38,880,000

In addition to the noncontributory defined benefit pension plan, AAMC also offers an employee defined contribution plan. Participation in the plan is voluntary. Substantially all full-time employees of AAMC are eligible to participate. Employees may elect to contribute a minimum of 1% of compensation, and a maximum amount as determined by Sections 403(b) and 415 of the Internal Revenue Code. Any employee making contributions to the plan is entitled to a AAMC contribution that will match the employee contribution at the rate of 50% to 75%, depending on the number of years of service, up to a maximum of 5% of qualified compensation. Matching contributions under this defined contribution plan were \$8,830,000 and \$8,000,000 in fiscal years 2020 and 2019, respectively.

#### Doctors Community Hospital Plan

DCMC froze the defined benefit pension plan that it sponsors (the Plan) in 2011, which covered substantially all employees. The decision to terminate the Plan has not been made by the board of directors. The benefits are based on years of service and employee compensation during years of employment. DCMC's funding policy is to make sufficient contributions to the Plan to comply with the minimum funding provisions of the Employee Retirement Income Security Act of 1974 (ERISA). DCMC expects to contribute \$1,232,000 to the Plan during 2020 to keep the funding levels at the ERISA requirements. The measurement date of the Plan is June 30.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

The reconciliation of the beginning and ending balances of the projected benefit obligation and the fair value of plan assets for the years ended June 30 and the accumulated benefit obligation at June 30, 2020 for DCMC is as follows:

Accumulated benefit obligation	<u>\$ 23,049,000</u>
Change in projected benefit obligation:	
Projected benefit obligation at beginning of year	\$ 21,661,000
Service cost	
Interest cost	636,000
Actuarial loss	1,883,000
Benefits paid	(112,000)
Settlements paid	<u>(1,019,000)</u>
Projected benefit obligation at end of year	<u>23,049,000</u>
Change in plan assets:	
Fair value of plan assets at beginning of year	16,660,000
Actual return on plan assets	294,000
Employer contribution	664,000
Benefits paid	(112,000)
Settlements paid	<u>(982,000)</u>
Fair value of plan assets at end of year	<u>16,524,000</u>
Net liability recognized	<u>\$ (6,525,000)</u>
Net amounts recognized on the consolidated balance sheets consist of:	
Accrued pension costs	<u>\$ (6,525,000)</u>
Amounts recognized in unrestricted net assets that have not been recognized in net periodic benefit costs consist of:	
Net actuarial loss	<u>\$ 9,634,000</u>



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

The following table sets forth the weighted average assumptions used to determine the benefit obligations of DCMC as of June 30, 2020:

Discount rate	2.05%
Rate of compensation increase	N/A

The following table sets forth the weighted average assumptions used to determine the net periodic benefit cost for the year ended June 30, 2020:

Discount rate	2.05%
Expected return on plan assets	6.00%
Rate of compensation increase	N/A

DCMC's net periodic pension benefit cost included the following components as of June 30, 2020:

Interest cost	\$ 636,000
Expected return on plan assets	(956,000)
Recognized net actuarial loss	570,000
Effect of settlement	<u>411,000</u>
Net periodic cost	<u>\$ 661,000</u>

The estimated net loss of the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year for DCMC is \$1,499,000.

DCMC's target asset allocation percentages as of June 30, 2020, were as follows: 62% investment grade bonds, 3% international equity, 16% large cap domestic stocks, and 19% small cap domestic stocks.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

The following table presents the fair value hierarchy of assets of the defined benefit pension plan of DCMC.

	June 30, 2020			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets</b>				
Mutual funds:				
Equity	\$ 15,571,000	\$ 15,571,000	\$ —	\$ —
Alternative investments:				
Common/collective trust	953,000	—	953,000	—
	\$ 16,524,000	\$ 15,571,000	\$ 953,000	\$ —

DCMC currently intends to make voluntary contributions to the defined benefit pension plan of \$1,232,000 in fiscal year 2021.

The following benefit payments for DCMC are expected to be paid:

2021	\$ 2,428,000
2022	1,292,000
2023	1,235,000
2024	1,257,000
2025	1,581,000
2026–2030	6,330,000

The combined pension liability of both entities is as follows:

AAMC	\$ 22,751,000
DCMC	6,525,000
Total	\$ 29,276,000

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 7. Retirement Plans (continued)

DCMC has a 403b defined contribution plan (the contribution plan) covering substantially all its employees. The contribution plan is employee and employer contributory. DCMC contributed a match of \$0.50 for every \$1.00 of elective deferrals for a plan year for eligible employees up to 4% of base compensation. Defined contribution plan expense amounted to \$1,266,000 for 2020.

DCMC has a deferred compensation plan that permits certain executives to defer receiving a portion of their compensation. The deferred amounts are included in other assets in the accompanying consolidated balance sheets. The associated liability of an equal amount is included in other liabilities in the accompanying consolidated balance sheets. The liability recorded regarding the deferred compensation was \$3,832,000 as of June 30, 2020.

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

#### 8. Concentrations of Credit Risk

Certain members of Luminis grant credit without collateral to their patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows for AAMC:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Medicare	<b>25%</b>	26%
Medicaid	<b>4</b>	5
Blue Cross	<b>19</b>	18
Commercial, HMO, PPO, and other	<b>43</b>	32
Patients	<b>9</b>	19
	<b>100%</b>	100%

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 8. Concentrations of Credit Risk (continued)

The mix of receivables from patients and third-party payors was as follows for the DCMC as of June 30, 2020:

Medicare	28%
Medicaid	21
Blue Cross	10
Commercial, HMO, PPO, and other	29
Patients	12
	<hr/>
	100%
	<hr/> <hr/>

#### 9. Malpractice Insurance Costs and Self-Insured Professional Liability

Until August 1, 1998, AAMC and certain subsidiaries maintained insurance coverage for general and professional liability claims on a claims-made basis. The professional liability coverage included a per-case deductible of \$250,000, up to a maximum out-of-pocket amount of \$750,000 annually. Effective August 1, 1998, the Group changed its professional liability coverage to a full coverage claims-made policy with no annual deductibles. This policy included tail coverage for claims incurred prior to August 1, 1998, but reported subsequently. Effective August 1, 2002, AAMC changed its professional liability coverage back to a claims-made policy with a per-case deductible of \$250,000, up to a maximum out-of-pocket amount of \$750,000 annually. Also, AAMC did not purchase tail coverage for claims incurred prior to August 1, 2002, which were not yet reported.

Effective March 1, 2004, AAMC changed its professional liability coverage to a self-insurance trust with annual exposure limits of \$2,000,000 per claim and \$11,000,000 in the aggregate. AAMC carried an excess liability insurance policy for claims above these limits.

Effective July 1, 2005, Cottage was formed as a captive insurer to provide professional liability insurance for AAMC. Cottage is a wholly owned subsidiary of AAMC, which was formed in the Cayman Islands. The primary layer of professional and general liability insurance coverage is self-insured through Cottage and the secondary layer is fully reinsured through several highly rated commercial carriers.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **9. Malpractice Insurance Costs and Self-Insured Professional Liability (continued)**

For the period from July 1, 2005 to June 30, 2009, Cottage issued claims-made policies covering AAMC professional liability (including employed physicians) and on an occurrence basis, comprehensive general liability risks of AAMC and certain affiliates. Policy limits were \$2,000,000 per claim with a \$9,000,000 policy aggregate. Effective July 1, 2005, Cottage assumed existing liabilities from AAMC's self-insured trust discussed above on a claims-made basis. Effective July 1, 2009, Cottage issued a claims-made policy providing \$2,000,000 per claim for AAMC professional liability coverage and \$1,000,000 per claim for comprehensive general liability coverage, subject to a consolidated annual aggregate limit of \$10,000,000. Effective July 1, 2018, policy limits were increased to \$5,000,000 per claim with a \$25,000,000 policy aggregate.

For the period from July 1, 2005 to June 30, 2008, Cottage also issued an excess umbrella coverage policy (covering AAMC professional liability) with limits of \$20,000,000 per claim with a policy aggregate. For claims reported on and subsequent to July 1, 2008, the coverage limit provided is \$30,000,000 per claim with a policy aggregate. These excess limits are in excess of the primary policy, and the umbrella policies are 100% reinsured with highly rated third-party commercial reinsurers.

The provision for estimated professional liability claims, general liability claims, and workers' compensation claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported. As of June 30, 2020, and 2019, the balance for outstanding claims reserves recorded at Cottage is \$32,444,000 and \$36,843,000 and reinsurance receivable is \$9,884,000 and \$17,286,000, respectively. The remaining tail liability for claims incurred but not reported is \$11,667,000 and \$10,607,000 as of June 30, 2020 and 2019, respectively, with \$10,163,000 of the 2020 liability and \$9,226,000 of the 2019 liability recorded at the AAMC. The remainder of the liability is recorded at PE. The Group has employed an independent actuary to estimate the ultimate settlement of such claims. In management's opinion, the amounts recorded provide an adequate reserve for loss contingencies. However, changes in circumstances affecting professional liability claims could cause these estimates to change by material amounts in the short term.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **9. Malpractice Insurance Costs and Self-Insured Professional Liability (continued)**

DCMC has coverage for professional and general liabilities on a claims-made basis from Freestate Healthcare Insurance Company, Ltd. (Freestate), a group captive formed by several Maryland hospitals. DCMC owns 20% interest in the captive and accounts for it using the cost method. The cost of \$15,000 is recorded in other noncurrent assets on the accompanying consolidated balance sheets as of June 30, 2020. Premiums are expensed as incurred and are established based on the DCMC historical experience supplemented as necessary with industry experience. The total premium is allocated to each of the shareholders based on their experience. Retrospective premium assessments and credits are calculated based on the aggregate experience of all named insureds under the policy. Each named insured's assessment of credit is based on the percentage of their actual exposure to the actual exposure of all named insureds. In management's opinion, the assets of Freestate are sufficient to meet its obligations as of June 30, 2020. If the financial condition of Freestate were to materially deteriorate in the future, and Freestate was unable to pay its claim obligations, the responsibility to pay those claims would return to the member hospitals. The captive is responsible for claims up to \$1,000,000 for each and every loss event. Additional coverage has been purchased by the captive for all claims in excess of \$1,000,000 to a limit of \$6,000,000 effective March 1, 2006, \$10,000,000 effective March 1, 2012, and \$15,000,000 effective March 1, 2019. The estimated unpaid loss liability reserved by the captive for DCMC was \$9,466,000 at June 30, 2020. These amounts are included in long-term liabilities and the related anticipated insurance recoveries were reported in noncurrent assets on the accompanying consolidated balance sheets. The liability for all claims incurred but not reported for DCMC was \$1,106,000 at June 30, 2020. The discount rate for unpaid losses is 3.5% for the year ended June 30, 2020. DCMC engages a consulting actuary to assist in the determination of all professional liability claims incurred but not reported.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 10. Commitments and Contingencies

##### Leases

The following table presents the components of the Luminis' right-of-use assets and liabilities related to ASC 842 leases and their classification in Luminis' consolidated balance sheets as of June 30, 2020:

<b>Component of Lease Balances</b>	<b>Classification in Consolidated Balance Sheet</b>	<b>June 30, 2020</b>
<b>Assets</b>		
Operating lease assets	Right of use asset long term	\$ 44,995,000
Total leased assets		<u>\$ 44,995,000</u>
<b>Liabilities</b>		
Operating lease liabilities:		
Current	Lease liability short term	\$ 8,753,000
Long term	Lease liability long term	<u>37,429,000</u>
Total operating lease liabilities		<u>\$ 46,182,000</u>

Luminis determines if an arrangement is a lease at inception of the contract. The right-of-use assets represent Luminis' right to use the underlying assets for the lease term and the lease liabilities represent Luminis' obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. Luminis uses a risk-free discount rate that is determined using Treasury securities of a comparable term to that of its leases when acting as a lessee.

Luminis' operating leases are primarily for real estate and equipment. Real estate leases include leases of medical facilities and office spaces. Equipment leases mainly include lease of copiers and medical equipment. Luminis' real estate lease agreements typically have initial terms of 3 to 20 years, and equipment lease agreements typically have initial terms of 3 to 5 years.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### **10. Commitments and Contingencies (continued)**

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

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

Luminis elected the accounting policy practical expedients by class of underlying asset to: (i) exclude recording leases with an initial term of 12 months or less (short-term leases) as right-of-use assets and liabilities on the consolidated balance sheets; and (ii) combine associated lease and non-lease components into a single lease component. Non-lease components, which are not significant overall, are combined with lease components. Luminis' has elected these practical expedients for real estate, equipment, and all other asset classes when acting as a lessee.

Luminis' also elected the practical expedient package not to reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial indirect costs for existing leases.



## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 10. Commitments and Contingencies (continued)

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

Operating lease expense	\$ 11,826,000
Finance lease expense:	
Amortization of leased assets	27,000
Interest on lease liabilities	2,000
Total finance lease expense	11,855,000
Variable lease expense	60,000
Short-term lease expense	5,000
Total lease expense	\$ 11,920,000

Total rent expense under operating leases was \$9,875,000 for the year ended June 30, 2019, and is included in purchased services on the accompanying consolidated statement of operations and changes in net assets.

The weighted average lease terms and discount rates for operating and finance leases are as follows as of June 30, 2020:

Weighted average remaining lease term (years):	
Operating leases	8.1
Finance leases	2.2
Weighted average discount rate:	
Operating leases	3.2%
Finance leases	1.8%

Cash flow and other information related to leases are included in the following table for the year ended June 30, 2020:

Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash outflows from operating leases	\$ 21,756,000
Operating cash outflows from finance leases	1,000
Financing cash outflows from finance leases	26,000
Right-of-use assets obtained in exchange for lease obligations:	
Operating leases	8,507,000
Finance leases	27,000

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 10. Commitments and Contingencies (continued)

The following table summarizes the maturity lease obligations as of June 30, 2020:

	<b>Operating Leases</b>	<b>Finance Leases</b>	<b>Total</b>
2021	\$ 8,922,000	\$ 63,000	\$ 8,985,000
2022	7,706,000	28,000	7,734,000
2023	5,817,000	5,000	5,822,000
2024	4,544,000	–	4,544,000
2025	2,830,000	–	2,830,000
Thereafter	16,999,000	–	16,999,000
Total lease payments	46,818,000	96,000	46,914,000
Less: Imputed interest	729,000	3,000	732,000
Total lease liabilities	<u>\$ 46,089,000</u>	<u>\$ 93,000</u>	<u>\$ 46,182,000</u>

#### Contingencies

Members of Luminis have been named as defendants in various legal proceedings arising from the performance of their normal activities. In the opinion of management, after consultation with legal counsel and after consideration of applicable insurance, the amount of the Luminis' ultimate liability under all current legal proceedings will not have a material adverse effect on its consolidated financial position or results of operations.

Luminis' revenues may be subject to adjustment as a result of examination by government agencies or contractors, based upon differing interpretations of government regulations, medical diagnoses, charge coding, medical necessity, or other contract terms. The resolution of these matters, if any, often is not finalized until subsequent to the period during which the services were rendered. Section 302 of the Tax Relief and Health Care Act of 2006 authorized a permanent program involving the use of third-party recovery audit contractors (RACs) to identify Medicare overpayments and underpayments made to providers. Management has established protocols to respond to RAC requests and payment denials. Payment recoveries resulting from RAC reviews are appealable through administrative and judicial processes, and management intends to pursue the reversal of adverse determinations where appropriate. In addition to overpayments that are not reversed on appeal, management will incur additional costs to respond to requests for records and pursue the reversal of payment denials. As of June 30, 2020 and 2019, Luminis has recorded an

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 10. Commitments and Contingencies (continued)

estimated reserve regarding the Medicare overpayments. In the opinion of the Luminis' management, the ultimate settlement of this matter will not have a material adverse effect on the consolidated financial position of Luminis.

During the year ended June 30, 2018, the System recorded a \$3,500,000 accrual related to an inquiry by the Department of Justice regarding a potential billing discrepancy. A final settlement was signed in June 2019 and the payment amount approximated the amount accrued at June 30, 2018. A corporate integrity agreement (CIA) was also signed in June 2019 with the Office of Inspector General of the Department of Health and Human Services. The CIA will be in place for five years and will require periodic reporting of various matters by an independent review organization and the System.

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

#### 11. Functional Expenses

Members of Luminis provide general health care services to residents within their service area. Expenses related to providing these services are as follows:

	<b>Health Care Services</b>	<b>General and Administrative</b>	<b>Total</b>
<b>Year ended June 30, 2020</b>			
Salaries and wages	\$ 401,827,000	\$ 78,053,000	\$ 479,880,000
Employee benefits	63,580,000	12,350,000	75,930,000
Supplies	189,335,000	8,152,000	197,487,000
Purchases services	113,213,000	113,162,000	226,375,000
Depreciation and amortization	22,742,000	23,252,000	45,994,000
Interest	16,151,000	—	16,151,000
Total operating expenses	<u>\$ 806,848,000</u>	<u>\$ 234,969,000</u>	<u>\$ 1,041,817,000</u>

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 11. Functional Expenses (continued)

	<b>Health Care Services</b>	<b>General and Administrative</b>	<b>Total</b>
<b>Year ended June 30, 2019</b>			
Salaries and wages	\$ 293,400,000	\$ 56,260,000	\$ 349,660,000
Employee benefits	45,157,000	11,199,000	56,356,000
Supplies	158,348,000	1,141,000	159,489,000
Purchases services	70,001,000	67,556,000	137,557,000
Depreciation and amortization	26,647,000	10,186,000	36,833,000
Interest	13,118,000	–	13,118,000
Transaction costs	–	3,279,000	3,279,000
Total operating expenses	<u>\$ 606,671,000</u>	<u>\$ 149,621,000</u>	<u>\$ 756,292,000</u>

#### 12. Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, patient receivables, prepaid expenses and other current assets, accounts payable, accrued salaries, wages and benefits, other accrued expenses, and advances from third-party payors approximate fair value, given the short-term nature of these financial instruments or their methods of valuation. The following methods and assumptions were used by Luminis in estimating the fair value of other financial instruments.

##### Investments and Assets Whose Use is Limited

Fair values are based on quoted market prices, if available, or estimated using quoted market prices for similar securities.

##### Pledges Receivable

Luminis estimates that the carrying value of pledges receivable approximates fair value, given the discount rates applied.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 13. Net Assets

Net assets with donor restrictions are restricted for use, as follows:

	<b>June 30</b>	
	<b>2020</b>	<b>2019</b>
Hospital capital additions	<b>\$ 7,248,000</b>	\$ 6,382,000
Hospital operating programs	<b>16,613,000</b>	16,207,000
	<b>\$ 23,861,000</b>	\$ 22,589,000

#### 14. Liquidity and Availability

Financial assets available for general expenditure within one year of the balance sheet date comprise the following as of June 30, 2020:

##### Assets

Current assets:

Cash and cash equivalent	\$ 178,795,000
Short-term investments	1,365,000
Current portion of assets whose use is limited	15,912,000
Patient receivables, net	118,882,000
Current portion of pledges receivable, net	945,000
Prepaid expenses and other current assets	19,857,000
Investments*	338,985,000
Total financial assets	\$ 674,741,000

\*While these investments are long-term in nature, they are available for general expenditures within one year of the balance sheet date if necessary.

AAMC's bond covenant requires AAMC to maintain unrestricted cash and marketable securities on hand to meet 90 days of normal operating expenses. The AAMC obligated group was compliant with all financial covenants as of June 30, 2020 and 2019.

DCMC's bond covenant requires DCMC to maintain unrestricted cash and marketable securities on hand to meet 60 days of normal operating expenses. The DCMC obligated group was compliant with all financial covenants as of June 30, 2020.

## Luminis Health, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements (continued)

#### 15. Subsequent Events

Luminis has evaluated the impact of subsequent events through October 23, 2020, representing the date at which the accompanying consolidated financial statements were issued.

On July 20, 2020, Luminis received \$20,019,000 in provider relief funds authorized in the CARES Act from HHS. Luminis expects that these relief funds will be forgivable, but uncertainty exists as to the final outcome of the terms and conditions associated with the relief funds. Management will continue to monitor compliance with the terms and conditions of the Relief Fund and the impact of the pandemic on the System's revenues and expenses. If unable to attest to or comply with current or future terms and conditions, the System's ability to retain some or all of the distributions received may be impacted. Furthermore, the HSCRC is proposing to reduce Luminis' ability to recoup undercharges from its GBR reimbursement program in future years by an amount derived from these provider relief funds. The final outcome of the HSCRC's decisions on treatment of the undercharge resulting from the Global Budget Reimbursement Revenue program and application of CARES Act funding to GBR limits is still being evaluated.

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

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

Except for those events mentioned above, no events have occurred that require disclosure in or adjustments to the accompanying consolidated financial statements.

# Supplementary Information

Luminis Health, Inc. and Subsidiaries

Supplementary Consolidating Balance Sheet

June 30, 2020

	Luminis Health, Inc.	Anne Arundel Medical Center, Inc. and Subsidiaries	Anne Arundel Health Care Services, Inc.	Anne Arundel Health Care Enterprises, Inc.	Anne Arundel Real Estate Holding Company, Inc. and Subsidiaries	AAHS Research Institute, Inc.	Physician Enterprise, LLC	Anne Arundel Medical Center Collaborative Care Network LLC	Anne Arundel Medical Center Foundation, Inc.	Doctors Community Medical Center and Subsidiaries	Eliminating Entries	Consolidated
<b>Assets</b>												
Current assets:												
Cash and cash equivalents	\$ (7,700,000)	\$ 80,540,000	\$ 423,000	\$ (19,000)	\$ 1,191,000	\$ 7,000	\$ 716,000	\$ 2,000	\$ 4,414,000	\$ 99,221,000	\$ -	\$ 178,795,000
Short-term investments	-	912,000	-	-	-	-	-	-	453,000	-	-	1,365,000
Current portion of assets whose use is limited	-	15,912,000	-	-	-	-	-	-	-	-	-	15,912,000
Patient receivables, net	-	69,769,000	2,448,000	-	-	677,000	10,519,000	-	-	35,469,000	-	118,882,000
Current portion of pledges receivable, net	-	-	-	-	-	-	-	-	945,000	-	-	945,000
Inventories	-	15,677,000	-	-	-	-	525,000	-	-	5,587,000	-	21,789,000
Prepaid expenses and other current assets	11,000	8,033,000	93,022,000	4,900,000	23,468,000	775,000	2,104,000	5,030,000	33,678,000	5,380,000	(156,544,000)	19,857,000
Total current assets	(7,689,000)	190,843,000	95,893,000	4,881,000	24,659,000	1,459,000	13,864,000	5,032,000	39,490,000	145,657,000	(156,544,000)	357,545,000
Property and equipment	123,000	772,018,000	28,349,000	3,732,000	138,279,000	77,000	27,376,000	-	2,013,000	124,878,000	-	1,096,845,000
Less accumulated depreciation and amortization	-	(418,394,000)	(26,372,000)	(1,905,000)	(66,552,000)	(77,000)	(14,741,000)	-	(146,000)	(10,166,000)	-	(538,353,000)
Net property and equipment	123,000	353,624,000	1,977,000	1,827,000	71,727,000	-	12,635,000	-	1,867,000	114,712,000	-	558,492,000
Other assets:												
Investments	-	317,410,000	-	-	-	-	-	-	1,552,000	20,023,000	-	338,985,000
Investments in joint ventures	-	-	-	254,000	7,575,000	-	-	-	-	6,195,000	-	14,024,000
Pledges receivable, net	-	-	-	-	-	-	-	-	3,192,000	-	-	3,192,000
Assets whose use is limited	-	25,538,000	-	-	-	-	-	-	15,482,000	-	-	41,020,000
Beneficial interest in net assets of AAMC Foundation, Inc.	-	23,450,000	-	-	-	-	-	-	-	-	(23,450,000)	-
Restricted collateral for interest rate swap contract	-	110,002,000	-	-	-	-	18,597,000	-	-	4,544,000	-	110,002,000
Right of use asset	-	8,539,000	882,000	785,000	11,648,000	-	1,597,000	-	-	-	-	44,995,000
Other assets	576,829,000	22,581,000	-	-	1,338,000	-	1,392,000	-	387,000	29,322,000	(578,236,000)	55,613,000
Total assets	\$ 569,263,000	\$ 1,051,987,000	\$ 98,752,000	\$ 7,747,000	\$ 116,947,000	\$ 1,459,000	\$ 46,488,000	\$ 5,032,000	\$ 61,970,000	\$ 320,453,000	\$ (758,230,000)	\$ 1,521,868,000



Luminis Health, Inc. and Subsidiaries

Supplementary Consolidating Balance Sheet (continued)

June 30, 2020

	Anne Arundel Medical Center, Inc. and Subsidiaries	Anne Arundel Health Care Services, Inc.	Anne Arundel Health Care Enterprises, Inc.	Anne Arundel Real Estate Holding Company, Inc. and Subsidiaries	AAHS Research Institute, Inc.	Physician Enterprise, LLC	Anne Arundel Medical Collaborative Care Network LLC	Anne Arundel Medical Center Foundation, Inc.	Doctors Community Medical Center and Subsidiaries	Eliminating Entries	Consolidated
\$	69,678,000	899,000	1,536,000	316,000	1,224,000	8,283,000	214,000	6,659,000	10,274,000	(121,961,000)	\$ 40,441,000
	12,901,000	312,000	1,056,000	—	149,000	5,177,000	—	77,000	14,654,000	—	53,438,000
	1,369,000	—	4,000	3,599,000	—	1,740,000	—	31,784,000	13,953,000	(35,970,000)	32,413,000
	—	—	—	4,033,000	—	—	—	—	4,979,000	—	16,440,000
	—	—	—	661,000	—	7,977,000	—	—	51,905,000	—	182,697,000
	—	124,000	450,000	1,283,000	—	2,850,000	—	—	1,184,000	—	8,753,000
	83,948,000	1,335,000	3,046,000	9,892,000	1,373,000	26,027,000	1,889,000	38,520,000	96,949,000	(157,931,000)	334,182,000
	—	—	—	57,288,000	—	—	—	—	122,766,000	—	470,308,000
	—	—	—	—	—	—	—	—	—	—	117,037,000
	—	—	—	—	—	—	—	—	6,525,000	—	29,276,000
	—	767,000	335,000	10,511,000	—	15,982,000	—	—	4,075,000	—	37,429,000
	—	—	—	—	—	167,000	—	—	14,421,000	—	47,032,000
	83,948,000	2,102,000	3,381,000	77,691,000	1,373,000	42,176,000	1,889,000	38,520,000	244,736,000	(157,931,000)	1,035,264,000
	462,606,000	96,650,000	4,366,000	39,256,000	86,000	4,312,000	3,143,000	(608,000)	73,058,000	(553,987,000)	460,552,000
	22,709,000	—	—	—	—	—	—	24,058,000	468,000	(46,312,000)	23,861,000
	485,315,000	96,650,000	4,366,000	39,256,000	86,000	4,312,000	3,143,000	23,450,000	75,717,000	(600,299,000)	2,191,000
	\$ 569,263,000	\$ 98,752,000	\$ 7,747,000	\$ 116,947,000	\$ 1,459,000	\$ 46,488,000	\$ 5,032,000	\$ 61,970,000	\$ 320,453,000	\$ (758,230,000)	\$ 1,521,868,000

Liabilities and net assets

Current liabilities:

Accounts payable	
Accrued salaries, wages, and benefits	
Other accrued expenses	
Current portion of long-term debt	
Advances from third-party payors	
Current portion of lease liability	
Total current liabilities	

Long-term debt, less current portion and unamortized

original issue premium	
Interest rate swap contract	
Accrued pension liability	
Lease liability, less current portion	
Other long-term liabilities	
Total liabilities	

Net assets:

Without donor restrictions	
With donor restrictions	
Non-controlling interest	
Total net assets	
Total liabilities and net assets	

Luminis Health, Inc. and Subsidiaries

Supplementary Consolidating Statement of Operations

Year Ended June 30, 2020

	Anne Arundel Medical Center, Inc. and Subsidiaries	Anne Arundel Health Care Enterprises, Inc.	Anne Arundel Health Care Services, Inc.	Anne Arundel Health Care Enterprises, Inc.	Anne Arundel Real Estate Holding Company, Inc. and Subsidiaries	AAHS Research Institute, Inc.	Physician Enterprise, LLC	Anne Arundel Medical Collaborative Care Network, LLC	Anne Arundel Medical Center Foundation, Inc.	Doctors Community Medical Center and Subsidiaries	Eliminating Entries	Consolidated
Operating revenue:												
Net patient service revenue	\$ 564,209,000	\$ 28,206,000	\$ 28,206,000	\$ 20,323,000	\$ 22,447,000	\$ 1,893,000	\$ 137,567,000	\$ 1,483,000	\$ 4,993,000	\$ 239,123,000	\$ (71,597,000)	\$ 969,105,000
Other operating revenue	33,627,000	630,000	630,000	20,323,000	22,447,000	1,893,000	41,378,000	1,483,000	4,993,000	21,884,000	(71,597,000)	78,393,000
Total operating revenue	1,332,000	597,836,000	28,836,000	20,323,000	22,447,000	1,893,000	178,945,000	1,483,000	4,993,000	261,007,000	(71,597,000)	1,047,498,000
Operating expenses:												
Salaries and wages	231,182,000	6,146,000	6,146,000	11,897,000	—	1,701,000	118,815,000	(92,000)	1,402,000	108,829,000	—	479,880,000
Employee benefits	42,106,000	1,120,000	1,120,000	2,087,000	—	349,000	12,993,000	37,000	232,000	17,006,000	—	75,930,000
Supplies	140,029,000	1,102,000	1,102,000	92,000	153,000	7,000	20,977,000	3,000	36,000	35,088,000	—	197,487,000
Purchased services	136,454,000	13,508,000	13,508,000	7,448,000	9,768,000	932,000	44,846,000	2,009,000	892,000	80,684,000	(71,295,000)	226,375,000
Foundation transfer to AAMC and subsidiaries	(3,515,000)	—	—	—	—	—	—	—	3,749,000	—	(234,000)	—
Depreciation and amortization	28,919,000	852,000	852,000	20,000	3,751,000	2,000	2,009,000	—	28,000	10,413,000	(68,000)	45,994,000
Interest	10,136,000	—	—	—	1,763,000	—	2,000	—	—	4,318,000	(68,000)	16,151,000
Total operating expenses	585,311,000	22,728,000	22,728,000	21,544,000	15,435,000	2,991,000	199,642,000	1,957,000	6,339,000	256,338,000	(71,597,000)	1,041,817,000
Operating income (loss)	203,000	12,525,000	6,108,000	(1,221,000)	7,012,000	(1,098,000)	(20,697,000)	(474,000)	(1,346,000)	4,669,000	—	5,681,000
Other (loss) income:												
Investment (loss) income, net	(12,993,000)	—	—	—	5,000	—	—	—	2,827,000	461,000	—	(9,700,000)
Loss from joint ventures and other, net	(74,000)	—	—	(1,166,000)	314,000	—	—	—	—	253,000	61,175,000	(673,000)
Inherent contribution	—	—	—	—	—	—	—	—	—	—	—	61,715,000
Pension credit (expense), net	1,777,000	—	—	—	—	—	—	—	—	(661,000)	—	1,116,000
Change in unrealized (losses) gains on trading securities, net	(11,597,000)	—	—	—	185,000	—	—	—	(3,477,000)	(262,000)	—	(15,151,000)
Realized and unrealized losses on interest rate swap contracts, net	(43,149,000)	—	—	—	—	—	—	—	—	—	—	(43,149,000)
Total other income (loss), net	(66,036,000)	—	—	(1,166,000)	504,000	—	—	—	(650,000)	(209,000)	61,175,000	(5,842,000)
(Deficit) excess of revenue over expenses	743,000	(53,511,000)	6,108,000	(2,387,000)	7,516,000	(1,098,000)	(20,697,000)	(474,000)	(1,996,000)	4,460,000	—	(161,000)

# Anne Arundel Medical Center, Inc. and Subsidiaries

## Supplementary Consolidating Balance Sheet

June 30, 2020

	Anne Arundel Medical Center, Inc.	Anne Arundel General Treatment Services, Inc.	Anne Arundel Mental Health Hospital, Inc.	Cottage Insurance Company Ltd.	Consolidating and Eliminating Entries	Consolidated
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 80,459,000	\$ 19,000	\$ 62,000	\$ -	\$ -	\$ 80,540,000
Short-term investments	912,000	-	-	-	-	912,000
Current portion of assets whose use is limited	12,382,000	-	-	3,530,000	-	15,912,000
Patient receivables, net	68,164,000	210,000	1,395,000	-	-	69,769,000
Inventories	15,677,000	-	-	-	-	15,677,000
Due from affiliates, net	500,000	1,363,000	-	-	(1,514,000)	349,000
Prepaid expenses and other current assets	7,653,000	2,000	-	29,000	-	7,684,000
Total current assets	185,747,000	1,594,000	1,457,000	3,559,000	(1,514,000)	190,843,000
Property and equipment	735,814,000	9,057,000	27,147,000	-	-	772,018,000
Less accumulated depreciation and amortization	(413,435,000)	(4,744,000)	(215,000)	-	-	(418,394,000)
Net property and equipment	322,379,000	4,313,000	26,932,000	-	-	353,624,000
Other assets:						
Investments	317,410,000	-	-	-	-	317,410,000
Investments in joint ventures	-	-	-	-	-	-
Assets whose use is limited	7,000	-	-	25,531,000	-	25,538,000
Beneficial interest in net assets of Anne Arundel Medical Center Foundation, Inc.	23,450,000	-	-	-	-	23,450,000
Notes receivable from affiliate	1,559,000	-	-	-	-	1,559,000
Restricted collateral for interest rate swap contract	110,002,000	-	-	-	-	110,002,000
Right of use asset	8,539,000	-	-	-	-	8,539,000
Other assets	23,327,000	-	-	9,884,000	(12,189,000)	21,022,000
Total assets	\$ 992,420,000	\$ 5,907,000	\$ 28,389,000	\$ 38,974,000	\$ (13,703,000)	\$ 1,051,987,000

# Anne Arundel Medical Center, Inc. and Subsidiaries

## Supplementary Consolidating Balance Sheet (continued)

June 30, 2020

		Anne Arundel General Treatment Services, Inc.	Anne Arundel Mental Health Hospital, Inc.	Cottage Insurance Company Ltd.	Consolidating and Eliminating Entries	Consolidated
<b>Liabilities and net assets</b>						
Current liabilities:						
Accounts payable	\$	24,000	50,000	56,000	-	\$ 24,349,000
Accrued salaries, wages, and benefits		167,000	114,000	-	-	19,112,000
Other accrued expenses		1,000	-	-	-	15,934,000
Current portion of long-term debt		-	-	-	-	7,428,000
Intercompany payables		-	28,225,000	-	(1,535,000)	38,970,000
Advances from third-party payors		-	-	-	-	120,479,000
Current portion of lease liability		-	-	-	-	2,862,000
Total current liabilities		192,000	28,389,000	56,000	(1,535,000)	229,134,000
Long-term debt, less current portion and unamortized original issue premium		-	-	-	-	290,254,000
Interest rate swap contract		-	-	-	-	117,037,000
Accrued pension liability		-	-	-	-	22,751,000
Lease liability, less current portion		-	-	-	-	5,759,000
Other long-term liabilities		-	-	32,444,000	-	32,444,000
Total liabilities		192,000	28,389,000	32,500,000	(1,535,000)	697,379,000
Net assets:						
Without donor restrictions		5,715,000	-	6,474,000	(12,168,000)	331,670,000
With donor restrictions		-	-	-	-	22,938,000
Total net assets		5,715,000	-	6,474,000	(12,168,000)	354,608,000
Total liabilities and net assets		\$ 5,907,000	\$ 28,389,000	\$ 38,974,000	\$ (13,703,000)	\$ 1,051,987,000

# Anne Arundel Medical Center, Inc. and Subsidiaries

## Supplementary Consolidating Statement of Operations

Year Ended June 30, 2020

	Anne Arundel Medical Center, Inc.	Anne Arundel General Treatment Services, Inc.	Anne Arundel Mental Health Hospital, Inc.	Cottage Insurance Company Ltd.	Consolidating and Eliminating Entries	Consolidated
Operating revenue:						
Net patient service revenue	\$ 557,943,000	\$ 4,810,000	\$ 1,456,000	\$ -	\$ -	\$ 564,209,000
Other operating revenue	36,221,000	489,000	839,000	8,121,000	(12,043,000)	33,627,000
Total operating revenue	594,164,000	5,299,000	2,295,000	8,121,000	(12,043,000)	597,836,000
Operating expenses:						
Salaries and wages	225,875,000	4,054,000	1,253,000	-	-	231,182,000
Employee benefits	41,222,000	583,000	301,000	-	-	42,106,000
Supplies	139,555,000	616,000	92,000	-	(234,000)	140,029,000
Purchased services	133,365,000	921,000	693,000	9,771,000	(8,296,000)	136,454,000
Foundation transfer to Anne Arundel Medical Center Foundation, Inc. and subsidiaries	-	-	-	-	(3,515,000)	(3,515,000)
Depreciation and amortization	28,378,000	329,000	212,000	-	-	28,919,000
Interest	10,136,000	-	-	-	-	10,136,000
Total operating expenses	578,531,000	6,503,000	2,551,000	9,771,000	(12,045,000)	585,311,000
Operating income (loss)	15,633,000	(1,204,000)	(256,000)	(1,650,000)	2,000	12,525,000
Other (loss) income:						
Investment loss, net	(12,645,000)	-	-	(348,000)	-	(12,993,000)
(Loss) income from joint venture and other, net	(3,657,000)	-	-	-	3,583,000	(74,000)
Pension credit	1,777,000	-	-	-	-	1,777,000
Change in unrealized losses on trading securities, net	(11,470,000)	-	-	(127,000)	-	(11,597,000)
Realized and unrealized losses on interest rate swap contracts, net	(43,149,000)	-	-	-	-	(43,149,000)
Total other (loss) income, net	(69,144,000)	-	-	(475,000)	3,583,000	(66,036,000)
(Deficit) excess of revenue over expenses	\$ (53,511,000)	\$ (1,204,000)	\$ (256,000)	\$ (2,125,000)	\$ 3,585,000	\$ (53,511,000)

## Luminis Health, Inc. and Subsidiaries

### Supplementary Description of Consolidating and Eliminating Entries

June 30, 2020

1. To eliminate intercompany payables and receivables
2. To eliminate investments in subsidiaries and related net asset accounts
3. To eliminate intercompany income and expense generated from management fees, staffing contracts, captive insurance premiums, and operating leases
4. To eliminate intercompany notes
5. To eliminate income of wholly owned subsidiaries
6. To eliminate intercompany revenue and expense for interest and other miscellaneous transactions
7. To eliminate the AAMC's beneficial interest in the Foundation

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Form **4720**

# Return of Certain Excise Taxes Under Chapters 41 and 42 of the Internal Revenue Code

OMB No. 1545-0052

Department of the Treasury  
Internal Revenue Service

(Sections 170(f)(10), 664(c)(2), 4911, 4912, 4941, 4942, 4943, 4944, 4945, 4955, 4958, 4959, 4960, 4965, 4966, 4967, and 4968)

# 2019

▶ Go to [www.irs.gov/Form4720](http://www.irs.gov/Form4720) for instructions and the latest information.

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

Name of organization or entity <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
Number, street, and room or suite no. (or P.O. box if mail is not delivered to street address) <b>2000 MEDICAL PARKWAY, NO. 606</b>	Check box for type of annual return: <input checked="" type="checkbox"/> Form 990 <input type="checkbox"/> Form 990-EZ <input type="checkbox"/> Form 990-PF <input type="checkbox"/> Other <input type="checkbox"/> Form 5227
City or town, state or province, country, and ZIP or foreign postal code <b>ANNAPOLIS, MD 21401</b>	

<b>A</b> Is the organization a foreign private foundation within the meaning of section 4948(b)? .....	<b>Yes</b>	<b>No</b>
<b>B</b> Has corrective action been taken on any taxable event that resulted in Ch. 42 taxes being reported on this form? (Enter "N/A" if not applicable) _____		<b>X</b>
If "Yes," attach a detailed description and documentation of the corrective action taken and, if applicable, enter the fair market value of any property recovered as a result of the correction ▶ \$ _____ . If "No," (that is, any uncorrected acts or transactions), attach an explanation (see instructions).		<b>N/A</b>

## Part I Taxes on Organization (Sections 170(f)(10), 664(c)(2), 4911(a), 4912(a), 4942(a), 4943(a), 4944(a)(1), 4945(a)(1), 4955(a)(1), 4959, 4960(a), 4965(a)(1), 4966(a)(1), and 4968(a))

1	Tax on undistributed income - Schedule B, line 4 .....	1	
2	Tax on excess business holdings - Schedule C, line 7 .....	2	
3	Tax on investments that jeopardize charitable purpose - Schedule D, Part I, column (e) .....	3	
4	Tax on taxable expenditures - Schedule E, Part I, column (g) .....	4	
5	Tax on political expenditures - Schedule F, Part I, column (e) .....	5	
6	Tax on excess lobbying expenditures - Schedule G, line 4 .....	6	
7	Tax on disqualifying lobbying expenditures - Schedule H, Part I, column (e) .....	7	
8	Tax on premiums paid on personal benefit contracts .....	8	
9	Tax on being a party to prohibited tax shelter transactions - Schedule J, Part I, column (h) .....	9	
10	Tax on taxable distributions - Schedule K, Part I, column (f) .....	10	
11	Tax on a charitable remainder trust's unrelated business taxable income. Attach statement .....	11	
12	Tax on failure to meet the requirements of section 501(r)(3) - Schedule M, Part II, line 2 .....	12	
13	Tax on excess executive compensation - Schedule N .....	13	<b>224,062.</b>
14	Tax on net investment income of private colleges and universities - Schedule O .....	14	
15	<b>Total</b> (add lines 1 - 14) .....	15	<b>224,062.</b>

## Part II-A Taxes on Managers, Self-Dealers, Disqualified Persons, Donors, Donor Advisors, and Related Persons (Sections 4912(b), 4941(a), 4944(a)(2), 4945(a)(2), 4955(a)(2), 4958(a), 4965(a)(2), 4966(a)(2), and 4967(a))

(a) Name and address of person subject to tax. City or town, state or province, country, ZIP or foreign postal code				(b) Taxpayer identification number		
a						
b						
c						
	(c) Tax on self-dealing - Schedule A, Part II, col. (d), and Part III, col. (d)	(d) Tax on investments that jeopardize charitable purpose - Schedule D, Part II, col. (d)	(e) Tax on taxable expenditures - Schedule E, Part II, col. (d)	(f) Tax on political expenditures - Schedule F, Part II, col. (d)		
a						
b						
c						
Total						
	(g) Tax on disqualifying lobbying expenditures - Sch H, Part II, col. (d)	(h) Tax on excess benefit transactions - Schedule I, Part II, col. (d), and Part III, col. (d)	(i) Tax on being a party to prohibited tax shelter transactions - Schedule J, Part II, col. (d)	(j) Tax on taxable distributions - Schedule K, Part II, col. (d)		
a						
b						
c						
Total						
	(k) Tax on prohibited benefits - Sch L, Part II, col. (d), and Part III, col. (d)				(l) Total - Add cols. (c) through (k)	
a						
b						
c						
Total						



LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.

Form 4720 (2019)

52-1169362 Page 2

<b>Part II-B Summary of Taxes</b> (See <b>Tax Payments</b> in the instructions.)	
1	Enter the taxes listed in Part II-A, column (I), that apply to managers, self-dealers, disqualified persons, donors, donor advisors, and related persons who sign this form. If all sign, enter the total amount from Part II-A, column (I) .....
2	<b>Total tax.</b> Add Part I, line 15, and Part II-B, line 1 .....
3	Total payments including amount paid with Form 8868 (see instructions) .....
4	<b>Tax due.</b> If line 2 is larger than line 3, enter amount owed (see instructions) .....
5	<b>Overpayment.</b> If line 2 is smaller than line 3, enter the difference. This is your refund .....

**SCHEDULE A - Initial Taxes on Self-Dealing** (Section 4941)

<b>Part I Acts of Self-Dealing and Tax Computation</b>		
(a) Act number	(b) Date of act	(c) Description of act
1		
2		
3		
4		
5		

(d) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the act	(e) Amount involved in act	(f) Initial tax on self-dealer (10% of col. (e))	(g) Tax on foundation managers (if applicable) (lesser of \$20,000 or 5% of col. (e))

<b>Part II Summary of Tax Liability of Self-Dealers and Proration of Payments</b>			
(a) Names of self-dealers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Self-dealer's total tax liability (add amounts in col. (c)) (see instructions)

<b>Part III Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Act no. from Part I, col. (a)	(c) Tax from Part I, col. (g), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE B - Initial Tax on Undistributed Income** (Section 4942)

1	Undistributed income for years before 2018 (from Form 990-PF for 2019, Part XIII, line 6d) .....	1
2	Undistributed income for 2018 (from Form 990-PF for 2019, Part XIII, line 6e) .....	2
3	Total undistributed income at end of current tax year beginning in 2019 and subject to tax under section 4942 (add lines 1 and 2) .....	3
4	<b>Tax</b> - Enter 30% of line 3 here and on Part I, line 1 .....	4

Form 4720 (2019)

**SCHEDULE C - Initial Tax on Excess Business Holdings** (Section 4943)

**Business Holdings and Computation of Tax**

If you have taxable excess holdings in more than one business enterprise, attach a separate schedule for each enterprise. Refer to the instructions for each line item before making any entries.

Name and address of business enterprise

Employer identification number

Form of enterprise (corporation, partnership, trust, joint venture, sole proprietorship, etc.)

		(a) Voting stock (profits interest or beneficial interest)	(b) Value	(c) Nonvoting stock (capital interest)
1	Foundation holdings in business enterprise	1		
2	Permitted holdings in business enterprise	2		
3	Value of excess holdings in business enterprise	3		
4	Value of excess holdings disposed of within 90 days; or, other value of excess holdings not subject to section 4943 tax (attach statement)	4		
5	Taxable excess holdings in business enterprise - line 3 minus line 4	5		
6	Tax - Enter 10% of line 5	6		
7	Total tax - Add amounts on line 6, columns (a), (b), and (c); enter total here and on Part I, line 2	7		

**SCHEDULE D - Initial Taxes on Investments That Jeopardize Charitable Purpose** (Section 4944)

**Part I Investments and Tax Computation**

(a) Investment number	(b) Date of investment	(c) Description of investment	(d) Amount of investment	(e) Initial tax on foundation (10% of col. (d))	(f) Initial tax on foundation managers (if applicable) - (lesser of \$10,000 or 10% of col. (d))
1					
2					
3					
4					
5					
<b>Total</b> - Column (e). Enter here and on Part I, line 3					
<b>Total</b> - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below					

**Part II Summary of Tax Liability of Foundation Managers and Proration of Payments**

(a) Names of foundation managers liable for tax	(b) Investment no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE E - Initial Taxes on Taxable Expenditures** (Section 4945)

<b>Part I Expenditures and Computation of Tax</b>				
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Name and address of recipient	(e) Description of expenditure and purposes for which made
1				
2				
3				
4				
5				
(f) Question number from Form 990-PF, Part VII-B, or Form 5227, Part VI-B, applicable to the expenditure			(g) Initial tax imposed on foundation (20% of col. (b))	(h) Initial tax imposed on foundation managers (if applicable)- (lesser of \$10,000 or 5% of col. (b))
<b>Total</b> - Column (g). Enter here and on Part I, line 4 .....				
<b>Total</b> - Column (h). Enter total (or prorated amount) here and in Part II, column (c), below .....				

<b>Part II Summary of Tax Liability of Foundation Managers and Proration of Payments</b>			
(a) Names of foundation managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (h), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE F - Initial Taxes on Political Expenditures** (Section 4955)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of political expenditure	(e) Initial tax imposed on organization or foundation (10% of col. (b))	(f) Initial tax imposed on managers (if applicable) (lesser of \$5,000 or 2½% of col. (b))
1					
2					
3					
4					
5					
<b>Total</b> - Column (e). Enter here and on Part I, line 5 .....					
<b>Total</b> - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below .....					

<b>Part II Summary of Tax Liability of Organization Managers or Foundation Managers and Proration of Payments</b>			
(a) Names of organization managers or foundation managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE G - Tax on Excess Lobbying Expenditures** (Section 4911)

1	Excess of grass roots expenditures over grass roots nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1h). (See the instructions before making an entry.)	1
2	Excess of lobbying expenditures over lobbying nontaxable amount (from Schedule C (Form 990 or 990-EZ), Part II-A, column (b), line 1i). (See the instructions before making an entry.)	2
3	Excess lobbying expenditures - enter the larger of line 1 or line 2	3
4	Tax - Enter 25% of line 3 here and on Part I, line 6	4

**SCHEDULE H - Taxes on Disqualifying Lobbying Expenditures** (Section 4912)

<b>Part I Expenditures and Computation of Tax</b>					
(a) Item number	(b) Amount	(c) Date paid or incurred	(d) Description of lobbying expenditures	(e) Tax imposed on organization (5% of col. (b))	(f) Tax imposed on organization managers (if applicable)- (5% of col. (b))
1					
2					
3					
4					
5					
<b>Total</b> - Column (e). Enter here and on Part I, line 7					
<b>Total</b> - Column (f). Enter total (or prorated amount) here and in Part II, column (c), below					

<b>Part II Summary of Tax Liability of Organization Managers and Proration of Payments</b>			
(a) Names of organization managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE I - Initial Taxes on Excess Benefit Transactions** (Section 4958)

<b>Part I Excess Benefit Transactions and Tax Computation</b>					
(a) Transaction number	(b) Date of transaction	(c) Description of transaction			
1					
2					
3					
4					
5					
<b>(d) Amount of excess benefit</b>		<b>(e) Initial tax on disqualified persons (25% of col. (d))</b>		<b>(f) Tax on organization managers (if applicable) (lesser of \$20,000 or 10% of col. (d))</b>	

**SCHEDULE I - Initial Taxes on Excess Benefit Transactions** (Section 4958) *Continued*

<b>Part II Summary of Tax Liability of Disqualified Persons and Proration of Payments</b>			
(a) Names of disqualified persons liable for tax	(b) Trans. no. from Part I, col. (a)	(c) Tax from Part I, col. (e), or prorated amount	(d) Disqualified person's total tax liability (add amounts in col. (c)) (see instructions)

<b>Part III Summary of Tax Liability of 501(c)(3), (c)(4) &amp; (c)(29) Organization Managers and Proration of Payments</b>			
(a) Names of 501(c)(3), (c)(4) & (c)(29) organization managers liable for tax	(b) Trans. no. from Part I, col. (a)	(c) Tax from Part I, col. (f), or prorated amount	(d) Manager's total tax liability (add amounts in col. (c)) (see instructions)

**SCHEDULE J - Taxes on Being a Party to Prohibited Tax Shelter Transactions** (Section 4965)

<b>Part I Prohibited Tax Shelter Transactions (PTST) and Tax Imposed on the Tax-Exempt Entity</b> (see instructions)				
(a) Transaction number	(b) Transaction date	(c) Type of transaction 1 - Listed 2 - Subsequently listed 3 - Confidential 4 - Contractual protection	(d) Description of transaction	
1				
2				
3				
4				
5				
(e) Did the tax-exempt entity know or have reason to know this transaction was a PTST when it became a party to the transaction? Answer <b>Yes</b> or <b>No</b>		(f) Net income attributable to the PTST	(g) 75% of proceeds attributable to the PTST	(h) Tax imposed on the tax-exempt entity (see instructions)
<b>Total</b> - Column (h). Enter here and on Part I, line 9 .....				



**SCHEDULE L - Taxes on Prohibited Benefits Distributed From Donor Advised Funds** (Section 4967).

See the instructions.

<b>Part I Prohibited Benefits and Tax Computation</b>		
(a) Item number	(b) Date of prohibited benefit	(c) Description of benefit
1		
2		
3		
4		
5		
(d) Amount of prohibited benefit	(e) Tax on donors, donor advisors, or related persons (125% of col. (d)) (see instructions)	(f) Tax on fund managers (if applicable) (lesser of 10% of col. (d) or \$10,000) (see instructions)

<b>Part II Summary of Tax Liability of Donors, Donor Advisors, Related Persons, and Proration of Payments</b>			
(a) Names of donors, donor advisors, or related persons liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (e) or prorated amount	(d) Donor's, donor advisor's, or related person's total tax liability (add amounts in col. (c)) (see instructions)

<b>Part III Summary of Tax Liability of Fund Managers and Proration of Payments</b>			
(a) Names of fund managers liable for tax	(b) Item no. from Part I, col. (a)	(c) Tax from Part I, col. (f) or prorated amount	(d) Fund manager's total tax liability (add amounts in col. (c)) (see instructions)

**Schedule M - Tax on Hospital Organization for Failure to Meet the Community Health Needs  
Assessment Requirements** (Sections 4959 and 501(r)(3)). (See instructions.)

**Part I Failures to Meet Section 501(r)(3)**

(a) Item number	(b) Name of hospital facility	(c) Description of the failure	(d) Tax year hospital facility last conducted a CHNA	(e) Tax year hospital facility last adopted an implementation strategy
1				
2				
3				
4				
5				

**Part II Computation of Tax**

1	Number of hospital facilities operated by the hospital organization that failed to meet the Community Health Needs Assessment requirements of section 501(r)(3) .....	<b>1</b>
2	Tax - Enter \$50,000 multiplied by line 1 here and on Part I, line 12 .....	<b>2</b>

**SCHEDULE N - Tax on Excess Executive Compensation** (Section 4960). (See instructions.)

(a) Item number	(b) Name of covered employee	(c) Excess remuneration	(d) Excess parachute payment	(e) Total. Add column (c) and (d)
1	SEE STATEMENT 1			
2				
3				
4				
5				
6	Attachment, if necessary. See instructions .....			
<b>Total</b> (add column (e) items 1 - 6) .....				<b>1,066,963.</b>
<b>Tax.</b> Enter 21% of the amount above here and on Part I, line 13 .....				<b>224,062.</b>

**SCHEDULE O - Excise Tax on Net Investment Income of Private Colleges and Universities**  
(Section 4968)

	(a) Name	(b) EIN	(c) Gross investment income (See instructions.)	(d) Capital gain net income	(e) Administrative expenses allocable to income included in cols. (c) and (d)	(f) Net investment income (See instructions.)
1	Filing Organization					
2	Related Organization					
3	Related Organization					
4	Related Organization					
5	Total from attachment, if necessary .....					
6	<b>Total</b> .....					
7	Excise Tax on Net Investment Income. Enter 1.4% of the amount in 6(f) here and on Part I, line 14 .....					



LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.

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

**Sign Here**

	CFO	
Signature of officer or trustee	Title	Date
Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person		Date
Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person		Date
Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person		Date
Signature (and organization or entity name if applicable) of manager, self-dealer, disqualified person, donor, donor advisor, or related person		Date

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

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
LORI S. BURGHAUSER	LORI S. BURGHAUSER	05/08/21		P00370694
Firm's name ▶ SC&H GROUP, INC.			Firm's EIN ▶ 20-5991824	
Firm's address ▶ 910 RIDGEBROOK ROAD SPARKS, MD 21152			Phone no. (410) 403-1500	

(A) ITEM NO	(B) NAME OF COVERED EMPLOYEE	(C) EXCESS RENUMERATION	(D) EXCESS PARACHUTE PAYMENT	(E) TOTAL
1.	VICTORIA BAYLESS	1,066,963.		1,066,963.
TOTAL EXCESS EXECUTIVE COMPENSATION				1,066,963.

# TAX RETURN FILING INSTRUCTIONS

ILLINOIS FORM IL-990-T

FOR THE YEAR ENDING

June 30, 2020

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**Prepared For:**

Luminis Health Anne Arundel Medical  
Center, Inc.  
2000 Medical Parkway No. 606  
Annapolis, MD 21401

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**Prepared By:**

SC&H Group, Inc.  
910 Ridgebrook Road  
Sparks, MD 21152

---

**To be Signed and Dated By:**

The authorized individual(s).

---

**Amount of Tax:**

Total tax	\$	375
Less: payments and credits	\$	311
Plus: other amount	\$	0
Plus: interest and penalties	\$	0
Balance due	\$	64

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**Overpayment:**

Credited to your estimated tax	\$	0
Other amount	\$	0
Refunded to you	\$	0

---

**Make Check Payable To:**

Illinois Department of Revenue

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**Mail Tax Return and Check (if applicable) To:**

Illinois Department of Revenue  
P.O. Box 19053  
Springfield, IL 62794-9053

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**Return Must be Mailed On or Before:**

June 15, 2021

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**Special Instructions:**

Include the organization's FEIN, tax year ending and IL-990-T-V on the check or money order.

998031 10-07-19

Illinois Department of Revenue

**2019 IL-990-T-V**

IL-990-T-V (R-12/18) ID: 2BX

Payment Voucher for Exempt Organization  
Income and Replacement Tax

Official use only

Mail to: Illinois Department of Revenue, P.O. Box 19053, Springfield, IL 62794-9053

**STOP** If no payment is due or you make your payment electronically, do not file this form.

Tax year ending

FEIN 52-1169362 000 6

06 20  
Month Year

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.  
2000 MEDICAL PARKWAY, NO. 606  
ANNAPOLIS MD 21401

\$ 375.00

Amount of payment (Whole dollars only)

WRITE YOUR FEIN ON YOUR CHECK

Return this voucher with check or money  
order payable to "Illinois Department of  
Revenue."

Preparer's phone number (410) 403-1500



990200620 5 521169362 000 6 00000037500

998031 10-07-19

Illinois Department of Revenue

**2019 IL-990-T-V**

IL-990-T-V (R-12/18) ID: 2BX

Payment Voucher for Exempt Organization  
Income and Replacement Tax

Official use only

Mail to: Illinois Department of Revenue, P.O. Box 19053, Springfield, IL 62794-9053

**STOP** If no payment is due or you make your payment electronically, do not file this form.

Tax year ending

FEIN 52-1169362 000 6

06  
Month

20  
Year

LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.  
2000 MEDICAL PARKWAY, NO. 606  
ANNAPOLIS, MD 21401

\$ 64.00

Amount of payment (Whole dollars only)

**WRITE YOUR FEIN ON YOUR CHECK**

Return this voucher with check or money  
order payable to "Illinois Department of  
Revenue."

Preparer's phone number (410) 403-1500



990200620 5 521169362 000 6 00000006400



# 2019 Form IL-990-T

## Exempt Organization Income and Replacement Tax Return

Due on or before the 15th day of the 5th month (4th month for employee trusts) following the close of the tax year.

If this return is not for calendar year 2019, enter your fiscal tax year here. Tax year beginning <u>JUL 1</u> , 20 <u>19</u> , ending <u>JUN 30</u> , 20 <u>20</u> <small>month day year month day year</small> <b>WARNING</b> This form is for tax years ending on or after December 31, 2019, and before December 31, 2020. For all other situations, see instructions to determine the correct form to use.	Enter the amount you are paying. \$ <u>64.</u>
---	---

### Step 1: Identify your exempt organization

**A** Enter your complete legal business name.  
 If you have a name change, check this box.   
 Name: LUMINIS HEALTH ANNE ARUNDEL MEDICAL

**B** Enter your mailing address.  
 Check this box if either of the following apply:   
 • this is your **first return**, or  
 • you have an **address change**.  
 C/O: \_\_\_\_\_  
 Mailing address: 2000 MEDICAL PARKWAY, NO. 606  
 City: ANNAPOLIS State: MD ZIP: 21401

**C** If this is the first or final return, check the applicable box(es).  
 First return  
 Final return (Enter the date of termination. \_\_\_\_\_ )  
mm dd yyyy

**D** Enter your federal employer identification no. (FEIN).  
52-1169362

**E** Check if you are taxed as a corporation.

**F** Check if you are taxed as a trust.

**G** Provide the nature of your unrelated trade or business. SEE STATEMENT 1

**H** Check this box if you attached Illinois Schedule 1299-D, Income Tax Credits.

**I** Enter your North American Industry Classification System (NAICS) Code, if applicable. See instructions.  
561000 900099

**J** Check this box if you are a 52/53 week filer.

### Step 2: Figure your base income or loss

(Whole dollars only)

1 Unrelated business taxable income or loss from U.S. Form 990-T, Line 39. <b>Attach</b> a copy of Page 2 of your U.S. Form 990-T.	1	53,719 .00
2 RESERVED	2	.00
3 RESERVED	3	.00
4 Illinois income and replacement tax and surcharge deducted in arriving at Line 1.	4	.00
5 <b>Base income or loss.</b> Add Lines 1 and 4.	5	53,719 .00

<b>STOP</b>	<b>A</b> If the amount on Line 5 is derived inside Illinois only or if you are an Illinois resident trust, check this box and enter the amount from Step 2, Line 5 on Step 4, Line 14. You may not complete Step 3. (You must leave Step 3, Lines 6 through 13 blank.) <input type="checkbox"/>
	<b>B</b> If any portion of the amount on Line 5 is derived outside Illinois, check this box and complete <u>all lines</u> of Step 3. (Do not leave Lines 8 through 10 blank.) See instructions. <input checked="" type="checkbox"/>

### Step 3: Figure your income allocable to Illinois (Complete only if you checked the box on Line B, above.)

6 Business income or loss included in Line 5 from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates. See instructions.	6	0 .00
7 Business income or loss. Subtract Line 6 from Line 5.	7	53,719 .00
8 Total sales everywhere. This amount cannot be negative.	8	2,666,493 .
9 Total sales inside Illinois. This amount cannot be negative.	9	0 .
10 Apportionment factor. Divide Line 9 by Line 8. Round to six decimal places.	10	.000000
11 Business income or loss apportionable to Illinois. Multiply Line 7 by Line 10.	11	0 .00
12 Business income or loss apportionable to Illinois from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates. See instructions.	12	3,949 .00
13 <b>Base income or loss allocable to Illinois.</b> Add Lines 11 and 12.	13	3,949 .00

### Step 4: Figure your net replacement tax

14 Net income or loss from Line 5 or Line 13.	14	3,949 .00
15 Replacement tax. <b>Corporations</b> multiply Line 14 by 2.5% (.025); <b>Trusts</b> multiply by 1.5% (.015).	15	99 .00
16 Recapture of investment credits. <b>Attach</b> Schedule 4255.	16	.00
17 Replacement tax before investment credits. Add Lines 15 and 16.	17	99 .00
18 Investment credits. <b>Attach</b> Form IL-477.	18	.00
19 <b>Net replacement tax.</b> Subtract Line 18 from Line 17. If the amount is negative, enter zero.	19	99 .00

Attach your payment and Form IL-990-T-V here.

This form is authorized as outlined by the Illinois Income Tax Act. Disclosure of this information is REQUIRED. Failure to provide information could result in a penalty.



Step 5: Figure your net income tax

Table with 2 columns: Description and Amount. Rows include Net income or loss from Line 14 (3,949.00), Income Tax (276.00), Recapture of investment credits, Income tax before credits, Income tax credits, and Net income tax (276.00).

Step 6: Figure your refund or balance due

Table with 2 columns: Description and Amount. Rows include Net replacement tax from Line 19 (99.00), Net income tax from Line 25 (276.00), Total net income and replacement taxes and surcharges (375.00), Payments (311.00), Total payments (311.00), and Tax Due (64.00).

Form box for direct deposit: Complete to direct deposit your refund. Includes fields for Routing Number, Account Number, and checkboxes for Checking or Savings.

37 Tax Due. If Line 30 is greater than Line 32, subtract Line 32 from Line 30. This is the amount you owe. 37 64.00
If you owe tax on Line 37, complete a payment voucher, Form IL-990-T-V. Write your FEIN, tax year ending, and "IL-990-T-V" on your check or money order and make it payable to "Illinois Department of Revenue." Attach your voucher and payment to the front of this form.

Special Note -> Enter the amount of your payment on the top of Page 1 in the space provided.

Step 7: Sign below - Under penalties of perjury, I state that I have examined this return and, to the best of my knowledge, it is true, correct, and complete.

Signature block form with fields for Sign Here (Signature, Date, Title, Phone), Paid Preparer (Name, Signature, Date, PTIN), and Firm's name, address, FEIN, and phone.

- If a payment is not enclosed, mail this return to: Illinois Department of Revenue, P.O. Box 19009, Springfield, IL 62794-9009
If a payment is enclosed, mail this return to: Illinois Department of Revenue, P.O. Box 19053, Springfield, IL 62794-9053

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FORM IL-990-T

NATURE OF TRADE OR BUSINESS

STATEMENT 1

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INVESTMENT PASSTHROUGH

TO FORM IL-990-T, PAGE 1





**Part III Total Unrelated Business Taxable Income**

32	Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	32	54,719.
33	Amounts paid for disallowed fringes	33	
34	Charitable contributions (see instructions for limitation rules)	34	0.
35	Total unrelated business taxable income before pre-2018 NOLs and specific deduction. Subtract line 34 from the sum of lines 32 and 33	35	54,719.
36	Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions)	36	
37	Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35	37	54,719.
38	Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions)	38	1,000.
39	<b>Unrelated business taxable income.</b> Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37	39	53,719.

**Part IV Tax Computation**

40	<b>Organizations Taxable as Corporations.</b> Multiply line 39 by 21% (0.21)	40	11,281.
41	<b>Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 39 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	41	
42	<b>Proxy tax.</b> See instructions	42	
43	Alternative minimum tax (trusts only)	43	
44	<b>Tax on Noncompliant Facility Income.</b> See instructions	44	
45	<b>Total.</b> Add lines 42, 43, and 44 to line 40 or 41, whichever applies	45	11,281.

**Part V Tax and Payments**

46a	Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	46a	
b	Other credits (see instructions)	46b	
c	General business credit. Attach Form 3800	46c	
d	Credit for prior year minimum tax (attach Form 8801 or 8827)	46d	
e	<b>Total credits.</b> Add lines 46a through 46d	46e	
47	Subtract line 46e from line 45	47	11,281.
48	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	48	
49	<b>Total tax.</b> Add lines 47 and 48 (see instructions)	49	11,281.
50	2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3	50	0.
51a	Payments: A 2018 overpayment credited to 2019	51a	
b	2019 estimated tax payments	51b	15,000.
c	Tax deposited with Form 8868	51c	8,000.
d	Foreign organizations: Tax paid or withheld at source (see instructions)	51d	
e	Backup withholding (see instructions)	51e	
f	Credit for small employer health insurance premiums (attach Form 8941)	51f	
g	Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other Total	51g	
52	<b>Total payments.</b> Add lines 51a through 51g	52	23,000.
53	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	53	94.
54	<b>Tax due.</b> If line 52 is less than the total of lines 49, 50, and 53, enter amount owed	54	
55	<b>Overpayment.</b> If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid	55	11,625.
56	Enter the amount of line 55 you want: <b>Credited to 2020 estimated tax</b> 11,625. <b>Refunded</b>	56	0.

**Part VI Statements Regarding Certain Activities and Other Information** (see instructions)

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

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

<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>LORI S. BURGHAUSER</b>	Preparer's signature	Date <b>05/08/21</b>	Check <input type="checkbox"/> if self-employed	PTIN <b>P00370694</b>
	Firm's name <b>SC&amp;H GROUP, INC.</b> <b>910 RIDGEBROOK ROAD</b>	Firm's address <b>SPARKS, MD 21152</b>	Firm's EIN <b>20-5991824</b>	Phone no. <b>(410) 403-1500</b>	

May the IRS discuss this return with the preparer shown below (see instructions)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation ► **N/A**

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

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

(see instructions)

1. Description of property

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

2. Rent received or accrued

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

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

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

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

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

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

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

**Nonexempt Controlled Organizations**

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

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

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

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

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

**Schedule J - Advertising Income** (see instructions)

**Part I Income From Periodicals Reported on a Consolidated Basis**

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

LUMINIS HEALTH ANNE ARUNDEL MEDICAL

Form 990-T (2019) CENTER, INC.

52-1169362

Page 5

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

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

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

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

Form 990-T (2019)

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FORM 990-T      PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER      STATEMENT 1

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CORPORATION'S NAME

IDENTIFYING NO

LUMINIS HEALTH, INC.

52-1622253

**SCHEDULE M  
(Form 990-T)**

**Unrelated Business Taxable Income from an  
Unrelated Trade or Business**

ENTITY 2

OMB No. 1545-0047

**2019**

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

▶ Go to [www.irs.gov/Form990T](http://www.irs.gov/Form990T) for instructions and the latest information.

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

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

Department of the Treasury  
Internal Revenue Service

Name of the organization **LUMINIS HEALTH ANNE ARUNDEL MEDICAL  
CENTER, INC.**

Employer identification number  
**52-1169362**

Unrelated Business Activity Code (see instructions) ▶

Describe the unrelated trade or business ▶ **PARTNERSHIP PASSTHROUGH INCOME**

<b>Part I Unrelated Trade or Business Income</b>		(A) Income	(B) Expenses	(C) Net
<b>1 a</b> Gross receipts or sales				
<b>b</b> Less returns and allowances	<b>c</b> Balance ▶	<b>1c</b>		
<b>2</b> Cost of goods sold (Schedule A, line 7)		<b>2</b>		
<b>3</b> Gross profit. Subtract line 2 from line 1c		<b>3</b>		
<b>4 a</b> Capital gain net income (attach Schedule D)		<b>4a</b>		
<b>b</b> Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)		<b>4b</b>		
<b>c</b> Capital loss deduction for trusts		<b>4c</b>		
<b>5</b> Income (loss) from a partnership or an S corporation (attach statement) <b>STATEMENT 2</b>		<b>5</b> 66,220.		66,220.
<b>6</b> Rent income (Schedule C)		<b>6</b>		
<b>7</b> Unrelated debt-financed income (Schedule E)		<b>7</b>		
<b>8</b> Interest, annuities, royalties, and rents from a controlled organization (Schedule F)		<b>8</b>		
<b>9</b> Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		<b>9</b>		
<b>10</b> Exploited exempt activity income (Schedule I)		<b>10</b>		
<b>11</b> Advertising income (Schedule J)		<b>11</b>		
<b>12</b> Other income (See instructions; attach schedule)		<b>12</b>		
<b>13 Total.</b> Combine lines 3 through 12		<b>13</b> 66,220.		66,220.

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions.) (Deductions must be directly connected with the unrelated business income.)

<b>14</b> Compensation of officers, directors, and trustees (Schedule K)		<b>14</b>		
<b>15</b> Salaries and wages		<b>15</b>		
<b>16</b> Repairs and maintenance		<b>16</b>		
<b>17</b> Bad debts		<b>17</b>		
<b>18</b> Interest (attach schedule) (see instructions)		<b>18</b>		
<b>19</b> Taxes and licenses		<b>19</b>		10,501.
<b>20</b> Depreciation (attach Form 4562)	<b>20</b>			
<b>21</b> Less depreciation claimed on Schedule A and elsewhere on return	<b>21a</b>			
<b>22</b> Depletion		<b>22</b>		
<b>23</b> Contributions to deferred compensation plans		<b>23</b>		
<b>24</b> Employee benefit programs		<b>24</b>		
<b>25</b> Excess exempt expenses (Schedule I)		<b>25</b>		
<b>26</b> Excess readership costs (Schedule J)		<b>26</b>		
<b>27</b> Other deductions (attach schedule) <b>SEE STATEMENT 3</b>		<b>27</b>		1,000.
<b>28 Total deductions.</b> Add lines 14 through 27		<b>28</b>		11,501.
<b>29</b> Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13		<b>29</b>		54,719.
<b>30</b> Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions)		<b>30</b>		0.
<b>31</b> Unrelated business taxable income. Subtract line 30 from line 29		<b>31</b>		54,719.

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2019

FORM 990-T (M)	INCOME (LOSS) FROM PARTNERSHIPS	STATEMENT 2
DESCRIPTION		NET INCOME OR (LOSS)
PREMIER PURCHASING PARTNERS, LP - ORDINARY BUSINESS INCOME (LOSS)		67,768.
HARVEST MLP INCOME FUND II LLC - ORDINARY BUSINESS INCOME (LOSS)		176.
GREENSPRING GLOBAL PARTNERS VIII-B, L.P. - ORDINARY BUSINESS INCOME (LOSS)		-1,724.
TOTAL INCLUDED ON SCHEDULE M, PART I, LINE 5		66,220.

FORM 990-T (M)	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
ACCOUNTING FEES		1,000.
TOTAL TO SCHEDULE M, PART II, LINE 27		1,000.



**SCHEDULE O  
(Form 1120)**

(Rev. December 2018)  
Department of the Treasury  
Internal Revenue Service

**Consent Plan and Apportionment Schedule  
for a Controlled Group**

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, or 1120-RIC.  
▶ Go to [www.irs.gov/Form1120](http://www.irs.gov/Form1120) for instructions and the latest information.

OMB No. 1545-0123

Name <b>LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.</b>	Employer identification number <b>52-1169362</b>
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**Part I Apportionment Plan Information**

1 Type of controlled group:

- a  Parent-subsidiary group
- b  Brother-sister group
- c  Combined group
- d  Life insurance companies only

2 This corporation has been a member of this group:

- a  For the entire year.
- b  From \_\_\_\_\_, until \_\_\_\_\_.

3 This corporation consents and represents to:

- a  Adopt an apportionment plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on \_\_\_\_\_, and for all succeeding tax years.
- b  Amend the current apportionment plan. All the other members of this group are currently amending a previously adopted plan, which was in effect for the tax year ending \_\_\_\_\_, and for all succeeding tax years.
- c  Terminate the current apportionment plan and not adopt a new plan. All the other members of this group are not adopting an apportionment plan.
- d  Terminate the current apportionment plan and adopt a new plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on \_\_\_\_\_, and for all succeeding tax years.

4 If you checked box 3c or 3d above, check the applicable box below to indicate if the termination of the current apportionment plan was:

- a  Elected by the component members of the group.
- b  Required for the component members of the group.

5 If you did not check a box on line 3 above, check the applicable box below concerning the status of the group's apportionment plan (see instructions).

- a  No apportionment plan is in effect and none is being adopted.
- b  An apportionment plan is already in effect. It was adopted for the tax year ending JUNE 30, 2019, and for all succeeding tax years.

6 If all the members of this group are adopting a plan or amending the current plan for a tax year after the due date (including extensions) of the tax return for this corporation, is there at least one year remaining on the statute of limitations from the date this corporation filed its amended return for such tax year for assessing any resulting deficiency? See instructions.

- a  Yes.
  - (i)  The statute of limitations for this year will expire on \_\_\_\_\_.
  - (ii)  On \_\_\_\_\_, this corporation entered into an agreement with the Internal Revenue Service to extend the statute of limitations for purposes of assessment until \_\_\_\_\_.
- b  No. The members may not adopt or amend an apportionment plan.

7  If the corporation has a short tax year that does not include December 31, check the box. See instructions.

**Part II Apportionment** (See instructions)

(a) Group member's name and employer identification number		(b) Tax year end (Yr-Mo)	Apportionment		
			(c) Accumulated earnings credit	(d) Penalty for failure to pay estimated tax	(e) Other
1	LUMINIS HEALTH ANNE ARUNDEL MEDICAL CENTER, INC.	52-1169362	20-06		
2	PAVILION PARK, INC.	52-1890034	20-06		
3	LUMINIS HEALTH REAL ESTATE HOLDING CO., INC.	52-1622251	20-06		
4	LUMINIS HEALTH CARE SERVICES, INC. INC.	52-1646304	20-06		
5	PHYSICIAN ENTERPRISE, LLC	27-0263214	20-06		
6					
7					
8					
9					
10					
<b>Total</b>					

Schedule O (Form 1120) (Rev. 12-2018)