

Return of Organization Exempt From Income Tax

2009

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

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2009 calendar year, or tax year beginning 07/01, 2009, and ending 06/30, 2010

Header section containing organization name (CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY), address (100 HOSPITAL RD), principal officer (JAMES XINIS), and tax-exempt status (501(c)(3)).

Part I Summary

Summary table with columns for Activities & Governance, Revenue, Expenses, and Net Assets or Fund Balances. Includes rows for mission statement, revenue (Total: 116,760,823), expenses (Total: 116,833,848), and net assets (Total: 102,163,097).

Part II Signature Block

Declaration text: 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.

Signature and preparer information section. Includes preparer name (COHEN, RUTHERFORD + KNIGHT, PC), date (06/14/2011), and identifying number (P01074058).

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

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

ATTACHMENT 2

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

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

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

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

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

4a (Code: _____) (Expenses \$ 109,402,424. including grants of \$ _____) (Revenue \$ 113,976,153.)

ATTACHMENT 3

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

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

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

4e Total program service expenses ▶ 109,402,424.

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules (continued)

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Table with columns for question numbers (1a-12b), Yes, and No. Contains various tax compliance questions and their corresponding answers.

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body (19), 1b Enter the number of voting members that are independent (15), 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? (X), 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? (X), 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? (X), 5 Did the organization become aware during the year of a material diversion of the organization's assets? (X), 6 Does the organization have members or stockholders? (X), 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? (X), 7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons? (X), 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? (X), b Each committee with authority to act on behalf of the governing body? (X), 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (X).

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

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

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. [] Own website [] Another's website [X] Upon request
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ROBERT KERTIS 100 HOSPITAL ROAD PRINCE FREDERICK, MD 20678 410-535-4000

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

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

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

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
CLIFF STEWART DIRECTOR	2.00	X					0.	0.	0.	
DEAN SCHLEICHER CHAIRPERSON	2.00	X		X			0.	0.	0.	
KEVIN BETZ VICE CHAIRPERSON	2.00	X		X			0.	0.	0.	
GAIL GIBSON SECRETARY	2.00	X		X			0.	0.	0.	
EMAD AL BANNA DIRECTOR	5.00	X					70,700.	0.	0.	
CHARLES JUDGE DIRECTOR	2.00	X					14,738.	0.	0.	
MARY KRUG DIRECTOR	2.00	X					0.	0.	0.	
VICTOR CORNELLIER DIRECTOR	2.00	X					0.	0.	0.	
KEVIN NIETMANN TREASURER	3.00	X		X			0.	0.	0.	
MARSHA PLATER DIRECTOR	2.00	X					6,810.	0.	0.	
SALLY SHOWALTER CHAIRPERSON	3.00	X		X			0.	0.	0.	
LAURIE UHEREK VICE CHAIRPERSON, TREASURER	7.00	X		X			0.	0.	0.	
JAMES XINIS PRESIDENT AND CEO	40.00	X		X			438,686.	0.	422,965.	
PETER DALY DIRECTOR	4.00	X					0.	0.	0.	
PAMELA LUCAS DIRECTOR	2.00	X					0.	0.	0.	
JOHN WEIGEL DIRECTOR	3.00	X					0.	0.	0.	

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
MARIE KIMBALL THOMAS DIRECTOR	2.00	X						0.	0.	0.
ANWAR MUNSHI DIRECTOR	2.00	X						0.	0.	0.
HENRY TRENTMAN DIRECTOR	3.00	X						0.	0.	0.
ROBERT KERTIS VP FINANCE	40.00			X				0.	0.	0.
ROBERT MCWHIRT VP CNE PATIENT CARE SERVICES	40.00				X			171,179.	0.	47,797.
SUSAN DOHONY VP CQO PERFORM IMPROVEMENT	40.00				X			155,277.	0.	51,253.
EDWARD GROGAN VP IT	40.00				X			155,028.	0.	27,459.
ROBERT SCHLAGER VP MEDICAL AFFAIRS	40.00				X			171,858.	0.	22,752.
D KIRK BLANDFORD VP FINANCE	40.00				X			262,329.	0.	39,717.
SEYED ALI MOHAMMADI PHYSICIAN	40.00					X		268,741.	0.	21,470.
MARA DAIDONE PHYSICIAN	40.00					X		345,674.	0.	19,383.
FAISAL BHINDER PHYSICIAN	40.00					X		336,036.	0.	29,762.
APARAJI MAHATA PHYSICIAN	40.00					X		297,165.	0.	22,570.
1b Total CONTINUED AT SCHEDULE J-2								2,897,134.	0.	722,132.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **52**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 4		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **25**

Part VIII Statement of Revenue

52-0619000

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d	258,495.			
	e	Government grants (contributions) . .	1e	773,927.			
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f				
	g	Noncash contributions included in lines 1a-1f: \$					
	h	Total. Add lines 1a-1f			1,032,422.		
Program Service Revenue	2a	INPATIENT REVENUE	Business Code	24,622,229.	24,622,229.		
	b	OUTPATIENT REVENUE		26,494,462.	26,494,462.		
	c	EMERGENCY REVENUE		13,206,708.	13,206,708.		
	d	OTHER PATIENT REVENUE		577,638.	577,638.		
	e	MEDICARE/MEDICAID REVENUE		48,558,898.	48,558,898.		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f			113,459,935.		
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 5		160,356.		
4		Income from investment of tax-exempt bond proceeds		0.			
5		Royalties		0.			
6a		Gross Rents	(i) Real	40,013.			
b		Less: rental expenses	(ii) Personal	56,894.			
c		Rental income or (loss)		-16,881.			
d		Net rental income or (loss)			-16,881.	-19,361.	2,480.
7a		Gross amount from sales of assets other than inventory	(i) Securities				
b		Less: cost or other basis and sales expenses	(ii) Other				
c		Gain or (loss)					
d		Net gain or (loss)			0.		
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a				
b		Less: direct expenses	b				
c		Net income or (loss) from fundraising events			0.		
9a		Gross income from gaming activities. See Part IV, line 19	a				
b	Less: direct expenses	b					
c	Net income or (loss) from gaming activities			0.			
10a	Gross sales of inventory, less returns and allowances	a					
b	Less: cost of goods sold	b					
c	Net income or (loss) from sales of inventory			0.			
Miscellaneous Revenue			Business Code				
11a	OTHER REVENUE			516,218.	516,218.		
b	PHARMACY SALES	446110		10,228.		10,228.	
c	EMERGENCY PSYCH SERVICES	621400		94,000.		94,000.	
d	All other revenue	561000		1,504,545.		839,161.	665,384.
e	Total. Add lines 11a-11d			2,124,991.			
12	Total Revenue. See instructions			116,760,823.	113,976,153.	924,028.	828,220.

Part IX Statement of Functional Expenses

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

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

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	0.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	1,929,396.		1,929,396.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	0.			
7 Other salaries and wages	45,286,006.	42,866,530.	2,419,476.	0.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	2,320,753.	2,109,108.	211,645.	
9 Other employee benefits	4,209,686.	3,821,944.	387,742.	
10 Payroll taxes	3,437,441.	3,120,828.	316,613.	
11 Fees for services (non-employees):				
a Management	508,344.	508,344.		
b Legal	100,302.		100,302.	
c Accounting	117,460.		117,460.	
d Lobbying	0.			
e Professional fundraising services. See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	3,221,948.	3,221,948.		
12 Advertising and promotion	173,350.	120,602.	52,748.	
13 Office expenses	25,275,814.	25,030,195.	245,619.	
14 Information technology	1,185,476.	962,251.	223,225.	
15 Royalties	0.			
16 Occupancy	2,990,261.	2,752,621.	237,640.	
17 Travel	121,153.	97,283.	23,870.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	87,211.	69,742.	17,469.	
20 Interest	2,940,264.	2,940,264.		
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization . . .	6,694,656.	6,694,656.		
23 Insurance	1,230,102.	1,201,185.	28,917.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a PURCHASED SERVICES -----	4,383,874.	3,979,907.	403,967.	
b BAD DEBT -----	5,765,127.	5,765,127.		
c REPAIRS AND MAINTENANCE -----	2,467,843.	2,366,726.	101,117.	
d OTHER -----	2,379,419.	1,773,163.	606,256.	
e K-1 MD ECARE -----	3,903.		3,903.	
f All other expenses -----	4,059.		4,059.	
25 Total functional expenses. Add lines 1 through 24f	116,833,848.	109,402,424.	7,431,424.	0.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash - non-interest-bearing	11,981,660.	1	9,149,690.
	2 Savings and temporary cash investments	5,045.	2	5,820.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	12,080,509.	4	14,221,984.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	42,944.	7	24,149.
	8 Inventories for sale or use	2,573,220.	8	2,374,648.
	9 Prepaid expenses and deferred charges	754,272.	9	964,074.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 124,330,892.		
	b Less: accumulated depreciation	10b 61,628,149.	62,129,862.	10c 62,702,743.
	11 Investments - publicly traded securities	4,752,463.	11	6,046,239.
	12 Investments - other securities. See Part IV, line 11	3,690,612.	12	2,711,990.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	6,091,245.	15	3,961,760.
16 Total assets. Add lines 1 through 15 (must equal line 34)	104,101,832.	16	102,163,097.	
Liabilities	17 Accounts payable and accrued expenses	9,684,157.	17	8,355,957.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities	54,493,425.	20	53,755,445.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	10,488,146.	25	15,696,524.
	26 Total liabilities. Add lines 17 through 25	74,665,728.	26	77,807,926.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	29,026,535.	27	24,057,029.
	28 Temporarily restricted net assets	409,569.	28	298,142.
	29 Permanently restricted net assets	0.	29	0.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	29,436,104.	33	24,355,171.
	34 Total liabilities and net assets/fund balances	104,101,832.	34	102,163,097.

Part XI Financial Statements and Reporting

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

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form **990** (2009)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi) (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

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

Section B. Total Support

Table with 7 columns: (a) 2005, (b) 2006, (c) 2007, (d) 2008, (e) 2009, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2009; 15 Public support percentage from 2008 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2009; 16b 33 1/3% support test - 2008; 17a 10%-facts-and-circumstances test - 2009; 17b 10%-facts-and-circumstances test - 2008; 18 Private foundation.

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a 33 1/3% support tests - 2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here.

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

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

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

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2009

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12. Attach to Form 990. See separate instructions.

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate contributions to (during year), 3 Aggregate grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 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?

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

Table with 2 columns: Description, Held at the End of the Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 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, 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, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?, 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

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

Schedule D (Form 990) 2009

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

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

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

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

Table with 2 columns: Description, Amount. Rows: 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

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

Table with 6 columns: (a) Current Year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back. Rows: 1a-1g (Balance, Contributions, Net investment earnings, Grants, Expenditures, Administrative expenses, End of year balance).

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment %
b Permanent endowment %
c Term endowment %

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

Table with 2 columns: Yes, No. Rows: 3a(i) unrelated organizations, 3a(ii) related organizations, 3b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

- (i) unrelated organizations
(ii) related organizations

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

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

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

Table with 5 columns: (a) Cost or other basis (investment), (b) Cost or other basis (other), (c) Accumulated depreciation, (d) Book value. Rows: 1a Land, b Buildings, c Leasehold improvements, d Equipment, e Other, Total.

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1
2	Total expenses (Form 990, Part IX, column (A), line 25)	2
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3
4	Net unrealized gains (losses) on investments	4
5	Donated services and use of facilities	5
6	Investment expenses	6
7	Prior period adjustments	7
8	Other (Describe in Part XIV.)	8
9	Total adjustments (net). Add lines 4 through 8	9
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10

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

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

Part XIV Supplemental Information

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

Part XIV Supplemental Information *(continued)*

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2009

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

Part I Charity Care and Certain Other Community Benefits at Cost

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

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

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(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
a Charity care at cost (from Worksheets 1 and 2)			1,540,108.		1,540,108.	1.31
b Unreimbursed Medicaid (from Worksheet 3, column a)						
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			1,540,108.		1,540,108.	1.31
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,027,903.	27,600.	1,000,303.	.85
f Health professions education (from Worksheet 5)			839,292.		839,292.	.71
g Subsidized health services (from Worksheet 6)			10,977,860.	3,290,812.	7,687,048.	6.50
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			19,558.		19,558.	.02
j Total. Other Benefits			12,864,613.	3,318,412.	9,546,201.	8.08
k Total. Add lines 7d and 7j			14,404,721.	3,318,412.	11,086,309.	9.39

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

Schedule H (Form 990) 2009

JSA

9E1284 2.000

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support			34,587.		34,587.	
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building			60,319.		60,319.	
7 Community health improvement advocacy			25,440.	12,000.	13,440.	
8 Workforce development			22,092.		22,092.	
9 Other						
10 Total			142,438.	12,000.	130,438.	

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

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

Section B. Medicare

- 5 Enter total revenue received from Medicare (including DSH and IME)
- 6 Enter Medicare allowable costs of care relating to payments on line 5
- 7 Subtract line 6 from line 5. This is the surplus or (shortfall)
- 8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:

Cost accounting system Cost to charge ratio Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

Part VI Supplemental Information

Complete this part to provide the following information.

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

MHA

PART 1, LINE 7A, COLUMN (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 ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME
 AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S
 UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED
 CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO
 BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART 1, LINE 7B, COLUMNS (C), (D), (E) AND (F) -

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL
 PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES
 COST REVIEW COMMISSION (HSCRC) DETERMINES PAYMENT THROUGH A RATE SETTING
 PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME
 AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S
 UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED

Part VI Supplemental Information

Complete this part to provide the following information.

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

CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS 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 1, LINE 7F, COLUMN (C), (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 ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME
 AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S
 UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED
 CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO
 BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

Part VI Supplemental Information

Complete this part to provide the following information.

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

PART I, LINE 5A AND B

CALVERT MEMORIAL HOSPITAL OFFERS CHARITY CARE TO PATIENTS WHO ARE UNABLE
 TO PAY FOR THEIR SERVICES AND MEET THE ELIGIBILITY CRITERIA
 REGARDLESS OF THE AMOUNT BUDGETED FOR CHARITY CARE IN THE HOSPITAL'S
 ANNUAL OPERATING PLAN.

PART I, LINE 3C:

N/A

PART I, LINE 7G:

IN FY 2010, CALVERT MEMORIAL HOSPITAL CONTRIBUTED \$1,492,402 TO THE
 MARYLAND UNCOMPENSATED CARE FUND. THE UNCOMPENSATED CARE FUND
 PROVIDES HEALTHCARE TO INDIVIDUALS WHO QUALIFY FOR FINANCIAL
 ASSISTANCE IN THE STATE OF MARYLAND.

SUBSIDIZED HEALTH SERVICES INCLUDE THE FOLLOWING CLINICS: WOMAN'S
 WELLNESS CENTER, DUNKIRK URGENT CARE, GYN-ONCOLOGY CLINIC, PEDIATRIC
 ORTHOPEDIC CLINIC, SOLOMONS URGENT CARE, SPINE CLINIC AND TWIN
 BEACHES COMMUNITY HEALTH CENTER. COSTS ATTRIBUTABLE TO THE CLINICS

Part VI Supplemental Information

Complete this part to provide the following information.

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

TOTALED \$1,533,774.

PART I, LINE 7, COLUMN F:

BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A),
 BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS
 COLUMN - \$5,675,692.

PART I, LINE 7:

THE COSTING METHODOLOGY USED TO CALCULATE AMOUNTS REPORTED IN LINE 7
 WAS A COST-TO-CHARGE RATIO DERIVED FROM WORKSHEET 2, RATIO OF PATIENT
 CARE COST-TO-CHARGES.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
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PART III, LINE 4:

CALVERT MEMORIAL HOSPITAL HAS STUDIED UNCOMPENSATED CARE TO TRACK AND
TREND FINANCIAL PERFORMANCE AT ANY SPECIFIED PERIOD. THIS HAS
INCLUDED ENSURING THAT THE SYSTEM IS IN COMPLIANCE WITH ALL STATE
REQUIREMENTS REGARDING CMH'S TAX-EXEMPT STATUS AND THE DELIVERANCE OF
FINANCIAL ASSISTANCE TO PATIENTS WHO MAY BE UNABLE TO REIMBURSE THE
PROVIDER FOR THEIR HEALTH CARE NEEDS. CMH PROVIDES A BOARD APPROVED
FINANCIAL ASSISTANCE PROGRAM THAT PROVIDES SOME LEVEL OF DISCOUNT
SERVICES FOR PATIENTS THAT ARE 300% OR BELOW THE FEDERAL POVERTY
LEVEL. THIS INCLUDES THE REVIEW OF SEVERAL DOCUMENTS SUBMITTED BY
PATIENTS, THE ACCEPTANCE OF NEED BASED GOVERNMENT OR COMMUNITY
ASSISTANCE THAT PROVES THE PATIENT'S PROBABLE ELIGIBILITY, AND THE
UTILIZATION OF SOFTWARE THAT EXAMINES SEVERAL FINANCIAL FACTORS AND
PLACES THEM IN AN ALGORITHM TO DETERMINE THEIR PROBABILITY TO MEET
CMH'S 100% LEVEL OF FINANCIAL ASSISTANCE. THIS INFORMATION WAS
UTILIZED OVER A 2 QUARTER PERIOD TO DETERMINE THE ESTIMATE OF THE
AMOUNT OF CMH'S BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS ELIGIBLE
UNDER THE CHARITY CARE POLICY.

Part VI Supplemental Information

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- 1 Provide the description required for Part I, line 3c; Part I, line 6a; Part I, line 7g; Part I, line 7, column (f); Part I, line 7; Part III, line 4; Part III, line 8; Part III, line 9b, and Part V. See Instructions.
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THE FINANCIAL STATEMENTS FOR CALVERT MEMORIAL HOSPITAL DO NOT CONTAIN

A FOOTNOTE REGARDING BAD DEBT EXPENSE. BAD DEBT EXPENSE IS

CLASSIFIED AS AN OPERATING EXPENSE, "PROVISION FOR UNCOLLECTIBLE

ACCOUNTS," IN THE HOSPITAL'S STATEMENT OF OPERATIONS.

PART III, LINE 8:

THE COSTING SOURCE IS THE MEDICARE COST REPORT AND THE METHODOLOGY IS

MEDICARE ALLOWABLE COST TO MEDICARE REVENUES RECEIVED.

PART III, LINE 9B:

AS STATED IN CALVERT MEMORIAL HOSPITAL'S FINANCIAL ASSISTANCE POLICY,

PART V, SECTION G:

CALVERT MEMORIAL HOSPITAL'S MANAGEMENT SHALL DEVELOP POLICIES AND

PROCEDURES FOR INTERNAL AND EXTERNAL COLLECTION PRACTICES THAT TAKE

INTO ACCOUNT THE EXTENT TO WHICH THE PATIENT QUALIFIES FOR FINANCIAL

ASSISTANCE, A PATIENT'S GOOD FAITH EFFORT TO APPLY FOR A GOVERNMENTAL

PROGRAM OR FOR FINANCIAL ASSISTANCE FROM CALVERT MEMORIAL HOSPITAL,

AND A PATIENT'S GOOD FAITH EFFORT TO COMPLY WITH HIS OR HER PAYMENT

Part VI Supplemental Information

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AGREEMENTS WITH CALVERT MEMORIAL HOSPITAL. FOR PATIENTS WHO ARE
 COOPERATING WITH APPLYING AND QUALIFYING FOR EITHER MEDICAL
 ASSISTANCE OR FINANCIAL ASSISTANCE, CALVERT MEMORIAL HOSPITAL WILL
 NOT SEND UNPAID BILLS TO OUTSIDE COLLECTION AGENCIES AND WILL CEASE
 ALL COLLECTION ACTIVITIES.

NEEDS ASSESSMENT:

CALVERT MEMORIAL HOSPITAL (CMH) USES A VARIETY OF RESOURCES TO
 IDENTIFY THE HEALTH NEEDS OF ITS COMMUNITY.
 AS STATED IN 2009'S COMMUNITY BENEFIT REPORT NARRATIVE, BETWEEN JULY
 2007 AND NOVEMBER 2007, CMH IN COLLABORATION WITH THE CALVERT COUNTY
 COMMUNITY HEALTH IMPROVEMENT ROUNDTABLE COMPLETED A COMPREHENSIVE
 COMMUNITY HEALTH ASSESSMENT. THIS IS DONE BY THE ROUNDTABLE
 APPROXIMATELY EVERY FIVE YEARS AND TAKES ABOUT ONE YEAR TO COMPLETE.
 ON A QUARTERLY BASIS, ROUNDTABLE PARTNERS PROVIDE AN ACTION PLAN
 UPDATE. A COMMUNITY HEALTH ASSESSMENT INTERIM REPORT IS PLANNED FOR
 FY11. THE ROUNDTABLE MEMBERSHIP IS REPRESENTATIVE OF THE MAJOR
 COMMUNITY PARTNERS FOR HEALTH AND HUMAN SERVICES AND INCLUDES THE

Part VI Supplemental Information

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LEADERSHIP FROM THE CALVERT COUNTY HEALTH DEPARTMENT, CALVERT COUNTY
 PUBLIC SCHOOLS, CALVERT COUNTY OFFICE ON AGING, CALVERT COUNTY OF
 COMMUNITY RESOURCES, THE CALVERT COUNTY DEPARTMENT OF SOCIAL
 SERVICES, CALVERT HOSPICE, CALVERT ALLIANCE AGAINST DRUG ABUSE, THE
 CALVERT COUNTY TRAFFIC SAFETY COUNCIL AND THE ARC OF SOUTHERN MD WITH
 CMH AS THE PRIMARY FACILITATOR OF THE ROUNDTABLE. THE PURPOSE OF THE
 ASSESSMENT WAS TO DETERMINE THE CURRENT STATUS OF COMMUNITY HEALTH IN
 THE COUNTY, TO PROJECT FUTURE NEEDS AND TO IDENTIFY AREAS WHERE THEIR
 GAPS IN SERVICES. THE ASSESSMENT CONSISTED OF TWO COMPONENTS: THE
 FIRST BEING THE COLLECTION OF DATA ON THE HEALTH STATUS OF THE COUNTY
 AS AVAILABLE THROUGH LOCAL, STATE AND NATIONAL DATA SOURCES. IT ALSO
 CONSISTED OF PERSONAL INTERVIEWS WITH KEY LEADERS IN THE COMMUNITY IN
 ORDER TO GATHER INFORMATION ON THEIR PERCEPTION OF THE HEALTH OF THIS
 COMMUNITY. THESE LEADERS INCLUDED A COUNTY COMMISSIONER, THE
 SUPERINTENDENT OF SCHOOLS, THE COUNTY HEALTH OFFICER, A LEADING
 CLERGY REPRESENTATIVE FROM A MINORITY CHURCH, THE DIRECTOR OF AGING
 SERVICES AT THE OFFICE ON AGING AND THE CEO OF CMH. THE SECOND PHASE
 WAS THE DEVELOPMENT OF A PUBLIC COMMUNITY SURVEY DESIGNED TO
 DETERMINE RESIDENT'S VIEWS ABOUT THEIR HEALTH AND THE LOCAL HEALTH

Part VI Supplemental Information

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CARE SYSTEM. IT UTILIZED FACE-TO FACE METHODS, ONLINE AVAILABILITY

AND A PAPER SYSTEM. THE SURVEY WAS DISTRIBUTED BY COMMUNITY AGENCIES

SUCH AS THE UNITED WAY, THE LOCAL INTERAGENCY COUNCIL, LOCAL CHURCHES

AND EMPLOYERS AS WELL AS AT A COMMUNITY HEALTH FORUM AT THE COLLEGE

OF SOUTHERN MARYLAND. A TOTAL OF 1,418 SURVEYS WERE RETURNED TO CMH.

IN OCTOBER 2007, THE COMMUNITY HEALTH IMPROVEMENT ROUNDTABLE HELD A

COMMUNITY HEALTH FORUM AT THE COLLEGE OF SOUTHERN MARYLAND, CALVERT

COUNTY CAMPUS. IT CONSISTED OF A PANEL PRESENTATION BY THE COUNTY'S

HEALTH OFFICER, A PRIVATE PHYSICIAN AND THE HOSPITAL'S PRESIDENT WITH

A QUESTION AND ANSWER PERIOD AFTERWARDS. APPROXIMATELY 50 PEOPLE

ATTENDED THIS FORUM.

IN THE FALL OF 2007, THE COMMUNITY WELLNESS DEPARTMENT OF CMH

SURVEYED ITS FAITH-BASED MINISTRY COUNCIL FOR THEIR CONCERNS AND

PERCEPTIONS REGARDING THE HEALTH OF THE COMMUNITY AND WHAT

RECOMMENDATIONS THEY HAD FOR CMH TO ADDRESS IN FUTURE PLANNING.

Part VI Supplemental Information

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IN JANUARY 2008, CMH'S 2004 MEDICAL STAFF DEVELOPMENT PLAN WAS
 UPDATED. THIS PROCESS IS COMPLETED EVERY 4 YEARS. APPLYING VERY
 SPECIFIC QUANTITATIVE ANALYSIS ALONG WITH QUALITATIVE MEDICAL STAFF
 INPUT, THE STUDY SHOWED THE NEED FOR A SIGNIFICANT NUMBER OF PRIMARY
 CARE PHYSICIANS AS WELL AS MEDICAL AND SURGICAL SUB-SPECIALTIES.

IN THE SPRING OF 2008, CMH'S BOARD OF DIRECTORS INITIATED A STRATEGIC
 PLANNING PROCESS FOR THE YEARS 2009-2012. THE PURPOSE OF THE PLAN IS
 TO AMALGAMATE AND SYNTHESIZE THE ESSENTIAL FINDINGS AND
 RECOMMENDATIONS OF KEY STUDIES AND TO PRESENT A "ROLL-UP" OF
 RECOMMENDED ACTIONS THAT REMAIN TO BE IMPLEMENTED. THE PLAN WAS
 COMPLETED IN FY-09 AND SERVES AS A GUIDE FOR SERVICE DEVELOPMENT,
 IMPLEMENTATION AND CONTINUATION.

THE LOCAL HEALTH DEPARTMENT IS INTEGRAL TO THE ASSESSMENT AND
 PLANNING OF HEALTH CARE SERVICES AT CMH. THROUGH ACTIVE PARTICIPATION
 ON THE COMMUNITY HEALTH ROUNDTABLE AND OTHER COLLABORATIVE EFFORTS
 THE HOSPITAL AND THE HEALTH DEPARTMENT WORK CLOSELY TO IMPROVE THE
 HEALTH OF THE COMMUNITY. FOR EXAMPLE, BOTH THE COUNTY HEALTH OFFICER

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AND THE HOSPITAL'S CEO PRESENTED THE RESULTS OF THE COMMUNITY HEALTH
 ASSESSMENT TO THE COUNTY COMMISSIONER'S AT THEIR MEETING ON DECEMBER
 16, 2008.

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE:

NOTIFICATION ABOUT THE AVAILABILITY OF FINANCIAL ASSISTANCE FROM
 CALVERT MEMORIAL HOSPITAL INCLUDES A CONTACT NUMBER AND IS
 DISSEMINATED BY CALVERT MEMORIAL HOSPITAL BY VARIOUS MEANS, WHICH
 INCLUDES, BUT IS NOT LIMITED TO, THE PUBLICATION OF NOTICES IN
 PATIENT BILLS AND BY POSTING NOTICES IN THE EMERGENCY DEPARTMENT,
 URGENT CARE CENTERS, ADMITTING AND REGISTRATION DEPARTMENTS, AND
 PATIENT FINANCIAL SERVICES OFFICES. INFORMATION IS ALSO INCLUDED ON
 THE HOSPITAL'S WEBSITE AND IN THE PATIENT HANDBOOK. IN ADDITION,
 NOTIFICATION OF THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM IS ALSO
 PROVIDED TO EACH PATIENT THROUGH AN INFORMATION SHEET PROVIDED TO
 EACH PATIENT AT THE TIME OF REGISTRATION. SUCH INFORMATION IS
 PROVIDED IN THE PRIMARY LANGUAGES SPOKEN BY THE POPULATION SERVICED
 BY CALVERT MEMORIAL HOSPITAL. REFERRAL OF PATIENTS FOR FINANCIAL
 ASSISTANCE MAY BE MADE BY ANY MEMBER OF THE CALVERT MEMORIAL HOSPITAL

Part VI Supplemental Information

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STAFF OR MEDICAL STAFF, INCLUDING PHYSICIANS, NURSES, FINANCIAL

COUNSELORS, SOCIAL WORKERS, CASE MANAGERS, AND CHAPLAINS. A REQUEST

FOR FINANCIAL ASSISTANCE MAY BE MADE BY THE PATIENT OR A FAMILY

MEMBER, CLOSE FRIEND, OR ASSOCIATE OF THE PATIENT, SUBJECT TO

APPLICABLE PRIVACY LAWS.

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COMMUNITY INFORMATION:

CALVERT MEMORIAL HOSPITAL (CMH) IS THE SOLE HOSPITAL PROVIDER IN

CALVERT COUNTY, MARYLAND. CALVERT COUNTY IS LOCATED IN SOUTHERN

MARYLAND AND IS ESSENTIALLY A PENINSULA BORDERED ON THE EAST BY THE

CHESAPEAKE BAY AND ON THE WEST BY THE PATUXENT RIVER. WITH A LONG AND

SKINNY TOPOGRAPHY, THE COUNTY'S "SPINE" IS MARYLAND ROUTES 2/4

RUNNING FROM DUNKIRK IN THE NORTH TO SOLOMONS ISLAND IN THE SOUTH FOR

APPROXIMATELY 45 MILES. THIS TOPOGRAPHY PRESENTS CHALLENGES TO BOTH

TRANSPORTATION AND SERVICE DELIVERY THAT ARE UNIQUE TO CALVERT

COUNTY. IN RESPONSE TO THIS UNIQUE TOPOGRAPHY, CMH'S STRATEGIC GOAL

IS TO ENSURE ACCESS TO PRIMARY CARE SERVICES WITHIN A 15 MINUTE DRIVE

FROM ANY COUNTY LOCATION AND SPECIALTY CARE WITHIN 30 MINUTES. IN

ADDITION, CMH'S SECONDARY MARKET AREA INCLUDES THE SURROUNDING AREAS

OF SOUTHERN PRINCE GEORGES AND ANNE ARUNDEL COUNTIES, ST MARY'S

COUNTY ON ITS SOUTHERN BORDER AND CHARLES COUNTY ON ITS WESTERN

BORDER.

CALVERT COUNTY IS IN THE OUTER RING OF SUBURBAN WASHINGTON, D.C.

POPULATION ESTIMATES FROM THE U.S. CENSUS BUREAU FOR 2009 IS 89,212.

POPULATION DENSITY INCREASED IN THE COUNTY FROM 346.5 TO 412 PEOPLE

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PER SQUARE MILE OVER THE PERIOD OF 2000-2009. POPULATION PROJECTIONS

ARE FOR CALVERT TO CONTINUE TO GROW TO 100,700 PEOPLE IN 2020. THE

FUTURE IS PROJECTED TO BRING SMALL GROWTH IN POPULATION OF YOUNG

PEOPLE, LARGE INCREASES (ON A PERCENTAGE BASIS) OF THE ELDERLY, AND

MODEST GROWTH IN TOTAL NUMBER OF HOUSEHOLDS AND IN SIZE OF THE LABOR

FORCE. CALVERT COUNTY'S ESTIMATED MEDIAN HOUSEHOLD INCOME IS \$89,049

IN 2008 INFLATION ADJUSTED DOLLARS. DESPITE ITS RELATIVE HIGH INCOME

LEVEL, CALVERT COUNTY IS HOME TO POCKETS OF PEOPLE WHO LIVE IN

POVERTY. US CENSUS AMERICAN COMMUNITY SURVEY DATA INDICATED THAT

INDIVIDUALS LIVING BELOW THE POVERTY LEVEL WERE 5.6% OF THE

POPULATION.

THE AGE DISTRIBUTION OF THOSE LIVING BELOW THE POVERTY LEVEL REVEALS

THE FOLLOWING:

UNDER AGE 19 25.7%

AGE 19-64 64.1%

AGE 65-84 9.1%

AGE 85+ 1.2%

THE COMMUNITY HEALTH STATUS REPORT FROM DHHS INDICATES THAT THERE ARE

9207 UNINSURED INDIVIDUALS UNDER AGE 65 IN CALVERT COUNTY. IT ALSO

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REPORTS THAT THERE ARE 8,311 MEDICARE BENEFICIARIES AND 8,887

MEDICAID BENEFICIARIES. FINANCIAL ANALYSIS OF FY2010 FOR CALVERT

MEMORIAL HOSPITAL REVEALS THAT 5.1% OF GROSS REVENUE IS FROM SELF-PAY

OR UNINSURED PATIENTS, 11.6% OF GROSS REVENUE IS FROM MEDICAID

RECIPIENTS AND 36.9% IS FROM MEDICARE RECIPIENTS. IN 2009, MARYLAND

VITAL STATISTICS REPORT THAT CALVERT COUNTY'S CRUDE DEATH RATE FOR

ALL CAUSES OF DEATH IS 656.9 PER 100,000 PEOPLE WHICH IS BELOW THE

STATE AVERAGE OF 767.8 DEATHS PER 100,000 PEOPLE. HEART DISEASE,

CANCER, CEREBROVASCULAR DISEASE AND CHRONIC LOWER RESPIRATORY DISEASE

ARE THE LEADING CAUSES OF DEATH IN CALVERT. DEATH FROM HEART DISEASE,

CANCERS AND CHRONIC LOWER RESPIRATORY DISEASE IN CALVERT COUNTY IS

HIGHER THAN THE MARYLAND STATE AVERAGE.

COMMUNITY BUILDING ACTIVITIES:

CALVERT MEMORIAL HOSPITAL (CMH) IS RECOGNIZED AS A LEADER IN THE

PROVISION OF HEALTH CARE IN THE LOCAL AREA. IT PARTNERS WITH MANY

ORGANIZATIONS AND AGENCIES TO EXPAND THE REACH FOR IMPROVING THE

HEALTH OF ITS COMMUNITY. ACTIVITIES INCLUDE:

Part VI Supplemental Information

Complete this part to provide the following information.

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

1. DEVELOPING AND LEADING A HEALTH MINISTRY TEAM PROGRAM WITH 15
 LOCAL AREA CHURCHES.

2. SUPPORTING STAFF PARTICIPATION ON LOCAL AREA BOARDS, COALITIONS
 AND COLLABORATIVES, SUCH AS THE UNITED WAY OF CALVERT COUNTY,
 HOSPICE OF CALVERT COUNTY, MARYLAND RURAL HEALTH ASSOCIATION, THE
 OFFICE ON AGING, SOUTHERN MARYLAND COMMUNITY NETWORK, CALVERT
 COUNTY ORAL HEALTH COALITION, TRI-COUNTY COUNCIL, EMS COUNCIL,
 MARYLAND PERINATAL PATIENT SAFETY COLLABORATIVE, COMPTROLLER'S
 ADVISORY BOARD AND THE CALVERT CANCER COALITION.

3. LEADER WITH CALVERT COUNTY HEALTHCARE CAREER PARTNERSHIP -
 COORDINATING MEETINGS, ANNUAL EXPO AND STUDENT MENTORSHIPS.
 PURPOSE IS TO EXPOSE MORE STUDENTS TO A VARIETY OF HEALTH CAREER
 OPPORTUNITIES WITH THE GOAL TO ATTRACT THEM TO FUTURE CAREERS IN
 HEALTHCARE.

4. CHAIR OF THE CALVERT COUNTY IMPROVED PREGNANCY OUTCOME PROGRAM
 THAT IS A PARTNERSHIP WITH PHYSICIANS, THE LOCAL HEALTH
 DEPARTMENT, CHILD CARE PROVIDERS AND CMH THAT PERFORMS CASE
 REVIEWS OF DELIVERIES WITH POTENTIAL POOR OUTCOME TO IDENTIFY

Part VI Supplemental Information

Complete this part to provide the following information.

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

TRENDS. THESE TRENDS THEN SERVE AS A GUIDE FOR PROGRAM AND

SERVICE DEVELOPMENT. TWO AREAS OF RECENT ATTENTION HAVE BEEN SAFE

SLEEP EDUCATION FOR PARENTS AND IDENTIFICATION OF EARLY LABOR AND

ACTION PLAN FOR THE MATERNITY PATIENT.

4. CALVERT COUNTY NUCLEAR POWER PLANT DISASTER PREPAREDNESS IS AN

ONGOING PROGRAM FOR CMH SINCE CMH IS THE DESIGNATED RECEIVING

HOSPITAL FOR ACCIDENTS OR EMERGENCIES. CMH PROVIDES SALARIES AND

TRAVEL EXPENSES FOR EMERGENCY DEPARTMENT STAFF TO TRAIN OFFSITE

FOR SUCH EMERGENCIES. IT ALSO DRILLS AT LEAST ANNUALLY WITH THE

COUNTY, THE POWER PLANT AND FEMA ON ACCIDENT MANAGEMENT. THE

HOSPITAL HAS A PART OF ITS EMERGENCY DEPARTMENT A DECONTAMINATION

UNIT THAT IS FULLY EQUIPPED AND AVAILABLE 24/7 FOR HANDLING

PATIENTS NEEDING THIS PROCEDURE.

THESE ARE JUST A FEW OF CMH'S COMMUNITY BUILDING ACTIVITIES.

IMPROVING THE HEALTH OF THE COMMUNITY IS A PRIORITY AREA FOR THE

HOSPITAL AND THEREFORE DRIVES MANY OF OUR STRATEGIC PLANS.

OTHER INFORMATION:

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

Part I Questions Regarding Compensation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Schedule J (Form 990) 2009

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
JAMES XINIS	(i)	269,196.	94,500.	74,990.	405,531.	17,434.	861,651.	74,801.
	(ii)	0.	0.	0.	0.	0.	0.	0.
ROBERT MCWHIRT	(i)	145,840.	0.	25,339.	38,911.	8,886.	218,976.	24,564.
	(ii)	0.	0.	0.	0.	0.	0.	0.
SUSAN DOHONY	(i)	150,181.	0.	5,096.	44,030.	7,223.	206,530.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
EDWARD GROGAN	(i)	142,431.	12,597.	0.	18,493.	8,966.	182,487.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
ROBERT SCHLAGER	(i)	163,771.	7,899.	188.	17,962.	4,790.	194,610.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
SEYED ALI MOHAMMADI	(i)	268,591.	0.	150.	15,654.	5,816.	290,211.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MARA DAIDONE	(i)	289,146.	50,260.	6,268.	13,495.	5,888.	365,057.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
FAISAL BHINDER	(i)	336,036.	0.	0.	22,436.	7,326.	365,798.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
APARAJI MAHATA	(i)	236,465.	0.	60,700.	16,788.	5,782.	319,735.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MITRA NASSIRAEI	(i)	190,813.	10,000.	2,100.	8,414.	8,590.	219,917.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
D KIRK BLANDFORD	(i)	195,451.	16,849.	50,029.	34,220.	5,497.	302,046.	50,029.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

NONQUALIFIED RETIREMENT PAYMENT

PART I, LINE 4

THE FOLLOWING EMPLOYEES PARTICIPATED IN THE ORGANIZATION'S 457(B) AND/OR

457(F) DEFERRED COMPENSATION PLANS AND WERE PAID AND/OR CREDITED WITH THE

FOLLOWING AMOUNTS:

D KIRK BLANDFORD \$ 65,900

ROBERT MCWHIRT \$ 48,208

JAMES XINIS \$441,044

SUSAN DOHONY \$ 9,700

EDWARD GROGAN \$ 7,542

ROBERT SCHLAGER \$ 8,040

BENEFITS

PART I LINE 1A

THE PRESIDENT/CEO RECEIVED THE FOLLOWING BENEFITS:

TRAVEL FOR COMPANIONS

**SCHEDULE K
(Form 990)**

Supplemental Information on Tax-Exempt Bonds

OMB No. 1545-0047

2009

**Open to Public
Inspection**

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

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

Department of the Treasury
Internal Revenue Service

Name of the organization
CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number
52-0619000

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
						Yes	No	Yes	No
A MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	574127SP1	07/01/2004	32,925,000.	ACQUIRE, RENOVATE AND CONSTRUC		X		X
B									
C									
D									
E									

Part II Proceeds

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Total proceeds of issue										
2 Gross proceeds in reserve funds										
3 Proceeds in refunding or defeasance escrows										
4 Other unspent proceeds										
5 Issuance costs from proceeds										
6 Working capital expenditures from proceeds										
7 Capital expenditures from proceeds										
8 Year of substantial completion										
9 Were the bonds issued as part of a current refunding issue?		X								
10 Were the bonds issued as part of an advance refunding issue?		X								
11 Has the final allocation of proceeds been made?	X									
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X									

Part III Private Business Use

	A		B		C		D		E	
	Yes	No	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								
2 Are there any lease arrangements with respect to the financed property which may result in private business use?		X								

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

Schedule K (Form 990) 2009

JSA

9E1295 2.000

Part III Private Business Use (Continued)

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

Part IV Arbitrage

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X								
2 Is the bond issue a variable rate issue?		X								
3a Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X								
b Name of provider										
c Term of hedge										
4a Were gross proceeds invested in a GIC?	X									
b Name of provider			MORGAN STANLEY							
c Term of GIC			2.200							
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?		X								
5 Were any gross proceeds invested beyond an available temporary period?		X								
6 Did the bond issue qualify for an exception to rebate?		X								

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

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

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

ATTACHMENT 1

DESCRIPTION OF 990 REVIEW PROCESS

PART VI, LINE 11

THE 990 IS REVIEWED BY THE AUDIT COMMITTEE OF THE CALVERT HEALTH SYSTEM, INC. BOARD OF DIRECTORS AFTER COMPLETION AND PRIOR TO SUBMISSION TO THE IRS. THE DOCUMENT IS DELIVERED TO THE COMMITTEE MEMBERS PRIOR TO THE COMMITTEE MEETING SO THAT THEY CAN REVIEW THE INFORMATION AND RESPOND TO OR QUESTION ANY OR ALL OF THE DATA. THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ARE PRESENT AT THE AUDIT COMMITTEE MEETING.

CONFLICTS MONITORING AND ENFORCEMENT

PART VI, LINE 12C

CALVERT HEALTH SYSTEM, INC. HAS A CONFLICT MANAGEMENT POLICY WHICH DESCRIBES HOW THE ORGANIZATION WILL MANAGE OR RESOLVE CONFLICT AT ALL LEADERSHIP LEVELS IN THE ORGANIZATION INCLUDING MANAGEMENT STAFF, MEDICAL STAFF LEADERSHIP AND BOARD MEMBERS. THIS POLICY REQUIRES ALL ORGANIZATIONAL LEADERSHIP TO DISCLOSE ANY CONFLICT OF INTEREST THAT EXISTS AT THE TIME OF BUSINESS DECISIONS, MEDICAL STAFF CREDENTIALING, AND STRATEGIC PLANNING. ANNUAL DISCLOSURES ARE REQUIRED AND DOCUMENTED. IN ADDITION WHEN ANY CONFLICT ARISES THERE IS AN INTERNAL MEDIATION PROCESS AVAILABLE TO RESOLVE A POTENTIAL CONFLICT AS WELL AS EXTERNAL CONFLICT MANAGEMENT RESOURCES TO ASSIST THE ORGANIZATION. INTERNAL METHODS INCLUDE UTILIZING TRAINED MEDIATORS TO FACILITATE CONFLICT RESOLUTION AND EXTERNAL RESOURCES ARE AVAILABLE TO BRING INTO THE ORGANIZATION IF REQUIRED. THESE RESOURCES INCLUDE TRAINED CRISIS

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
---	--

ATTACHMENT 1 (CONT'D)

COMMUNICATION/MANAGEMENT COUNSELORS, EMPLOYEE ASSISTANCE COUNSELORS AND
COMMUNITY BASED PROFESSIONALS TRAINED IN CONFLICT RESOLUTION AND LEGAL
REPRESENTATION IF APPROPRIATE.

PROCESS FOR DETERMINING COMPENSATION

PART VI, LINE 15

THE ORGANIZATION UTILIZES A COMPENSATION COMMITTEE, AN INDEPENDENT
COMPENSATION CONSULTANT, A WRITTEN EMPLOYMENT CONTRACT, A COMPENSATION
SURVEY OR STUDY, AND APPROVAL BY BOARD/COMPENSATION COMMITTEE TO DETERMINE
COMPENSATION.

DOCUMENT AVAILABILITY

PART VI, LINE 19

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

AUDITED FINANCIAL STATEMENTS

PART XI LINE 2B

THE ORGANIZATIONS FINANCIAL STATEMENTS ARE AUDITED BY AN INDEPENDENT
ACCOUNTING FIRM AS PART OF THE CONSOLIDATED AUDIT OF THE HEALTH SYSTEM.

ATTACHMENT 2

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

CALVERT MEMORIAL HOSPITAL PROVIDES QUALITY INPATIENT AND AMBULATORY
HEALTH CARE TO THE PEOPLE OF SOUTHERN MARYLAND THAT IS ACCESSIBLE,
COST-EFFECTIVE AND COMPASSIONATE. CMH WORKS IN PARTNERSHIP WITH THE

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
---	--

ATTACHMENT 2 (CONT'D)

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

COMMUNITY TO IMPROVE THE HEALTH STATUS OF ITS MEMBERS.

ATTACHMENT 3

4A PROGRAM SERVICE

CALVERT MEMORIAL HOSPITAL'S MISSION IS FOR THE CHARITABLE PURPOSE OF PROVIDING QUALITY INPATIENT AND AMBULATORY HEALTH CARE SERVICES TO THE CITIZENS OF SOUTHERN MARYLAND THAT IS ACCESSIBLE, COST EFFECTIVE AND COMPASSIONATE. THE HOSPITAL WORKS IN PARTNERSHIP WITH THE COMMUNITY TO IMPROVE THE HEALTH STATUS OF ITS MEMBERS. THE HOSPITAL PROVIDES MEDICAL SERVICES TO PATIENTS REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY. IN FY 2010, THE HOSPITAL SERVED 9,186 INPATIENTS, 131,600 OUTPATIENTS AND PROVIDED 40,309 EMERGENCY ROOM VISITS. FOR FY 2010, THE HOSPITAL FILED WITH THE STATE OF MARYLAND A COMMUNITY BENEFIT REPORT THAT DOCUMENTED \$10,204,379 IN COMMUNITY BENEFIT PROVIDED BY CALVERT MEMORIAL HOSPITAL. THE COMMUNITY BENEFIT REPORT IS AVAILABLE UPON REQUEST. ALL FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION. THE HOSPITAL IS GOVERNED BY A COMMUNITY BOARD COMPRISED OF CIVIC LEADERS THROUGHOUT CALVERT COUNTY WHO ARE COMMITTED TO AND REPRESENT THE HEALTHCARE NEEDS OF THE COMMUNITY. THE HOSPITAL IN FY 2010 PROVIDED OVER \$2,021,100 IN CHARITY CARE TO RESIDENTS WHO WERE UNABLE TO PAY FOR THOSE SERVICES AND MET ELIGIBILITY CRITERIA. THE HOSPITAL, AS A SOLE COMMUNITY PROVIDER, PROVIDES ESSENTIAL HEALTHCARE SERVICES SUCH AS

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
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FORM 990, PART III - PROGRAM SERVICESATTACHMENT 3 (CONT'D)

OBSTETRICS, PSYCHIATRY (BOTH INPATIENT AND OUTPATIENT), EMERGENCY SERVICES, URGENT CARE AND LONG-TERM CARE THAT OTHERWISE WOULD NOT BE PROVIDED WITHIN CALVERT COUNTY OR WOULD HAVE TO BE PROVIDED BY THE GOVERNMENT. MANY OF THESE SERVICES BY THEIR NATURE ARE UNPROFITABLE SERVICES DUE TO THEIR HIGH COST AND LOW REIMBURSEMENT. THESE SERVICES WOULD NOT BE PROVIDED IF THE HOSPITAL DID NOT STEP IN TO PROVIDE THEM. IN ADDITION, IN FY 2010, THE HOSPITAL PROVIDED \$290,753 OF FREE HEALTH SERVICES FOR CALVERT HEALTHCARE SOLUTIONS PATIENTS. CALVERT HEALTHCARE SOLUTIONS IS A PARTNERSHIP BETWEEN THE LOCAL HEALTH DEPARTMENT, LOCAL PHYSICIANS AND THE HOSPITAL THAT PROVIDES PRIMARY CARE SERVICES TO PATIENTS WHO ARE UNINSURED.

ATTACHMENT 4990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
MEDQUIST TRANSCRIPTIONS LTD PO BOX 29307 NEW YORK, NY 10087-9307	MEDICAL RECORD TRAN	497,329.
EMERGENCY MEDICINE ASSOCIATES PA PC 20010 CENTURY BLD STE 200 GERMANTOWN, MD 20874	URGENT CARE PHYS STF	479,371.
MARYLAND INPATIENT CARE SPECIALISTS LLC 2007 TIDEWATER COLONY DRIVE ANNAPOLIS, MD 21401	HOSPITALIST	408,502.
ERDMAN COMPANY 600 MARSHALL DRIVE WAUNAKEE, WI 53597	BUILDING CONTRACTOR	356,712.

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
---	--

ATTACHMENT 4 (CONT'D)

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

<u>NAME AND ADDRESS</u>	<u>DESCRIPTION OF SERVICES</u>	<u>COMPENSATION</u>
MAYO MEDICAL LABORATORIES PO BOX 9146 MINNEAPOLIS, MN 55480-9146	LAB TESTING	343,931.
TOTAL COMPENSATION		2,085,845.

ATTACHMENT 5

FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	<u>(A) TOTAL REVENUE</u>	<u>(B) RELATED OR EXEMPT REVENUE</u>	<u>(C) UNRELATED BUSINESS REV.</u>	<u>(D) EXCLUDED REVENUE</u>
INVESTMENT INCOME	160,356.			160,356.
TOTALS	160,356.			160,356.

ATTACHMENT 6

FORM 990, PART X - NOTES AND LOANS RECEIVABLE

BORROWER: GAIL ANDERSON
 ORIGINAL AMOUNT: 54,000.
 INTEREST RATE: 6.750000
 DATE OF NOTE: 11/01/2005
 MATURITY DATE: 04/01/2008
 PURPOSE OF LOAN: PHYSICIAN LOAN

BEGINNING BALANCE DUE 11,700.
 ENDING BALANCE DUE 0.

BORROWER: CALVERT FAMILY PRACTICE
 ORIGINAL AMOUNT: 50,000.
 INTEREST RATE: 4.430000
 DATE OF NOTE: 06/01/2006
 MATURITY DATE: 05/01/2008
 PURPOSE OF LOAN: PHYSICIAN LOAN

Name of the organization CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY	Employer identification number 52-0619000
---	--

ATTACHMENT 6 (CONT'D)

BEGINNING BALANCE DUE	14,244.
ENDING BALANCE DUE	<u>0.</u>

BORROWER: CHESAPEAKE NEUROLOGY ASSOCIATES
 ORIGINAL AMOUNT: 30,000.
 INTEREST RATE: 2.500000
 DATE OF NOTE: 04/01/2009
 MATURITY DATE: 04/01/2012

BEGINNING BALANCE DUE	17,000.
ENDING BALANCE DUE	<u>24,149.</u>

TOTAL BEGINNING NOTES AND LOANS RECEIVABLE	<u>42,944.</u>
TOTAL ENDING NOTES AND LOANS RECEIVABLES	<u>24,149.</u>

ATTACHMENT 7

FORM 990, PART X - PREPAID EXPENSES AND DEFERRED CHARGES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>
PREPAID EXPENSES	914,954.
PREPAID RENT	49,120.
TOTALS	<u>964,074.</u>

ATTACHMENT 8

FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
EQUITY MUTUAL FUNDS	1,881,506.	FMV

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

ATTACHMENT 8 (CONT'D)FORM 990, PART X - INVESTMENTS - PUBLICLY TRADED SECURITIES

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>COST OR FMV</u>
FIXED INCOME MUTUAL FUNDS	509,453.	FMV
US GOVERNMENT ISSUES	3,655,280.	FMV
TOTALS	<u>6,046,239.</u>	

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY

Employer identification number

52-0619000

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
CALVERT PHYSICIANS ASSOCIATES 100 HOSPITAL RD PRINCE FREDERICK, MD 20678 26-3828176	HEALTHCARE	MD	2,362,947.	2,007,295.	CMH

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
CALVERT HEALTH SYSTEM INC 100 HOSPITAL RD PRINCE FREDERICK, MD 20678 52-2347324	HEALTHCARE	MD	501 (C) (3)	170B1AIII	N/A
CMH HOLDING CO 100 HOSPITAL RD PRINCE FREDERICK, MD 20678 52-2176827	REAL ESTATE	MD	501 (C) (2)		CHS
CMH II HOLDING CO 100 HOSPITAL RD PRINCE FREDERICK, MD 20678 52-2178784	REAL ESTATE	MD	501 (C) (2)		CHS
CALVERT MEMORIAL HOSPITAL FOUNDATION INC 100 HOSPITAL RD PRINCE FREDERICK, MD 20678 52-1680647	FUND RAISING	MD	501 (C) (3)	509 (A) (3)	CMH

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

Schedule R (Form 990) 2009

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No

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
CALVERT HEALTH VENTURES INC 52-1625432 100 HOSPITAL RD PRINCE FREDERICK, MD 20678	HEALTHCARE	MD	CMH	C CORP	5,684,894.	5,562,951.	100.0000
CALVERT COMMUNITY HEALTH INC 52-1996371 100 HOSPITAL RD PRINCE FREDERICK, MD 20678	HEALTHCARE	MD	CMH	C CORP	0.	0.	100.0000

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

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

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

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved
(1) CALVERT PHYSICIANS ASSOCIATES	B	2,911,000.
(2) CALVERT HEALTH VENTURES	J, N, P	162,578.
(3) CALVERT MEMORIAL HOSPITAL FOUNDATION	C, L	258,495.
(4)		
(5)		
(6)		

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER DEDUCTIONS

REPAIRS	4,455.
SUPPLIES	863.
UTILITIES	6,598.
LEASES & RENTALS	1,289.
PURCHASED SERVICES	6,525.
	<u>19,730.</u>

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER DEDUCTIONS

TAXES	2,924.
UTILITIES	1,401.
MAINTENANCE CONTRACTS	2,100.
	<u>6,425.</u>

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER DEDUCTIONS

UTILITIES	3,553.
LEASES AND RENTALS	<u>21,033.</u>
	<u>24,586.</u>

RENT AND ROYALTY SUMMARY

<u>PROPERTY</u>	<u>TOTAL INCOME</u>	<u>DEPLETION/ DEPRECIATION</u>	<u>OTHER EXPENSES</u>	<u>ALLOWABLE NET INCOME</u>
CHILD CARE CENTER	26,400.		19,730.	6,670.
109 WESTLAKE BLVD CO	6,250.	6,153.	6,425.	-6,328.
MISC RENTAL PROPERTY	1,963.			1,963.
427 CAMBRIDGE PLACE	5,400.		24,586.	-19,186.
TOTALS	<u>40,013.</u>	<u>6,153.</u>	<u>50,741.</u>	<u>-16,881.</u>

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

2009

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

For calendar year 2009 or other tax year beginning 07/01, 2009, and ending 06/30, 2010. See separate instructions.

A Check box if address changed

Name of organization (Check box if name changed and see instructions.)
CALVERT MEMORIAL HOSPITAL OF CALVERT COUNTY
 Number, street, and room or suite no. If a P.O. box, see page 8 of instructions.
100 HOSPITAL ROAD
 City or town, state, and ZIP code
PRINCE FREDERICK, MD 20678

D Employer identification number
 (Employees' trust, see instructions for Block D on page 9.)
52-0619000

B Exempt under section
 501(C)(3)
 408(e) 220(e)
 408A 530(a)
 529(a)

Print or Type

E Unrelated business activity codes
 (See instructions for Block E on page 9.)
561000 811000

C Book value of all assets at end of year
102,163,097.

F Group exemption number (See instructions for Block F on page 9.)
G Check organization type 501(c) corporation 501(c) trust 401(a) trust Other trust

H Describe the organization's primary unrelated business activity. **ATTACHMENT 1**

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

J The books are in care of **ROBERT KERTIS** Telephone number **410-535-4000**

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales <u>943,389.</u>			
b	Less returns and allowances			
	c Balance	1c <u>943,389.</u>		
2	Cost of goods sold (Schedule A, line 7)			
3	Gross profit. Subtract line 2 from line 1c	3 <u>943,389.</u>		<u>943,389.</u>
4a	Capital gain net income (attach Schedule D)			
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)			
c	Capital loss deduction for trusts			
5	Income (loss) from partnerships and S corporations (attach statement)			
6	Rent income (Schedule C)	6 <u>11,650.</u>	<u>31,011.</u>	<u>-19,361.</u>
7	Unrelated debt-financed income (Schedule E)			
8	Interest, annuities, royalties, and rents from controlled organizations (Schedule F)			
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)			
10	Exploited exempt activity income (Schedule I)			
11	Advertising income (Schedule J)			
12	Other income (See page 10 of the instructions; attach schedule.)			
13	Total. Combine lines 3 through 12	13 <u>955,039.</u>	<u>31,011.</u>	<u>924,028.</u>

Part II Deductions Not Taken Elsewhere (See page 11 of the instructions for limitations on deductions.)
 (Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)	14	
15	Salaries and wages	15	<u>633,412.</u>
16	Repairs and maintenance	16	
17	Bad debts	17	
18	Interest (attach schedule)	18	
19	Taxes and licenses	19	
20	Charitable contributions (See page 13 of the instructions for limitation rules.)	20	
21	Depreciation (attach Form 4562)	21	<u>0.</u>
22	Less depreciation claimed on Schedule A and elsewhere on return	22a	<u>0.</u>
23	Depletion	23	
24	Contributions to deferred compensation plans	24	
25	Employee benefit programs	25	<u>180,845.</u>
26	Excess exempt expenses (Schedule I)	26	
27	Excess readership costs (Schedule J)	27	
28	Other deductions (attach schedule) ATTACHMENT 2	28	<u>217,174.</u>
29	Total deductions. Add lines 14 through 28	29	<u>1,031,431.</u>
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	<u>-107,403.</u>
31	Net operating loss deduction (limited to the amount on line 30)	31	
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	<u>-107,403.</u>
33	Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions.)	33	<u>1,000.</u>
34	Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32.	34	<u>-107,403.</u>

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation on page 15. Controlled group members (sections 1561 and 1563) check here See instructions and: a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ (2) \$ (3) \$ b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ (2) Additional 3% tax (not more than \$100,000) \$ c Income tax on the amount on line 34 35c 36 Trusts Taxable at Trust Rates. See instructions for tax computation on page 16. Income tax on the amount on line 34 from: Tax rate schedule or Schedule D (Form 1041) 36 37 Proxy tax. See page 16 of the instructions 37 38 Alternative minimum tax 38 39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies. 39

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) 40a 40b Other credits (see page 16 of the instructions) 40b 40c General business credit. Attach Form 3800. 40c 40d Credit for prior year minimum tax (attach Form 8801 or 8827) 40d 40e Total credits. Add lines 40a through 40d 40e 41 Subtract line 40e from line 39. 41 42 Other taxes. Check if from: Form 4255 Form 8611 Form 8697 Form 8866 Other (attach schedule). 42 43 Total tax. Add lines 41 and 42 43 44a Payments: A 2008 overpayment credited to 2009 44a 44b 2009 estimated tax payments 44b 44c Tax deposited with Form 8868 44c 44d Foreign organizations: Tax paid or withheld at source (see instructions) 44d 44e Backup withholding (see instructions) 44e 44f Other credits and payments: Form 2439 Form 4136 Other Total 44f 45 Total payments. Add lines 44a through 44f 45 46 Estimated tax penalty (see page 4 of the instructions). Check if Form 2220 is attached 46 47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed 47 0. 48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid 48 0. 49 Enter the amount of line 48 you want: Credited to 2010 estimated tax Refunded 49 0.

Part V Statements Regarding Certain Activities and Other Information (see instructions on page 17)

1 At any time during the 2009 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 Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here Yes No X 2 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 page 5 of the instructions for other forms the organization may have to file. Yes No X 3 Enter the amount of tax-exempt interest received or accrued during the tax year \$

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

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 X 4a Additional section 263A costs (attach schedule) 4a 4b Other costs (attach schedule) 4b 5 Total. Add lines 1 through 4b 5

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

Paid Preparer's Use Only Preparer's signature Date 06/14/2011 Check if self-employed Preparer's SSN or PTIN P01074058 Firm's name (or yours if self-employed), address, and ZIP code COHEN, RUTHERFORD + KNIGHT, PC 6903 ROCKLEDGE DRIVE, SUITE 500 EIN 52-1202280 Phone no. 301-828-1008 BETHESDA, MD 20817-1800

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

(see instructions on page 18)

1. Description of property

(1) RENTAL PROPERTY

(2)
(3)
(4)

2. Rent received or accrued

Table with columns for (a) From personal property, (b) From real and personal property, and 3(a) Deductions. Includes a total row and a (c) Total income row.

Schedule E - Unrelated Debt-Financed Income (see instructions on page 19)

Table with columns for 1. Description of debt-financed property, 2. Gross income, 3. Deductions, 4. Amount of average acquisition debt, 5. Average adjusted basis, 6. Column 4 divided by column 5, 7. Gross income reportable, 8. Allocable deductions.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions on page 20)

Table for Exempt Controlled Organizations with columns for 1. Name of controlled organization, 2. Employer identification number, 3. Net unrelated income, 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.

Nonexempt Controlled Organizations

Table for Nonexempt Controlled Organizations with columns for 7. Taxable Income, 8. Net unrelated income, 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.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions on page 20)

Table with 5 columns: 1. Description of income, 2. Amount of income, 3. Deductions directly connected, 4. Set-asides, 5. Total deductions and set-asides. Includes a Totals row at the bottom.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions on page 21)

Table with 7 columns: 1. Description of exploited activity, 2. Gross unrelated business income, 3. Expenses directly connected, 4. Net income (loss), 5. Gross income from activity, 6. Expenses attributable, 7. Excess exempt expenses. Includes a Totals row at the bottom.

Schedule J - Advertising Income (see instructions on page 21)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss), 5. Circulation income, 6. Readership costs, 7. Excess readership costs. Includes a Totals row at the bottom.

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.)

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss), 5. Circulation income, 6. Readership costs, 7. Excess readership costs. Includes a Totals row at the bottom.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions on page 21)

Table with 4 columns: 1. Name, 2. Title, 3. Percent of time devoted to business, 4. Compensation attributable to unrelated business. Includes a Total row at the bottom.

ORGANIZATION'S PRIMARY UNRELATED BUSINESS ACTIVITY.

PHARMACY SALES, EMERGENCY PSYCH SERVICES, PHYSICIANS ANSWERING SERVICE
RENTAL PROPERTY, TREATMENT FACILITY MEALS, LAB, BUILDING SERVICES
SUPPORT FEES

ATTACHMENT 2FORM 990T - PART II - LINE 28 - TOTAL OTHER DEDUCTIONS

SUPPLIES	3,014.
PHARMACEUTICAL EXPENSE	8,894.
TELEPHONE	5,753.
FOOD	56,109.
DELIVERY	1,624.
PURCHASED SERVICES	2,537.
DUES AND SUBSCRIPTIONS	204.
TRAVEL AND MEETINGS	215.
LEASES AND RENTALS	2,987.
TRAINING/EDUCATION	29.
ADVERTISING	1,746.
LEGAL AND AUDITING FEES	3,484.
UTILITIES	304.
RECRUITMENT	1,515.
MANAGEMENT FEE	4,152.
REPAIRS AND MAINT	35,519.
MAINTENANCE CONTRACTS	68,774.
CLEANING SUPPLIES	14,218.
TOOLS AND SUPPLIES	3,665.
OTHER	2,431.
PART II - LINE 28 - OTHER DEDUCTIONS	<u>217,174.</u>

SCHEDULE C - RENT INCOME DEDUCTIONS

ATTACHMENT 3

RENTAL PROPERTY

LEASES AND RENTALS	21,033.
UTILITIES	4,954.
REAL ESTATE TAXES	2,924.
MAINTENANCE CONTRACTS	2,100.
TOTAL	<u>31,011.</u>