

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter Social Security numbers on this form as it may be made public.
- ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 07/01, 2013, and ending 06/30, 2014

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization WESTERN MD HEALTH SYSTEM CORP., INC.		D Employer identification number 52-0591531
	Doing Business As		E Telephone number (240) 964-8003
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	City or town, state or province, country, and ZIP or foreign postal code CUMBERLAND, MD 21501-0539		
F Name and address of principal officer: KIMBERLY S. REPAC P.O. BOX 539 CUMBERLAND, MD 21501			G Gross receipts \$ 400,654,247.
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (Insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
J Website: ▶ WWW.WMHS.COM			H(c) Group exemption number ▶
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1905	M State of legal domicile: MD

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>TO IMPROVE THE HEALTH STATUS AND QUALITY OF LIFE OF THE INDIVIDUALS AND THE COMMUNITIES SERVED, ESPECIALLY THOSE IN NEED - SUPERIOR CARE FOR ALL WE SERVE.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	15.
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10.
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	2,437.
	6 Total number of volunteers (estimate if necessary)	6	439.
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	857,709.
b Net unrelated business taxable income from Form 990-T, line 34	7b	-426.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	1,343,323.	1,427,840.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	375,111,853.	381,087,796.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,470,925.	4,947,417.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,595,840.	4,882,347.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	143,842,473.	139,041,374.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	229,667,625.	229,888,383.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	373,510,098.	368,929,757.
19 Revenue less expenses. Subtract line 18 from line 12	15,011,843.	23,415,643.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	564,275,853.	579,856,032.
	22 Net assets or fund balances. Subtract line 21 from line 20	420,275,842.	416,565,868.

Part II Signature Block

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

Sign Here	Signature of officer: <u>Kimberly S Repac</u>	Date: <u>5/14/15</u>			
	Type or print name and title: <u>Kimberly S Repac Sr Vice President / CFO</u>				
Paid Preparer Use Only	Print/Type preparer's name: <u>FRANK D GIARDINI</u>	Preparer's signature: <u>[Signature]</u>	Date: <u>5/12/15</u>	Check <input type="checkbox"/> if self-employed	PTIN: <u>P00532355</u>
	Firm's name: <u>GRANT THORNTON LLP</u>	Firm's EIN: <u>36-6055558</u>			
	Firm's address: <u>2001 MARKET STREET, SUITE 700 PHILADELPHIA, PA 19103</u>	Phone no.: <u>215-561-4200</u>			

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2013)

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission:

THE MISSION OF WESTERN MD HEALTH SYSTEM IS TO IMPROVE THE HEALTH STATUS AND QUALITY OF LIFE OF THE INDIVIDUALS AND THE COMMUNITIES SERVED, ESPECIALLY THOSE IN NEED - SUPERIOR CARE FOR ALL WE SERVE.

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 227,028,906. including grants of \$) (Revenue \$ 263,481,946.) ANCILLARY CARE

WESTERN MARYLAND HEALTH SYSTEM (WMHS) OFFERS A COMPREHENSIVE RANGE OF GENERAL AND SPECIALTY SERVICES FOR PATIENTS. SURGICAL, LABORATORY, RADIOLOGY, CARDIOLOGY, CANCER, RESPIRATORY AND PULMONARY ARE THE LARGER SERVICES PROVIDED AT THE HOSPITAL. A SMALLER SCALE OF ANCILLARY SERVICES ARE PROVIDED AT THE NURSING HOME.

4b (Code:) (Expenses \$ 69,180,354. including grants of \$) (Revenue \$ 80,288,341.) INPATIENT ROUTINE CARE

WESTERN MARYLAND HEALTH SYSTEM (WMHS) IS A FULL SERVICE COMMUNITY HOSPITAL LICENSED FOR 233 BEDS INCLUDING MEDICAL-SURGICAL, INTENSIVE CARE, HIGH LEVEL CARE, OBSTETRIC, PEDIATRIC, PSYCHIATRIC REHABILITATION, NURSERY, AND 88 NURSING HOME BEDS. FOR THE YEAR, 12,823 PATIENTS WERE ADMITTED TO THE HOSPITAL AND FOR THE NURSING HOME, THE AVERAGE DAILY CENSUS WAS 84 PATIENTS. THE HEALTH SYSTEM ACCEPTS PATIENTS REGARDLESS OF THEIR ABILITY TO PAY. THOSE PATIENTS WHO MEET CERTAIN CRITERIA UNDER WMHS'S CHARITY CARE POLICIES RECEIVE SERVICES AT NO CHARGE OR AT AN AMOUNT LESS THAN FULL CHARGES.

4c (Code:) (Expenses \$ 18,336,773. including grants of \$) (Revenue \$ 21,281,028.) PHYSICIAN PRACTICES, CLINICS, AND HOME CARE WESTERN MARYLAND HEALTH SYSTEM (WMHS) OPERATES 14 PHYSICIAN PRACTICES, 2 URGENT CARE CLINICS, AND A HOME CARE PRACTICE. THE PHYSICIAN PRACTICES HAD 80,058 ENCOUNTERS; THE CLINICS HAD 17,102 ENCOUNTERS AND HOME CARE HAD 35,872 VISITS FOR THE YEAR.

4d Other program services (Describe in Schedule O.) ATTACHMENT 1 (Expenses \$ 13,817,815. including grants of \$) (Revenue \$ 16,036,481.)

4e Total program service expenses 328,363,848.

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Yes, No. Rows include questions 1 through 20b regarding organizational requirements for various schedules (A through H).

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government 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 or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24 a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.</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	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payable to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	X	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35 a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
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 11b and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Table with columns for question numbers (1a-14b), Yes/No checkboxes, and input fields for numerical values and text. Includes questions about Form 1096, Form W-2G, backup withholding, Form W-3, Form 990-T, Form 8886-T, Form 8899, Form 1098-C, and Form 720.

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

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

Section A. Governing Body and Management

Table with columns for line number, description, and Yes/No checkboxes. Includes lines 1a-10b regarding governing body members, family relationships, and documentation.

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

Table with columns for line number, description, and Yes/No checkboxes. Includes lines 10a-16b regarding local chapters, written policies, conflict of interest, and joint ventures.

Section C. Disclosure

- List of disclosure items 17-20 including state filing requirements, public availability of forms, and record keeping.

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per Week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) MARY ANN JENKINS BOARD MEMBER	2.50	X						0	0	0
(2) SHIV KHANNA MD BOARD MEMBER	2.50	X						0	0	0
(3) ELIZABETH HURWITZ-SCHWAB BOARD MEMBER	2.50	X						0	0	0
(4) JOYCE LAPP BOARD MEMBER	2.50	X						0	0	0
(5) M KATHRYN BURKEY BOARD MEMBER	2.50	X						0	0	0
(6) MARY PIROLOZZI BOARD MEMBER	2.50	X						0	0	0
(7) DAVID C MATHEWS BOARD MEMBER	2.50	X						0	0	0
(8) SHARON NICOL BOARD MEMBER	2.50	X						0	0	0
(9) COURTNEY THOMAS BOARD MEMBER	2.50	X						0	0	0
(10) RICHARD WATRO BOARD MEMBER	2.50	X						0	0	0
(11) ROLF HAARSTAD VICE CHAIR	2.50			X				0	0	0
(12) GREGG WOLFF MD SECRETARY	2.50			X				0	0	0
(13) JOHN DAVIS CHAIRMAN	3.50			X				0	0	0
(14) KIM LEONARD TREASURER	3.50			X				0	0	0

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
15) BARRY P RONAN PRESIDENT/ CEO	40.00			X			669,613.	0	172,248.	
16) NANCY D ADAMS VP. COO/ CNE	40.00			X			246,869.	0	47,403.	
17) KIMBERLY S REPAC VP, CFO	40.00			X			312,568.	0	51,891.	
18) JO M WILSON VP, SUPPORT OPERATIONS	40.00				X		169,913.	0	38,514.	
19) KEVIN R TURLEY VP, SUPPORT OPERATIONS	40.00				X		167,391.	0	39,742.	
20) MICHELE R MARTZ VP, REVENUE CYCLE	40.00				X		155,763.	0	37,620.	
21) WILLIAM BYERS VP, CIO	40.00				X		160,285.	0	38,072.	
22) STEVEN R SMITH MD. PHYSICIAN ENTERPRISE DIRECTOR	40.00				X		284,674.	0	52,188.	
23) MARK G NELSON MD PHYSICIAN	40.00					X	598,181.	0	74,369.	
24) SUBRATO J DEB MD PHYSICIAN	40.00					X	470,071.	0	54,407.	
25) CHRISTOPHER B HAAS MD PHYSICIAN	40.00					X	593,154.	0	65,446.	
1b Sub-total							0	0	0	
c Total from continuation sheets to Part VII, Section A							5,608,220.	0	905,454.	
d Total (add lines 1b and 1c)							5,608,220.	0	905,454.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **86**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ATTACHMENT 2		

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 **35**

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
26) DALE E WOLFORD MD PHYSICIAN	40.00					X	456,111.	0	68,515.	
27) DOUGLAS TICE PHYSICIAN	40.00					X	548,023.	0	67,429.	
28) TOM DOWDELL VP, COO ENDED (12/28/12)	40.00					X	216,992.	0	22,125.	
29) MARK SULLIVAN VP, HR ENDED (12/28/12)	40.00					X	194,516.	0	16,831.	
30) GEORGE GARROW VP, CMO (ENDED 11/27/13)	40.00					X	308,927.	0	53,698.	
31) JAMES M RAVER MD PHYSICIAN (ENDED 11/07/12)	40.00					X	55,169.	0	4,956.	
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 86

	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 or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

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

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

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

Part VIII Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514		
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a					
			1b					
	b	Membership dues	1c					
	c	Fundraising events	1d	502,703.				
	d	Related organizations	1e	910,396.				
	e	Government grants (contributions)	1f	14,741.				
	f	All other contributions, gifts, grants, and similar amounts not included above						
	g	Noncash contributions included in lines 1a-1f: \$						
h	Total. Add lines 1a-1f		1,427,840.					
Program Service Revenue			Business Code					
	2a	ANCILLARY CARE	621990	263,481,946.	262,613,909.	868,037.		
	b	INPATIENT ROUTINE CARE	621990	80,288,341.	80,288,341.			
	c	PHYSICIAN PRACTICES, CLINICS & HOME CARE	621990	21,281,028.	21,281,028.			
	d	EMERGENCY CARE	621990	16,036,481.	16,036,481.			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		381,087,796.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		4,206,587.		-10,328.		
	4	Income from investment of tax-exempt bond proceeds		0				
	5	Royalties		0				
	6a	Gross rents	(i) Real	(ii) Personal				
			803,073.	13,665.				
			b	Less: rental expenses	754,519.			
			c	Rental income or (loss)	48,554.	13,665.		
	d	Net rental income or (loss)			62,219.		62,219.	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			8,208,607.	86,551.				
			b	Less: cost or other basis and sales expenses	7,545,478.	8,850.		
			c	Gain or (loss)	663,129.	77,701.		
d	Net gain or (loss)			740,830.		740,830.		
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
b	Less: direct expenses	b						
c	Net income or (loss) from fundraising events			0				
9a	Gross income from gaming activities. See Part IV, line 19	a						
b	Less: direct expenses	b						
c	Net income or (loss) from gaming activities			0				
10a	Gross sales of inventory, less returns and allowances	a						
b	Less: cost of goods sold	b						
c	Net income or (loss) from sales of inventory			0				
Miscellaneous Revenue			Business Code					
11a	CAFETERIA	621500	82,485.	82,485.				
b	REIMBURSEMENT OF EXPENSES	621500	1,313,193.	1,313,193.				
c	MISCELLANEOUS	621500	3,424,450.	3,424,450.				
d	All other revenue							
e	Total. Add lines 11a-11d		4,820,128.					
12	Total revenue. See instructions		392,345,400.	385,039,887.	857,709.	5,019,964.		

Part IX Statement of Functional Expenses

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

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

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.				
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	0			
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	0			
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	2,941,156.	2,735,275.	205,881.	
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	102,494,615.	95,319,992.	7,174,623.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	10,179,390.	9,466,833.	712,557.	
9 Other employee benefits	16,200,700.	15,066,651.	1,134,049.	
10 Payroll taxes	7,225,513.	6,719,727.	505,786.	
11 Fees for services (non-employees):				
a Management	0			
b Legal	767,489.		767,489.	
c Accounting	140,000.		140,000.	
d Lobbying	0			
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees	208,972.		208,972.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	2,375,655.	2,209,359.	166,296.	
12 Advertising and promotion	347,440.	323,119.	24,321.	
13 Office expenses	58,709,240.	54,599,593.	4,109,647.	
14 Information technology.	4,413,024.	4,104,112.	308,912.	
15 Royalties.	0			
16 Occupancy	4,523,640.	4,206,985.	316,655.	
17 Travel	921,348.	856,854.	64,494.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	15,082,862.		15,082,862.	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	27,203,949.	25,299,673.	1,904,276.	
23 Insurance	3,692,976.	3,434,468.	258,508.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a CONTRACTUAL/CHARITY	78,629,154.	73,125,113.	5,504,041.	
b BAD DEBTS	8,746,201.	8,133,967.	612,234.	
c MEDICAL PROFESSIONAL FEES	9,116,716.	8,478,546.	638,170.	
d MINORITY INTEREST	2,547,968.	2,369,610.	178,358.	
e All other expenses	12,461,749.	11,913,971.	547,778.	
25 Total functional expenses. Add lines 1 through 24e	368,929,757.	328,363,848.	40,565,909.	
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> If following SOP 98-2 (ASC 958-720)	0			

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	48,724,379.	1	47,802,933.
	2	Savings and temporary cash investments	39,021,558.	2	66,695,793.
	3	Pledges and grants receivable, net	0	3	0
	4	Accounts receivable, net	40,847,055.	4	44,050,214.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7	Notes and loans receivable, net	0	7	0
	8	Inventories for sale or use	5,955,717.	8	5,752,339.
	9	Prepaid expenses and deferred charges	3,788,996.	9	3,771,857.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 529,738,648.		
	b	Less: accumulated depreciation	10b 215,608,013.		
			332,336,421.	10c	314,130,635.
	11	Investments - publicly traded securities	0	11	0
	12	Investments - other securities. See Part IV, line 11	0	12	0
	13	Investments - program-related. See Part IV, line 11	0	13	0
	14	Intangible assets	0	14	0
15	Other assets. See Part IV, line 11	93,601,727.	15	97,652,261.	
16	Total assets. Add lines 1 through 15 (must equal line 34)	564,275,853.	16	579,856,032.	
Liabilities	17	Accounts payable and accrued expenses	29,793,834.	17	31,601,649.
	18	Grants payable	0	18	0
	19	Deferred revenue	0	19	0
	20	Tax-exempt bond liabilities	317,915,000.	20	309,780,000.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0
	23	Secured mortgages and notes payable to unrelated third parties	0	23	0
	24	Unsecured notes and loans payable to unrelated third parties	0	24	0
25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	72,567,008.	25	75,184,219.	
26	Total liabilities. Add lines 17 through 25	420,275,842.	26	416,565,868.	
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	143,627,500.	27	162,868,854.
	28	Temporarily restricted net assets	127,748.	28	160,871.
	29	Permanently restricted net assets	244,763.	29	260,439.
	Organizations that do not follow SFAS 117 (ASC 958), 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	144,000,011.	33	163,290,164.	
34	Total liabilities and net assets/fund balances.	564,275,853.	34	579,856,032.	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	392,345,400.
2	Total expenses (must equal Part IX, column (A), line 25)	2	368,929,757.
3	Revenue less expenses. Subtract line 2 from line 1	3	23,415,643.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	144,000,011.
5	Net unrealized gains (losses) on investments	5	1,846,074.
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-5,971,564.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	163,290,164.

Part XII Financial Statements and Reporting

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

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

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2013

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization
WESTERN MD HEALTH SYSTEM CORP., INC.

Employer identification number
52-0591531

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

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

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

	Yes	No
11g(i)		
 - (ii) A family member of a person described in (i) above?

	Yes	No
11g(ii)		
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(iii)		
- h Provide the following information about the supported organization(s).

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

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

Schedule A (Form 990 or 990-EZ) 2013

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

Section A. Public Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (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) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (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; 11 Total support; 12 Gross receipts from related activities; 13 First five years.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2013; 15 Public support percentage from 2012 Schedule A; 16a 33 1/3% support test - 2013; 16b 33 1/3% support test - 2012; 17a 10%-facts-and-circumstances test - 2013; 17b 10%-facts-and-circumstances test - 2012; 18 Private foundation.

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

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

Section A. Public Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (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, Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2009, (b) 2010, (c) 2011, (d) 2012, (e) 2013, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets; 13 Total support. (Add lines 9, 10c, 11, and 12.); 14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

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: Line number, Description, and Percentage. Row 15: Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2012 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Line number, Description, and Percentage. Row 17: Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2012 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

b 33 1/3% support tests - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

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

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

Schedule of Contributors

2013

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

Name of the organization WESTERN MD HEALTH SYSTEM CORP., INC.	Employer identification number 52-0591531
--	--

Organization type (check one):

Filers of:

Section:

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

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

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

General Rule

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ _____

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

Name of organization **WESTERN MD HEALTH SYSTEM CORP., INC.**

Employer identification number
52-0591531

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	STATE OF MD DEPT HEALTH & MENTAL HYGIENE 301 W PRESTON STREET BALTIMORE, MD 21201	\$ 876,649.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	ALLEGANY COUNTY HEALTH DEPT BOX 1745, WILLOWBROOK ROAD CUMBERLAND, MD 21502	\$ 20,071.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	WESTERN MD INSURANCE COMPANY PO BOX 10233, 171 ELGIN AVE KY1-1002 GEORGE TOWN GRAND CAYMAN CAYMAN ISLANDS	\$ 10,200.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	WESTERN MARYLAND HEALTH FOUNDATION P.O. BOX 539 CUMBERLAND, MD 21501	\$ 502,703.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization **WESTERN MD HEALTH SYSTEM CORP., INC.**

Employer identification number
52-0591531

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

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

Name of organization WESTERN MD HEALTH SYSTEM CORP., INC.

Employer identification number
52-0591531

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

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

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

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

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

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

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

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

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

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

2013

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

WESTERN MD HEALTH SYSTEM CORP., INC.

Employer identification number

52-0591531

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 1-4 for totals, 5-6 for questions about donor advisement.

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

Form for conservation easements including questions about purpose, number of easements, and monitoring expenses.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Form for art and historical treasures including questions about reporting requirements and amounts.

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

Schedule D (Form 990) 2013

JSA 3E1288 2.000

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

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

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

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

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

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

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

Table with columns for Amount and rows for 1c Beginning balance, 1d Additions during the year, 1e Distributions during the year, 1f Ending balance.

2a Did the organization include an amount on Form 990, Part X, line 21?

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII.

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

Table with columns (a) Current year, (b) Prior year, (c) Two years back, (d) Three years back, (e) Four years back and rows for 1a-1g.

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

- a Board designated or quasi-endowment 27.0000%
b Permanent endowment 73.0000%
c Temporarily restricted endowment %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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

Table with columns Yes, No and rows 3a(i) unrelated organizations, 3a(ii) related organizations.

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

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

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

Part VII Investments - Other Securities.

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

(a) Description of security or category (Including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

(a) Description	(b) Book value
(1) FUNDS ON DEPOSIT WITH TRUSTEE	15,673,200.
(2) OTHER ACCOUNTS RECEIVABLE	4,667,945.
(3) A/R FROM AFFILIATES	2,146,272.
(4) IMPREST FUND - W/C	1,058,357.
(5) INVESTMENT - BOARD DESIGNATED	8,279,736.
(6) RESTRICTED BY DONOR	367,414.
(7) INVESTMENT IN AFFILIATES	16,005,524.
(8) OTHER LONG TERM INVESTMENTS	45,751,029.
(9) UNDER BOND INDENTURE	3,702,784.
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	97,652,261.

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) FEDERAL INCOME TAXES	344.
(3) PAYABLES TO THIRD PARTY	6,291,169.
(4) BOND PREMIUM	8,871,360.
(5) DEFERRED COMP	711,164.
(6) PROFESSIONAL INSURANCE	13,227,450.
(7) PENSION LIABILITY	44,409,651.
(8) MINORITY INTEREST PAYABLE	1,557,987.
(9) LOAN PAYABLE HAYSTACK	115,094.
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	75,184,219.

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return. Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total revenue reported as 392,345,400.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total expenses reported as 368,929,757.

Part XIII Supplemental Information.

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

SEE PAGE 5

Series of horizontal dashed lines provided for supplemental information input.

Part XIII Supplemental Information (continued)

ENDOWMENT FUNDS

PART V LINE 4

INTENDED USES OF THE INCOME FROM THE PUGH ENDOWMENT FUND ARE TO PROVIDE FREE BEDS AND FREE SERVICE TO THOSE WHO MAY BECOME PATIENTS AND WHO THROUGH FINANCIAL INABILITY MAY BE UNABLE TO MAKE PROVISIONS FOR THEIR OWN MEDICAL AND/OR SURGICAL RELIEF. ANDERSON FAMILY FOUNDATION ENDOWMENT FUND IS RESTRICTED FOR USE TO ADDRESS HOSPITAL ACQUIRED INFECTIONS.

OTHER REVENUES INCLUDED ON FORM 990

PART XII LINE 2D

INVESTMENT MANAGEMENT FEES (RE-CLASS TO EXPENSES)	\$	(208,972)
CONTRACTUAL ALLOW. & CHARITY (RE-CLASS TO EXPENSES)	\$	(87,375,355)

TOTAL	\$	(87,584,327)

PART XII LINE 4B

RENTAL EXPENSES (RE-CLASS FROM EXPENSES):	\$	(754,519)
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OTHER EXPENSES INCLUDED ON FORM 990

PART XII LINE 2D

DISTRIBUTIONS TO NON-CONTROLLING INTERESTS:	\$	2,547,969
RENTAL EXPENSES RECLASSIFIED TO REVENUE:	\$	(754,519)

TOTAL PART XII LINE 2D	\$	1,793,450

PART XII LINE 4B

INVESTMENT MANAGEMENT FEES (RE-CLASS TO EXPENSES)	\$	208,972
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Part XIII Supplemental Information (continued)

CONTRACTUAL ALLOW. & CHARITY (RE-CLASS TO EXPENSES) \$ 87,375,355

TOTAL \$ 87,584,327

LIABILITY FOR UNCERTAIN TAX POSITIONS (FIN 48 FOOTNOTE)

SCHEDULE D PART X

THE HEALTH SYSTEM AND SUBSTANTIALLY ALL OF ITS AFFILIATES ARE EXEMPT FROM FEDERAL INCOME TAX, EXCEPT FOR UNRELATED BUSINESS INCOME, WHICH IS NONEXISTENT, UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. ACCORDINGLY, NO PROVISION FOR INCOME TAXES IS MADE IN THE CONSOLIDATED FINANCIAL STATEMENTS FOR THESE ENTITIES.

**SCHEDULE F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2013

**Open to Public
Inspection**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.
- ▶ Attach to Form 990. ▶ See separate instructions.
- ▶ Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

Department of the Treasury
Internal Revenue Service

Name of the organization
WESTERN MD HEALTH SYSTEM CORP., INC.

Employer identification number
52-0591531

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) CENTRAL AMERICA/CARIBBEAN			PROGRAM SERVICES	INSURANCE	1,255,417.
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
(11)					
(12)					
(13)					
(14)					
(15)					
(16)					
(17)					
3a Sub-total,					1,255,417.
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					1,255,417.

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

Schedule F (Form 990) 2013

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

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

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

3 Enter total number of other organizations or entities.

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

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

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* Yes No

- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471)* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865)* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)* Yes No

Part V Supplemental Information

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