

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

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

|                                                                                                                                                          |                                                                            |                                                                                     |                                                                                                       |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|--|
| <b>B</b> Check if applicable:<br><br>Address change<br>Name change<br>Initial return<br>Final return/terminated<br>Amended return<br>Application pending | <b>C</b> Name of organization<br><b>CARROLL HOSPITAL CENTER, INC.</b>      |                                                                                     | <b>D</b> Employer identification number<br><b>52-1452024</b>                                          |  |
|                                                                                                                                                          | Doing business as                                                          |                                                                                     | <b>E</b> Telephone number<br><b>410-871-6859</b>                                                      |  |
|                                                                                                                                                          | Number and street (or P.O. box if mail is not delivered to street address) | Room/suite                                                                          | <b>G</b> Gross receipts \$ <b>280,887,131.</b>                                                        |  |
|                                                                                                                                                          | <b>200 MEMORIAL AVENUE</b>                                                 |                                                                                     | <b>H(a)</b> Is this a group return for subordinates? ..... Yes <input checked="" type="checkbox"/> No |  |
| City or town, state or province, country, and ZIP or foreign postal code<br><b>WESTMINSTER, MD 21157</b>                                                 |                                                                            | <b>H(b)</b> Are all subordinates included? Yes No                                   |                                                                                                       |  |
| <b>F</b> Name and address of principal officer: <b>GARRETT HOOVER</b><br><b>SAME AS C ABOVE</b>                                                          |                                                                            | If "No," attach a list. (see instructions)                                          |                                                                                                       |  |
| <b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) 501(c) ( ) ◀ (insert no.) 4947(a)(1) or 527                                    |                                                                            | <b>H(c)</b> Group exemption number ▶                                                |                                                                                                       |  |
| <b>J</b> Website: ▶ <b>WWW.LIFEBRIDGEHEALTH.ORG/CARROLL/CARROLL.AS</b>                                                                                   |                                                                            | <b>L</b> Year of formation: <b>1957</b> <b>M</b> State of legal domicile: <b>MD</b> |                                                                                                       |  |
| <b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation Trust Association Other ▶                                                 |                                                                            |                                                                                     |                                                                                                       |  |

**Part I Summary**

|                                                                                     |                                                                                                                                                                                           |                                  |                     |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|---------------------|
| <b>Activities &amp; Governance</b>                                                  | <b>1</b> Briefly describe the organization's mission or most significant activities: <b>OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT, COMPASSIONATE CARE, AND EXPERT</b> |                                  |                     |
|                                                                                     | <b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.                                          |                                  |                     |
|                                                                                     | <b>3</b> Number of voting members of the governing body (Part VI, line 1a)                                                                                                                | <b>3</b>                         | <b>17</b>           |
|                                                                                     | <b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)                                                                                                    | <b>4</b>                         | <b>12</b>           |
|                                                                                     | <b>5</b> Total number of individuals employed in calendar year 2019 (Part V, line 2a)                                                                                                     | <b>5</b>                         | <b>2089</b>         |
|                                                                                     | <b>6</b> Total number of volunteers (estimate if necessary)                                                                                                                               | <b>6</b>                         | <b>353</b>          |
|                                                                                     | <b>7 a</b> Total unrelated business revenue from Part VIII, column (C), line 12                                                                                                           | <b>7a</b>                        | <b>128,651.</b>     |
| <b>b</b> Net unrelated business taxable income from Form 990-T, line 39             | <b>7b</b>                                                                                                                                                                                 | <b>0.</b>                        |                     |
| <b>Revenue</b>                                                                      | <b>8</b> Contributions and grants (Part VIII, line 1h)                                                                                                                                    | <b>Prior Year</b>                | <b>Current Year</b> |
|                                                                                     | <b>9</b> Program service revenue (Part VIII, line 2g)                                                                                                                                     | <b>4,456,946.</b>                | <b>12,893,931.</b>  |
|                                                                                     | <b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)                                                                                                                   | <b>232,417,498.</b>              | <b>224,702,711.</b> |
|                                                                                     | <b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)                                                                                                        | <b>6,012,410.</b>                | <b>8,089,383.</b>   |
|                                                                                     | <b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)                                                                                              | <b>2,905,065.</b>                | <b>2,308,125.</b>   |
|                                                                                     |                                                                                                                                                                                           | <b>245,791,919.</b>              | <b>247,994,150.</b> |
| <b>Expenses</b>                                                                     | <b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)                                                                                                                | <b>1,485,000.</b>                | <b>1,285,976.</b>   |
|                                                                                     | <b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)                                                                                                                   | <b>0.</b>                        | <b>0.</b>           |
|                                                                                     | <b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)                                                                                               | <b>118,162,209.</b>              | <b>119,469,928.</b> |
|                                                                                     | <b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)                                                                                                                  | <b>0.</b>                        | <b>0.</b>           |
|                                                                                     | <b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>72,000.</b>                                                                                                       |                                  |                     |
|                                                                                     | <b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)                                                                                                                    | <b>101,699,213.</b>              | <b>101,496,092.</b> |
| <b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | <b>221,346,422.</b>                                                                                                                                                                       | <b>222,251,996.</b>              |                     |
| <b>19</b> Revenue less expenses. Subtract line 18 from line 12                      | <b>24,445,497.</b>                                                                                                                                                                        | <b>25,742,154.</b>               |                     |
| <b>Net Assets or Fund Balances</b>                                                  | <b>20</b> Total assets (Part X, line 16)                                                                                                                                                  | <b>Beginning of Current Year</b> | <b>End of Year</b>  |
|                                                                                     | <b>21</b> Total liabilities (Part X, line 26)                                                                                                                                             | <b>331,607,890.</b>              | <b>390,701,607.</b> |
|                                                                                     | <b>22</b> Net assets or fund balances. Subtract line 21 from line 20                                                                                                                      | <b>192,918,945.</b>              | <b>229,150,765.</b> |
|                                                                                     |                                                                                                                                                                                           | <b>138,688,945.</b>              | <b>161,550,842.</b> |

**Part II Signature Block**

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

|                                                                        |                                                           |                           |                                |                          |                  |
|------------------------------------------------------------------------|-----------------------------------------------------------|---------------------------|--------------------------------|--------------------------|------------------|
| <b>Sign Here</b>                                                       | Signature of officer                                      |                           | Date                           |                          |                  |
|                                                                        | <b>MICHAEL MYERS, CFO</b><br>Type or print name and title |                           |                                |                          |                  |
| <b>Paid Preparer Use Only</b>                                          | Print/Type preparer's name                                | Preparer's signature      | Date                           | Check if self-employed   | PTIN             |
|                                                                        | <b>LORI S. BURGHAUSER</b>                                 | <b>LORI S. BURGHAUSER</b> | <b>05/12/21</b>                | <input type="checkbox"/> | <b>P00370694</b> |
| Firm's name ▶ <b>SC&amp;H GROUP, INC.</b>                              |                                                           |                           | Firm's EIN ▶ <b>20-5991824</b> |                          |                  |
| Firm's address ▶ <b>910 RIDGEBROOK ROAD</b><br><b>SPARKS, MD 21152</b> |                                                           |                           | Phone no. (410) 403-1500       |                          |                  |

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT, COMPASSIONATE CARE, AND EXPERT GUIDANCE IN MAINTAINING THEIR HEALTH AND WELL-BEING. AT CARROLL HOSPITAL CENTER, WE OFFER AN UNCOMPROMISING COMMITMENT TO THE HIGHEST QUALITY HEALTH CARE

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.

4a (Code: ) (Expenses \$ 166,727,225. including grants of \$ 1,285,976. ) (Revenue \$ 203,212,519. ) CARROLL HOSPITAL CENTER (CHC) A 161 LICENSED BED ACUTE CARE FACILITY LOCATED IN WESTMINSTER, MARYLAND OFFERS THE LATEST IN MEDICAL TECHNOLOGY AND SERVICES, COMBINED WITH A STATE-OF-THE-ART FACILITY AND TOP-NOTCH SKILLED MEDICAL PROFESSIONALS, CARING FOR PATIENTS WITH COMPASSION. CURRENTLY, THERE ARE MORE THAN 2,000 INDIVIDUALS EMPLOYED BY THE HOSPITAL - MAKING CHC THE SECOND LARGEST EMPLOYER IN CARROLL COUNTY. THE ORGANIZATION OPERATES AN ACUTE CARE HOSPITAL SERVING THE COMMUNITIES LOCATED IN CARROLL AND SURROUNDING COUNTIES AS WELL AS PARTS OF PENNSYLVANIA. IN ACCORDANCE WITH OUR TAX-EXEMPT FUNCTION, THE ORGANIZATION OPERATES AN EMERGENCY ROOM OPEN TO ALL PERSONS REGARDLESS OF THEIR ABILITY TO PAY AND HAD 41,436 PATIENT VISITS LAST YEAR. AS THE ONLY HOSPITAL IN CARROLL COUNTY, WE OFFER OUR COMMUNITY A FULL ARRAY OF

4b (Code: ) (Expenses \$ 13,538,831. including grants of \$ ) (Revenue \$ 22,349,872. ) CARROLL COUNTY RADIOLOGY - PROVIDING A FULL ARRAY OF RADIOLOGY SERVICES TO PATIENTS IN THE CARROLL COUNTY AREA.

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

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

4e Total program service expenses 180,266,056.

Part IV Checklist of Required Schedules

Table with columns for question number, Yes, and No. Contains 21 main questions and sub-questions (a-f) regarding organizational requirements and financial reporting.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question ID, Yes, No. Rows 22-38 detailing various organizational requirements and compliance checks.

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 3 columns: Question ID, Yes, No. Rows 1a-1c regarding Form 1096, Forms W-2G, and backup withholding rules.

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

Table with columns for question number, description, and Yes/No checkboxes. Includes questions 2a through 16 regarding employee counts, tax returns, unrelated business income, foreign accounts, prohibited transactions, and charitable contributions.

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

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

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 at the end of the tax year (17); 1b Enter the number of voting members included on line 1a, above, who are independent (12); 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, trustees, or key employees to a management company or other person? (X); 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? (X); 5 Did the organization become aware during the year of a significant diversion of the organization's assets? (X); 6 Did the organization have members or stockholders? (X); 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? (X); 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? (X); 8a Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: The governing body? (X); 8b 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 on 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 Did the organization have local chapters, branches, or affiliates? (X); 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? (X); 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? (X); 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990.; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 (X); 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (X); 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done (X); 13 Did the organization have a written whistleblower policy? (X); 14 Did 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? 15a The organization's CEO, Executive Director, or top management official (X); 15b 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," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? (X).

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CA, MD
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. [ ] Own website [ ] Another's website [X] Upon request [ ] Other (explain on Schedule O)
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records AMY ENGLE - 410-871-7114 200 MEMORIAL AVE, WESTMINSTER, MD 21157

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

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

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

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

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

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

| (A)<br>Name and title                                             | (B)<br>Average hours per week (list any hours for related organizations below line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |        | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>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) JEFFREY A. WOTHERS, ESQ.<br>CHAIR                             | 1.00<br>1.00                                                                        | X                                                                                                         |                       | X       |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (2) ALEC YEO<br>VICE CHAIR                                        | 1.00<br>1.00                                                                        | X                                                                                                         |                       | X       |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (3) MARTIN K.P. HILL<br>SECRETARY                                 | 1.00<br>1.00                                                                        | X                                                                                                         |                       | X       |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (4) DAVID S. BOLLINGER<br>BOARD MEMBER                            | 1.00<br>1.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (5) KIMBERLY A JOHNSTON-DELTUVA, M.D<br>BOARD MEMBER              | 1.00<br>40.00                                                                       | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 359,709.                                                                  | 6,623.                                                                                        |
| (6) CHRISTINE GERSTMEYER<br>DIRECTOR/FOUNDATION CHAIR (PART YEAR) | 1.00<br>0.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (7) TODD HERRING<br>BOARD MEMBER                                  | 1.00<br>0.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (8) GARRETT HOOVER<br>DIRECTOR/PT YR PRESIDENT                    | 40.00<br>0.00                                                                       | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (9) SARAH LENTZ, MD<br>BOARD MEMBER                               | 1.00<br>40.00                                                                       | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 495,209.                                                                  | 23,859.                                                                                       |
| (10) BARRY LEVIN, ESQUIRE<br>BOARD MEMBER/CHAIRMAN OF LBH         | 1.00<br>1.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (11) NEIL M. MELTZER<br>BOARD MEMBER/LBH PRESIDENT/CEO            | 1.00<br>40.00                                                                       | X                                                                                                         |                       | X       |              |                              |        | 0.                                                                   | 2,328,138.                                                                | 409,143.                                                                                      |
| (12) MARCUS L. PRIMM<br>BOARD MEMBER                              | 1.00<br>1.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (13) DEBORAH SEIDEL<br>BOARD MEMBER                               | 1.00<br>0.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (14) LESLIE R. SIMMONS<br>BOARD MEMBER/PT YR INT PRES/LBH EVP     | 20.00<br>20.00                                                                      | X                                                                                                         |                       | X       |              |                              |        | 0.                                                                   | 1,179,170.                                                                | 285,431.                                                                                      |
| (15) H STANLEY TEVIS III<br>BOARD MEMBER                          | 1.00<br>0.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (16) THOMAS D. WELLIVER<br>BOARD MEMBER                           | 1.00<br>0.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |
| (17) DREWRY WHITE MD<br>BOARD MEMBER                              | 1.00<br>0.00                                                                        | X                                                                                                         |                       |         |              |                              |        | 0.                                                                   | 0.                                                                        | 0.                                                                                            |

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

| (A)<br>Name and title                                          | (B)<br>Average hours per week (list any hours for related organizations below line) | (C)<br>Position (do not check more than one box, unless person is both an officer and a director/trustee) |                       |         |              |                              |            | (D)<br>Reportable compensation from the organization (W-2/1099-MISC) | (E)<br>Reportable compensation from related organizations (W-2/1099-MISC) | (F)<br>Estimated amount of other compensation from the organization and related organizations |
|----------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-----------------------|---------|--------------|------------------------------|------------|----------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
|                                                                |                                                                                     | Individual trustee or director                                                                            | Institutional trustee | Officer | Key employee | Highest compensated employee | Former     |                                                                      |                                                                           |                                                                                               |
| (18) THOMAS ZIRPOLI<br>BOARD MEMBER                            | 1.00<br>0.00                                                                        | X                                                                                                         |                       |         |              |                              | 0.         | 0.                                                                   | 0.                                                                        |                                                                                               |
| (19) MICHAEL MYERS<br>TREASURER/VICE PRESIDENT/CFO             | 20.00<br>20.00                                                                      |                                                                                                           |                       | X       |              |                              | 0.         | 326,702.                                                             | 68,643.                                                                   |                                                                                               |
| (20) MARK D. OLSZYK<br>VP OF MEDICAL STAFF                     | 35.00<br>5.00                                                                       |                                                                                                           |                       |         | X            |                              | 0.         | 579,688.                                                             | 58,931.                                                                   |                                                                                               |
| (21) JED S. ROSEN, M.D.<br>CHIEF OF SURGERY                    | 40.00<br>0.00                                                                       |                                                                                                           |                       |         | X            |                              | 412,180.   | 0.                                                                   | 27,916.                                                                   |                                                                                               |
| (22) HOLLY PHIPPS ADAMS<br>VP HUMAN RESOURCES                  | 12.00<br>28.00                                                                      |                                                                                                           |                       |         | X            |                              | 0.         | 385,005.                                                             | 71,597.                                                                   |                                                                                               |
| (23) M. ELLEN FINNERTY MYERS<br>CHIEF DEVELOPMENT OFFICER      | 20.00<br>20.00                                                                      |                                                                                                           |                       |         | X            |                              | 0.         | 351,490.                                                             | 46,093.                                                                   |                                                                                               |
| (24) STEPHANIE J. REID<br>CNO/VP QUALITY                       | 40.00<br>0.00                                                                       |                                                                                                           |                       |         | X            |                              | 308,855.   | 0.                                                                   | 33,712.                                                                   |                                                                                               |
| (25) DWAYNE RICHARDSON<br>SR VP OPERATION                      | 40.00<br>0.00                                                                       |                                                                                                           |                       |         | X            |                              | 310,418.   | 31,001.                                                              | 54,066.                                                                   |                                                                                               |
| (26) CRIS W. COLEMAN<br>ASSISTANT VP OF FINANCE                | 40.00<br>0.00                                                                       |                                                                                                           |                       |         | X            |                              | 0.         | 262,677.                                                             | 18,016.                                                                   |                                                                                               |
| <b>1b Subtotal</b>                                             |                                                                                     |                                                                                                           |                       |         |              |                              | 1,031,453. | 6,298,789.                                                           | 1104030.                                                                  |                                                                                               |
| <b>c Total from continuation sheets to Part VII, Section A</b> |                                                                                     |                                                                                                           |                       |         |              |                              | 3,101,075. | 608,396.                                                             | 244,583.                                                                  |                                                                                               |
| <b>d Total (add lines 1b and 1c)</b>                           |                                                                                     |                                                                                                           |                       |         |              |                              | 4,132,528. | 6,907,185.                                                           | 1348613.                                                                  |                                                                                               |

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 152

|                                                                                                                                                                                                                                | Yes | No |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| 3 Did the organization list any former officer, director, 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)<br>Name and business address                                                     | (B)<br>Description of services | (C)<br>Compensation |
|--------------------------------------------------------------------------------------|--------------------------------|---------------------|
| MD SPORTSCARE & REHABILITATION, LLC, 501 FAIRMOUNT AVE, SUITE 302, TOWSON, MD 21286  | REHABILITATION SERVICES        | 2,259,864.          |
| CARROLL COUNTY ANESTHESIA ASSOCIATES, PA P.O. BOX 75193, BALTIMORE, MD 21275         | ANESTHESIA SERVICES            | 1,950,000.          |
| OBHG MARYLAND PC, 777 LOWNDES HILL RD BLDG 1, GREENVILLE, SC 29607-2131              | PHYSICIAN SERVICES             | 1,679,610.          |
| ALTEON HEALTH LLC 5700 DARROW ROAD #106, HUDSON, OH 44236                            | PHYSICIAN SERVICES             | 1,343,478.          |
| MARYLAND INPATIENT CARE SERVICES (MDICS), 7250 PARKWAY DRIVE, SUITE 500, HANOVER, MD | PHYSICIAN SERVICES             | 1,328,627.          |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization 32

SEE PART VII, SECTION A CONTINUATION SHEETS





**Part VIII Statement of Revenue**

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

|                                                                                                                                           |                                                                                             |               | (A)            | (B)                                | (C)                        | (D)                                                |            |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|---------------|----------------|------------------------------------|----------------------------|----------------------------------------------------|------------|
|                                                                                                                                           |                                                                                             |               | Total revenue  | Related or exempt function revenue | Unrelated business revenue | Revenue excluded from tax under sections 512 - 514 |            |
| Contributions, Gifts, Grants and Other Similar Amounts                                                                                    | <b>1 a</b> Federated campaigns .....                                                        | <b>1a</b>     |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>b</b> Membership dues .....                                                              | <b>1b</b>     |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>c</b> Fundraising events .....                                                           | <b>1c</b>     |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>d</b> Related organizations .....                                                        | <b>1d</b>     | 6,025,586.     |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>e</b> Government grants (contributions) .....                                            | <b>1e</b>     | 6,716,685.     |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>f</b> All other contributions, gifts, grants, and similar amounts not included above ... | <b>1f</b>     | 151,660.       |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>g</b> Noncash contributions included in lines 1a-1f                                      | <b>1g</b>     | \$             |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>h Total.</b> Add lines 1a-1f .....                                                       |               |                | 12,893,931.                        |                            |                                                    |            |
| Program Service Revenue                                                                                                                   | <b>2 a</b> NET PATIENT SERVICE REVENUE                                                      | Business Code | 621300         | 218,623,571.                       | 218,623,571.               |                                                    |            |
|                                                                                                                                           | <b>b</b> CANCER CENTER LEASE TO SINAI HOSP                                                  |               | 621300         | 6,079,140.                         | 6,079,140.                 |                                                    |            |
|                                                                                                                                           | <b>c</b> .....                                                                              |               |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>d</b> .....                                                                              |               |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>e</b> .....                                                                              |               |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>f</b> All other program service revenue .....                                            |               |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>g Total.</b> Add lines 2a-2f .....                                                       |               |                | 224,702,711.                       |                            |                                                    |            |
| Other Revenue                                                                                                                             | <b>3</b> Investment income (including dividends, interest, and other similar amounts) ..... |               |                | 4,282,217.                         |                            | 15,776.                                            | 4,266,441. |
|                                                                                                                                           | <b>4</b> Income from investment of tax-exempt bond proceeds .....                           |               |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>5</b> Royalties .....                                                                    |               |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>6 a</b> Gross rents .....                                                                | <b>6a</b>     | (i) Real       | 581,443.                           |                            |                                                    |            |
|                                                                                                                                           |                                                                                             |               | (ii) Personal  |                                    |                            |                                                    |            |
|                                                                                                                                           |                                                                                             |               |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>b</b> Less: rental expenses ...                                                          | <b>6b</b>     |                | 0.                                 |                            |                                                    |            |
|                                                                                                                                           | <b>c</b> Rental income or (loss)                                                            | <b>6c</b>     |                | 581,443.                           |                            |                                                    |            |
|                                                                                                                                           | <b>d</b> Net rental income or (loss) .....                                                  |               |                | 581,443.                           |                            | 22,875.                                            | 558,568.   |
|                                                                                                                                           | <b>7 a</b> Gross amount from sales of assets other than inventory                           | <b>7a</b>     | (i) Securities | 36,700,147.                        |                            |                                                    |            |
|                                                                                                                                           |                                                                                             |               | (ii) Other     |                                    |                            |                                                    |            |
|                                                                                                                                           |                                                                                             |               |                |                                    |                            |                                                    |            |
|                                                                                                                                           | <b>b</b> Less: cost or other basis and sales expenses .....                                 | <b>7b</b>     |                | 32,892,981.                        |                            |                                                    |            |
|                                                                                                                                           | <b>c</b> Gain or (loss) .....                                                               | <b>7c</b>     |                | 3,807,166.                         |                            |                                                    |            |
| <b>d</b> Net gain or (loss) .....                                                                                                         |                                                                                             |               | 3,807,166.     |                                    |                            | 3,807,166.                                         |            |
| <b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 ..... | <b>8a</b>                                                                                   |               |                |                                    |                            |                                                    |            |
| <b>b</b> Less: direct expenses .....                                                                                                      | <b>8b</b>                                                                                   |               |                |                                    |                            |                                                    |            |
| <b>c</b> Net income or (loss) from fundraising events .....                                                                               |                                                                                             |               |                |                                    |                            |                                                    |            |
| <b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....                                                                | <b>9a</b>                                                                                   |               |                |                                    |                            |                                                    |            |
| <b>b</b> Less: direct expenses .....                                                                                                      | <b>9b</b>                                                                                   |               |                |                                    |                            |                                                    |            |
| <b>c</b> Net income or (loss) from gaming activities .....                                                                                |                                                                                             |               |                |                                    |                            |                                                    |            |
| <b>10 a</b> Gross sales of inventory, less returns and allowances .....                                                                   | <b>10a</b>                                                                                  |               |                |                                    |                            |                                                    |            |
| <b>b</b> Less: cost of goods sold .....                                                                                                   | <b>10b</b>                                                                                  |               |                |                                    |                            |                                                    |            |
| <b>c</b> Net income or (loss) from sales of inventory .....                                                                               |                                                                                             |               |                |                                    |                            |                                                    |            |
| Miscellaneous Revenue                                                                                                                     | <b>11 a</b> CAFETERIA/VENDING                                                               | Business Code | 722210         | 777,002.                           |                            | 777,002.                                           |            |
|                                                                                                                                           | <b>b</b> LAB CONTRACT REVENUE - CANCER CEN                                                  |               | 900099         | 483,502.                           | 483,502.                   |                                                    |            |
|                                                                                                                                           | <b>c</b> OTHER OPERATING REVENUE                                                            |               | 900099         | 376,178.                           | 376,178.                   |                                                    |            |
|                                                                                                                                           | <b>d</b> All other revenue .....                                                            |               | 541610         | 90,000.                            |                            | 90,000.                                            |            |
|                                                                                                                                           | <b>e Total.</b> Add lines 11a-11d .....                                                     |               |                | 1,726,682.                         |                            |                                                    |            |
| <b>12 Total revenue.</b> See instructions .....                                                                                           |                                                                                             |               | 247,994,150.   | 225,562,391.                       | 128,651.                   | 9,409,177.                                         |            |

**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

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.                                                                                                                       | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------|----------------------------------------|-----------------------------|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21                                                                                               | 1,285,976.            | 1,285,976.                      |                                        |                             |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22                                                                                                                          |                       |                                 |                                        |                             |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16                                                                   |                       |                                 |                                        |                             |
| 4 Benefits paid to or for members                                                                                                                                                                    |                       |                                 |                                        |                             |
| 5 Compensation of current officers, directors, trustees, and key employees                                                                                                                           | 1,212,631.            | 855,473.                        | 285,158.                               | 72,000.                     |
| 6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)                                                       | 290,844.              | 290,844.                        |                                        |                             |
| 7 Other salaries and wages                                                                                                                                                                           | 98,069,463.           | 84,336,216.                     | 13,733,247.                            |                             |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)                                                                                                 | 1,309,691.            | 1,152,528.                      | 157,163.                               |                             |
| 9 Other employee benefits                                                                                                                                                                            | 12,564,304.           | 9,864,558.                      | 2,699,746.                             |                             |
| 10 Payroll taxes                                                                                                                                                                                     | 6,022,995.            | 5,300,235.                      | 722,760.                               |                             |
| 11 Fees for services (nonemployees):                                                                                                                                                                 |                       |                                 |                                        |                             |
| a Management                                                                                                                                                                                         |                       |                                 |                                        |                             |
| b Legal                                                                                                                                                                                              | 1,724.                |                                 | 1,724.                                 |                             |
| c Accounting                                                                                                                                                                                         |                       |                                 |                                        |                             |
| d Lobbying                                                                                                                                                                                           | 69,625.               |                                 | 69,625.                                |                             |
| e Professional fundraising services. See Part IV, line 17                                                                                                                                            |                       |                                 |                                        |                             |
| f Investment management fees                                                                                                                                                                         | 295,883.              |                                 | 295,883.                               |                             |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)                                                                                            | 49,237,077.           | 34,537,452.                     | 14,699,625.                            |                             |
| 12 Advertising and promotion                                                                                                                                                                         | 637,451.              | 611,853.                        | 25,598.                                |                             |
| 13 Office expenses                                                                                                                                                                                   | 3,186,658.            | 1,561,746.                      | 1,624,912.                             |                             |
| 14 Information technology                                                                                                                                                                            | 78,192.               | 69,844.                         | 8,348.                                 |                             |
| 15 Royalties                                                                                                                                                                                         |                       |                                 |                                        |                             |
| 16 Occupancy                                                                                                                                                                                         | 3,974,708.            | 3,414,342.                      | 560,366.                               |                             |
| 17 Travel                                                                                                                                                                                            | 139,985.              | 129,567.                        | 10,418.                                |                             |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials                                                                                                    |                       |                                 |                                        |                             |
| 19 Conferences, conventions, and meetings                                                                                                                                                            |                       |                                 |                                        |                             |
| 20 Interest                                                                                                                                                                                          | 3,885,570.            | 3,885,570.                      |                                        |                             |
| 21 Payments to affiliates                                                                                                                                                                            |                       |                                 |                                        |                             |
| 22 Depreciation, depletion, and amortization                                                                                                                                                         | 12,005,026.           | 7,739,019.                      | 4,266,007.                             |                             |
| 23 Insurance                                                                                                                                                                                         | 705,685.              |                                 | 705,685.                               |                             |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) |                       |                                 |                                        |                             |
| a <b>MEDICAL SUPPLIES</b>                                                                                                                                                                            | 16,170,950.           | 16,140,819.                     | 30,131.                                |                             |
| b <b>OTHER GENERAL SUPPLIES</b>                                                                                                                                                                      | 2,705,759.            | 1,223,590.                      | 1,482,169.                             |                             |
| c <b>MAINTENANCE REPAIRS</b>                                                                                                                                                                         | 2,668,785.            | 2,650,526.                      | 18,259.                                |                             |
| d <b>LOSS ON REFINANCING DEB</b>                                                                                                                                                                     | 2,557,085.            | 2,557,085.                      |                                        |                             |
| e All other expenses                                                                                                                                                                                 | 3,175,929.            | 2,658,813.                      | 517,116.                               |                             |
| <b>25 Total functional expenses.</b> Add lines 1 through 24e                                                                                                                                         | <b>222,251,996.</b>   | <b>180,266,056.</b>             | <b>41,913,940.</b>                     | <b>72,000.</b>              |
| 26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.                             |                       |                                 |                                        |                             |
| Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)                                                                                                                              |                       |                                 |                                        |                             |

**Part X Balance Sheet**

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

|                                                                           |                                                                                                                                                                                                                                | (A)                     |                     | (B)                 |
|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------|---------------------|
|                                                                           |                                                                                                                                                                                                                                | Beginning of year       |                     | End of year         |
| Assets                                                                    | <b>1</b> Cash - non-interest-bearing .....                                                                                                                                                                                     | 2,828.                  | <b>1</b>            | 2,825.              |
|                                                                           | <b>2</b> Savings and temporary cash investments .....                                                                                                                                                                          | 39,612,154.             | <b>2</b>            | 31,253,033.         |
|                                                                           | <b>3</b> Pledges and grants receivable, net .....                                                                                                                                                                              |                         | <b>3</b>            |                     |
|                                                                           | <b>4</b> Accounts receivable, net .....                                                                                                                                                                                        | 19,632,647.             | <b>4</b>            | 18,268,088.         |
|                                                                           | <b>5</b> Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons ..... |                         | <b>5</b>            |                     |
|                                                                           | <b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....                                                               |                         | <b>6</b>            |                     |
|                                                                           | <b>7</b> Notes and loans receivable, net .....                                                                                                                                                                                 |                         | <b>7</b>            |                     |
|                                                                           | <b>8</b> Inventories for sale or use .....                                                                                                                                                                                     | 3,518,984.              | <b>8</b>            | 4,991,004.          |
|                                                                           | <b>9</b> Prepaid expenses and deferred charges .....                                                                                                                                                                           | 1,219,956.              | <b>9</b>            | 1,553,867.          |
|                                                                           | <b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....                                                                                                                           | <b>10a</b> 363,180,314. |                     |                     |
|                                                                           | <b>b</b> Less: accumulated depreciation .....                                                                                                                                                                                  | <b>10b</b> 224,236,972. | <b>10c</b>          | 138,943,342.        |
|                                                                           | <b>11</b> Investments - publicly traded securities .....                                                                                                                                                                       | 2,884,818.              | <b>11</b>           | 1,694,766.          |
|                                                                           | <b>12</b> Investments - other securities. See Part IV, line 11 .....                                                                                                                                                           | 92,311,841.             | <b>12</b>           | 93,082,102.         |
|                                                                           | <b>13</b> Investments - program-related. See Part IV, line 11 .....                                                                                                                                                            | 20,621,473.             | <b>13</b>           | 26,661,915.         |
|                                                                           | <b>14</b> Intangible assets .....                                                                                                                                                                                              | 10,169,657.             | <b>14</b>           | 9,499,221.          |
|                                                                           | <b>15</b> Other assets. See Part IV, line 11 .....                                                                                                                                                                             | 23,512,915.             | <b>15</b>           | 64,751,444.         |
| <b>16 Total assets.</b> Add lines 1 through 15 (must equal line 33) ..... | <b>331,607,890.</b>                                                                                                                                                                                                            | <b>16</b>               | <b>390,701,607.</b> |                     |
| Liabilities                                                               | <b>17</b> Accounts payable and accrued expenses .....                                                                                                                                                                          | 22,726,407.             | <b>17</b>           | 25,759,369.         |
|                                                                           | <b>18</b> Grants payable .....                                                                                                                                                                                                 |                         | <b>18</b>           |                     |
|                                                                           | <b>19</b> Deferred revenue .....                                                                                                                                                                                               |                         | <b>19</b>           |                     |
|                                                                           | <b>20</b> Tax-exempt bond liabilities .....                                                                                                                                                                                    | 52,873,056.             | <b>20</b>           | 5,420,000.          |
|                                                                           | <b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....                                                                                                                                          |                         | <b>21</b>           |                     |
|                                                                           | <b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....     |                         | <b>22</b>           |                     |
|                                                                           | <b>23</b> Secured mortgages and notes payable to unrelated third parties .....                                                                                                                                                 |                         | <b>23</b>           |                     |
|                                                                           | <b>24</b> Unsecured notes and loans payable to unrelated third parties .....                                                                                                                                                   |                         | <b>24</b>           |                     |
|                                                                           | <b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....                                          | 117,319,482.            | <b>25</b>           | 197,971,396.        |
|                                                                           | <b>26 Total liabilities.</b> Add lines 17 through 25 .....                                                                                                                                                                     | <b>192,918,945.</b>     | <b>26</b>           | <b>229,150,765.</b> |
| Net Assets or Fund Balances                                               | <b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>                                                                                    |                         |                     |                     |
|                                                                           | <b>27</b> Net assets without donor restrictions .....                                                                                                                                                                          | 80,765,927.             | <b>27</b>           | 102,467,587.        |
|                                                                           | <b>28</b> Net assets with donor restrictions .....                                                                                                                                                                             | 57,923,018.             | <b>28</b>           | 59,083,255.         |
|                                                                           | <b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>                                                                                             |                         |                     |                     |
|                                                                           | <b>29</b> Capital stock or trust principal, or current funds .....                                                                                                                                                             |                         | <b>29</b>           |                     |
|                                                                           | <b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....                                                                                                                                               |                         | <b>30</b>           |                     |
|                                                                           | <b>31</b> Retained earnings, endowment, accumulated income, or other funds .....                                                                                                                                               |                         | <b>31</b>           |                     |
|                                                                           | <b>32</b> Total net assets or fund balances .....                                                                                                                                                                              | <b>138,688,945.</b>     | <b>32</b>           | <b>161,550,842.</b> |
|                                                                           | <b>33</b> Total liabilities and net assets/fund balances .....                                                                                                                                                                 | <b>331,607,890.</b>     | <b>33</b>           | <b>390,701,607.</b> |

**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  | 247,994,150. |
| 2  | Total expenses (must equal Part IX, column (A), line 25)                                                       | 2  | 222,251,996. |
| 3  | Revenue less expenses. Subtract line 2 from line 1                                                             | 3  | 25,742,154.  |
| 4  | Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))                      | 4  | 138,688,945. |
| 5  | Net unrealized gains (losses) on investments                                                                   | 5  | -1,260,213.  |
| 6  | Donated services and use of facilities                                                                         | 6  |              |
| 7  | Investment expenses                                                                                            | 7  |              |
| 8  | Prior period adjustments                                                                                       | 8  |              |
| 9  | Other changes in net assets or fund balances (explain on Schedule O)                                           | 9  | -1,620,044.  |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) | 10 | 161,550,842. |

**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?                                                                                                                         |     | X  |
| 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                                                                          |     |    |
| b Were the organization's financial statements audited by an independent accountant?                                                                                                                                       | X   |    |
| If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:                                                                       |     |    |
| <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis                                                               |     |    |
| 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? | X   |    |
| If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.                                                                                                  |     |    |
| 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?                                                                | 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 on Schedule O and describe any steps taken to undergo such audits     | X   |    |

Form 990 (2019)

Public Disclosure Copy



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

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

**Section A. Public Support**

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

**Section B. Total Support**

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

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

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

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

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

**Section A. Public Support**

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

**Section B. Total Support**

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

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

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

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

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

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

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

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

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



**Part IV Supporting Organizations**

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

**Section A. All Supporting Organizations**

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

**Part IV Supporting Organizations** (continued)

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

**Section B. Type I Supporting Organizations**

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

**Section C. Type II Supporting Organizations**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Horizontal lines for supplemental information input.

Public Disclosure Copy

Schedule B

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

Department of the Treasury Internal Revenue Service

Schedule of Contributors

Attach to Form 990, Form 990-EZ, or Form 990-PF. Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

[X] 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

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

Special Rules

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

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

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

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

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

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

| (a)<br>No. | (b)<br>Name, address, and ZIP + 4 | (c)<br>Total contributions | (d)<br>Type of contribution                                                                                                                                         |
|------------|-----------------------------------|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1          | <br><hr/><br><hr/><br><hr/>       | \$ <u>6,649,510.</u>       | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 2          | <br><hr/><br><hr/><br><hr/>       | \$ <u>6,025,586.</u>       | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 3          | <br><hr/><br><hr/><br><hr/>       | \$ <u>67,175.</u>          | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
| 4          | <br><hr/><br><hr/><br><hr/>       | \$ <u>25,000.</u>          | Person <input checked="" type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.) |
|            | <br><hr/><br><hr/><br><hr/>       | \$ _____                   | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |
|            | <br><hr/><br><hr/><br><hr/>       | \$ _____                   | Person <input type="checkbox"/><br>Payroll <input type="checkbox"/><br>Noncash <input type="checkbox"/><br>(Complete Part II for noncash contributions.)            |

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

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

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

Public Disclosure Copy



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

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

| (a) No. from Part I                     | (b) Purpose of gift | (c) Use of gift                          | (d) Description of how gift is held |
|-----------------------------------------|---------------------|------------------------------------------|-------------------------------------|
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
| (e) Transfer of gift                    |                     |                                          |                                     |
| Transferee's name, address, and ZIP + 4 |                     | Relationship of transferor to transferee |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
| (e) Transfer of gift                    |                     |                                          |                                     |
| Transferee's name, address, and ZIP + 4 |                     | Relationship of transferor to transferee |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
| (e) Transfer of gift                    |                     |                                          |                                     |
| Transferee's name, address, and ZIP + 4 |                     | Relationship of transferor to transferee |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |
| (e) Transfer of gift                    |                     |                                          |                                     |
| Transferee's name, address, and ZIP + 4 |                     | Relationship of transferor to transferee |                                     |
|                                         |                     |                                          |                                     |
|                                         |                     |                                          |                                     |

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

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2019**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

| <b>Limits on Lobbying Expenditures</b><br>(The term "expenditures" means amounts paid or incurred.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | (a) Filing organization's totals                   | (b) Affiliated group totals        |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|------------------------------------|--------------------|-------------------------------|-----------------------------------------|--------------------------------------------------|-------------------------------------------|----------------------------------------------------|--------------------------------------------|---------------------------------------------------|-------------------|--------------|--|--|
| <b>1a</b> Total lobbying expenditures to influence public opinion (grassroots lobbying) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>c</b> Total lobbying expenditures (add lines 1a and 1b) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>d</b> Other exempt purpose expenditures .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width:65%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table> | If the amount on line 1e, column (a) or (b) is:    | The lobbying nontaxable amount is: | Not over \$500,000 | 20% of the amount on line 1e. | Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000. | Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000. | Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000. | Over \$17,000,000 | \$1,000,000. |  |  |
| If the amount on line 1e, column (a) or (b) is:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | The lobbying nontaxable amount is:                 |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| Not over \$500,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 20% of the amount on line 1e.                      |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| Over \$500,000 but not over \$1,000,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | \$100,000 plus 15% of the excess over \$500,000.   |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| Over \$1,000,000 but not over \$1,500,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | \$175,000 plus 10% of the excess over \$1,000,000. |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| Over \$1,500,000 but not over \$17,000,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | \$225,000 plus 5% of the excess over \$1,500,000.  |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| Over \$17,000,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | \$1,000,000.                                       |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                    |                                    |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |
| <b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <input type="checkbox"/> Yes                       | <input type="checkbox"/> No        |                    |                               |                                         |                                                  |                                           |                                                    |                                            |                                                   |                   |              |  |  |

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

| <b>Lobbying Expenditures During 4-Year Averaging Period</b>         |          |          |          |          |           |
|---------------------------------------------------------------------|----------|----------|----------|----------|-----------|
| Calendar year<br>(or fiscal year beginning in)                      | (a) 2016 | (b) 2017 | (c) 2018 | (d) 2019 | (e) Total |
| <b>2a</b> Lobbying nontaxable amount                                |          |          |          |          |           |
| <b>b</b> Lobbying ceiling amount<br>(150% of line 2a, column(e))    |          |          |          |          |           |
| <b>c</b> Total lobbying expenditures                                |          |          |          |          |           |
| <b>d</b> Grassroots nontaxable amount                               |          |          |          |          |           |
| <b>e</b> Grassroots ceiling amount<br>(150% of line 2d, column (e)) |          |          |          |          |           |
| <b>f</b> Grassroots lobbying expenditures                           |          |          |          |          |           |

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

| For each "Yes" response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.                                                                                                               | (a) |    | (b)     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---------|
|                                                                                                                                                                                                                                         | Yes | No | Amount  |
| <b>1</b> During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of: |     |    |         |
| <b>a</b> Volunteers?                                                                                                                                                                                                                    |     | X  |         |
| <b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?                                                                                                                                   |     | X  |         |
| <b>c</b> Media advertisements?                                                                                                                                                                                                          |     | X  |         |
| <b>d</b> Mailings to members, legislators, or the public?                                                                                                                                                                               |     | X  |         |
| <b>e</b> Publications, or published or broadcast statements?                                                                                                                                                                            |     | X  |         |
| <b>f</b> Grants to other organizations for lobbying purposes?                                                                                                                                                                           |     | X  |         |
| <b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?                                                                                                                                    | X   |    | 12,613. |
| <b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?                                                                                                                                      |     | X  |         |
| <b>i</b> Other activities?                                                                                                                                                                                                              | X   |    | 57,012. |
| <b>j</b> Total. Add lines 1c through 1i                                                                                                                                                                                                 |     |    | 69,625. |
| <b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?                                                                                                                                 |     | X  |         |
| <b>b</b> If "Yes," enter the amount of any tax incurred under section 4912                                                                                                                                                              |     |    |         |
| <b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912                                                                                                                                     |     |    |         |
| <b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?                                                                                                                                   |     |    |         |

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

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

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

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

**Part IV Supplemental Information**

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

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

ATTORNEY FEES RELATED TO LOBBYING ACTIVITIES. LOBBYING ALSO INCLUDES A

PORTION OF THE MARYLAND HOSPITAL ASSOCIATION DUES RELATED TO LOBBYING

ACTIVITIES DURING THE YEAR ENDED JUNE 2020 AND OTHER LOBBYING

ACTIVITIES PERFORMED ON BEHALF OF THE HOSPITAL REGARDING COMMUNITY

STABILIZATION AND DEVELOPMENT, HEALTH CARE MALPRACTICE, HEALTH CARE



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

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

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

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

OMB No. 1545-0047

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

|                                                  | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--------------------------------------------------|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance                     | 84,798,824.      | 82,495,552.    | 75,148,952.        | 66,816,320.          | 64,806,460.         |
| b Contributions                                  | 20,626.          | 16,413.        | 204,650.           | 65,467.              | 259,012.            |
| c Net investment earnings, gains, and losses     | 3,711,535.       | 3,600,365.     | 7,353,450.         | 9,146,165.           | 2,084,848.          |
| d Grants or scholarships                         | 13,500.          | 9,500.         | 11,500.            | 9,000.               | 9,000.              |
| e Other expenditures for facilities and programs | 3,525,000.       | 1,304,006.     | 200,000.           | 870,000.             | 325,000.            |
| f Administrative expenses                        |                  |                |                    |                      |                     |
| g End of year balance                            | 84,992,485.      | 84,798,824.    | 82,495,552.        | 75,148,952.          | 66,816,320.         |

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment  19.00 %
  - b Permanent endowment  1.39 %
  - c Term endowment  79.61 %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |                                                                                                                                | Yes | No |
|--------------------------------------------------------------------------------------------------------------------------------|-----|----|
| (i) Unrelated organizations                                                                                                    |     | X  |
| (ii) Related organizations                                                                                                     | X   |    |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? <input checked="" type="checkbox"/> | X   |    |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

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

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

| Description of property                                                                                | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land                                                                                                |                                      | 1,983,973.                      |                              | 1,983,973.     |
| b Buildings                                                                                            |                                      | 158,258,260.                    | 62,694,414.                  | 95,563,846.    |
| c Leasehold improvements                                                                               |                                      |                                 |                              |                |
| d Equipment                                                                                            |                                      | 102,831,056.                    | 85,821,790.                  | 17,009,266.    |
| e Other                                                                                                |                                      | 100,107,025.                    | 75,720,768.                  | 24,386,257.    |
| <b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) |                                      |                                 |                              | 138,943,342.   |

**Part VII Investments - Other Securities.**

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

| (a) Description of security or category (including name of security)    | (b) Book value     | (c) Method of valuation: Cost or end-of-year market value |
|-------------------------------------------------------------------------|--------------------|-----------------------------------------------------------|
| (1) Financial derivatives                                               |                    |                                                           |
| (2) Closely held equity interests                                       |                    |                                                           |
| (3) Other                                                               |                    |                                                           |
| (A) LONG TERM INVESTMENTS IN                                            |                    |                                                           |
| (B) EXECUTIVE OPTION PLAN                                               | 127,658.           | END-OF-YEAR MARKET VALUE                                  |
| (C) INVESTMENT IN FOUNDATION                                            | 89,293,985.        | END-OF-YEAR MARKET VALUE                                  |
| (D) INVESTMENT IN PREMIER                                               | 2,796,831.         | END-OF-YEAR MARKET VALUE                                  |
| (E) INVESTMENT IN MT. AIRY                                              |                    |                                                           |
| (F) HEALTH SERVICE                                                      | 975,653.           | END-OF-YEAR MARKET VALUE                                  |
| (G) INVESTMENT IN CMOA                                                  | -112,025.          | END-OF-YEAR MARKET VALUE                                  |
| (H)                                                                     |                    |                                                           |
| <b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) | <b>93,082,102.</b> |                                                           |

**Part VIII Investments - Program Related.**

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

| (a) Description of investment                                           | (b) Book value     | (c) Method of valuation: Cost or end-of-year market value |
|-------------------------------------------------------------------------|--------------------|-----------------------------------------------------------|
| (1) INVESTMENT IN HOSPICE                                               | 19,235,010.        | END-OF-YEAR MARKET VALUE                                  |
| (2) INVESTMENT IN CARROLL                                               |                    |                                                           |
| (3) COUNTY RADIOLOGY                                                    | 7,426,905.         | END-OF-YEAR MARKET VALUE                                  |
| (4)                                                                     |                    |                                                           |
| (5)                                                                     |                    |                                                           |
| (6)                                                                     |                    |                                                           |
| (7)                                                                     |                    |                                                           |
| (8)                                                                     |                    |                                                           |
| (9)                                                                     |                    |                                                           |
| <b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) | <b>26,661,915.</b> |                                                           |

**Part IX Other Assets.**

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

| (a) Description                                                           | (b) Book value     |
|---------------------------------------------------------------------------|--------------------|
| (1) TRUSTEE BOND INTEREST FUNDS 2012A                                     | 1,761,667.         |
| (2) TRUSTEE BOND CONSTRUCTION FUND 2015                                   | 3.                 |
| (3) TRUSTEE FUNDS PRINCIPAL 2012A                                         | 120,332.           |
| (4) OTHER RECEIVABLES                                                     | 727,492.           |
| (5) DUE FROM RELATED PARTIES                                              | 61,692,892.        |
| (6) DEBT SRV FUND 2015 & ACCRUED INTEREST                                 | 449,058.           |
| (7)                                                                       |                    |
| (8)                                                                       |                    |
| (9)                                                                       |                    |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) | <b>64,751,444.</b> |

**Part X Other Liabilities.**

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

| 1. (a) Description of liability                                           | (b) Book value      |
|---------------------------------------------------------------------------|---------------------|
| (1) Federal income taxes                                                  |                     |
| (2) ADVANCES FROM THIRD PARTIES                                           | 48,607,585.         |
| (3) ACCRUED PENSION                                                       | 4,230,421.          |
| (4) MEDICAL OFFICE BUILDING DEBT                                          | 17,192,397.         |
| (5) DEFERRED COMPENSATION                                                 | 107,140.            |
| (6) DUE TO AFFILIATES                                                     | 125,930,800.        |
| (7) OTHER LIABILITIES                                                     | 1,903,053.          |
| (8)                                                                       |                     |
| (9)                                                                       |                     |
| <b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) | <b>197,971,396.</b> |

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



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

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

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include descriptions, sub-rows (2a-2d, 4a-4b), and totals (1, 2e, 3, 4c, 5).

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

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

Table with 5 main rows and sub-rows (a-e) for adjustments. Columns include descriptions, sub-rows (2a-2d, 4a-4b), and totals (1, 2e, 3, 4c, 5).

Part XIII Supplemental Information.

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

PART V, LINE 4:

THE CARROLL HOSPITAL CENTER ENDOWMENT FUNDS ARE USED TO PROVIDE INCOME ON AN ONGOING BASIS TO MEET THE PURPOSES OF SUPPORTING THE MISSION OF CARROLL HOSPITAL AND OTHER CHARITABLE CARROLL AFFILIATES. THE FUNDS ARE USED TO FURTHER ADVANCE THE CHARITABLE PURPOSES OF THE ORGANIZATIONS.

**SCHEDULE H  
(Form 990)**

**Hospitals**

OMB No. 1545-0047

**2019**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

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

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

|                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Yes | No |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| <b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a                                                                                                                                                                                                                                                                                                                                   | X   |    |
| <b>b</b> If "Yes," was it a written policy?                                                                                                                                                                                                                                                                                                                                                                                                           | X   |    |
| <b>2</b> If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year.<br><input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities<br><input type="checkbox"/> Generally tailored to individual hospital facilities |     |    |
| <b>3</b> Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.                                                                                                                                                                                                                                                                           |     |    |
| <b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:<br><input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>300</u> %                                                | X   |    |
| <b>b</b> Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:<br><input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>500</u> %         | X   |    |
| <b>c</b> If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.                                                                              |     |    |
| <b>4</b> Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?                                                                                                                                                                                                                                                   | X   |    |
| <b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?                                                                                                                                                                                                                                                                                                         | X   |    |
| <b>b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?                                                                                                                                                                                                                                                                                                                                                   | X   |    |
| <b>c</b> If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?                                                                                                                                                                                                                                                         |     | X  |
| <b>6a</b> Did the organization prepare a community benefit report during the tax year?                                                                                                                                                                                                                                                                                                                                                                | X   |    |
| <b>b</b> If "Yes," did the organization make it available to the public?                                                                                                                                                                                                                                                                                                                                                                              | X   |    |

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

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

|                                                                                                    | (a) Number of activities or programs (optional) | (b) Persons served (optional) | (c) Total community benefit expense | (d) Direct offsetting revenue | (e) Net community benefit expense | (f) Percent of total expense |
|----------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------|-------------------------------------|-------------------------------|-----------------------------------|------------------------------|
| <b>Financial Assistance and Means-Tested Government Programs</b>                                   |                                                 |                               |                                     |                               |                                   |                              |
| <b>a</b> Financial Assistance at cost (from Worksheet 1)                                           |                                                 |                               | 1271411.                            |                               | 1271411.                          | .57%                         |
| <b>b</b> Medicaid (from Worksheet 3, column a)                                                     |                                                 |                               |                                     |                               |                                   |                              |
| <b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b)              |                                                 |                               |                                     |                               |                                   |                              |
| <b>d Total.</b> Financial Assistance and Means-Tested Government Programs                          |                                                 |                               | 1271411.                            |                               | 1271411.                          | .57%                         |
| <b>Other Benefits</b>                                                                              |                                                 |                               |                                     |                               |                                   |                              |
| <b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) |                                                 |                               | 3373841.                            | 163,929.                      | 3209912.                          | 1.44%                        |
| <b>f</b> Health professions education (from Worksheet 5)                                           |                                                 |                               | 308,398.                            |                               | 308,398.                          | .14%                         |
| <b>g</b> Subsidized health services (from Worksheet 6)                                             |                                                 |                               | 11711013.                           |                               | 11711013.                         | 5.27%                        |
| <b>h</b> Research (from Worksheet 7)                                                               |                                                 |                               | 226,704.                            |                               | 226,704.                          | .10%                         |
| <b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8)                   |                                                 |                               | 236,710.                            |                               | 236,710.                          | .11%                         |
| <b>j Total.</b> Other Benefits                                                                     |                                                 |                               | 15856666.                           | 163,929.                      | 15692737.                         | 7.06%                        |
| <b>k Total.</b> Add lines 7d and 7j                                                                |                                                 |                               | 17128077.                           | 163,929.                      | 16964148.                         | 7.63%                        |



Part V Facility Information

Section A. Hospital Facilities

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

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

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

1 CARROLL HOSPITAL CENTER, INC.
200 MEMORIAL AVENUE
WESTMINSTER, MD 21157
CARROLLHOSPITALCENTER.ORG
06-002

Table with columns: Licensed hospital, Gen. medical & surgical, Children's hospital, Teaching hospital, Critical access hospital, Research facility, ER-24 hours, ER-other, Other (describe), Facility reporting group. Row 1: X, X, , , , , X, , , .

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**Part V Facility Information** (continued)

**Section B. Facility Policies and Practices**

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

Name of hospital facility or letter of facility reporting group CARROLL HOSPITAL CENTER, INC.

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

|                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Yes | No |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| <b>Community Health Needs Assessment</b>                                                                                                                                                                                                                                                                                                                                                                                                                     |     |    |
| 1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? .....                                                                                                                                                                                                                                                                       |     | X  |
| 2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C .....                                                                                                                                                                                                                                          |     | X  |
| 3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 .....                                                                                                                                                                                                                                                                     | X   |    |
| If "Yes," indicate what the CHNA report describes (check all that apply):                                                                                                                                                                                                                                                                                                                                                                                    |     |    |
| a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility                                                                                                                                                                                                                                                                                                                                                          |     |    |
| b <input checked="" type="checkbox"/> Demographics of the community                                                                                                                                                                                                                                                                                                                                                                                          |     |    |
| c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community                                                                                                                                                                                                                                                                                  |     |    |
| d <input checked="" type="checkbox"/> How data was obtained                                                                                                                                                                                                                                                                                                                                                                                                  |     |    |
| e <input checked="" type="checkbox"/> The significant health needs of the community                                                                                                                                                                                                                                                                                                                                                                          |     |    |
| f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups                                                                                                                                                                                                                                                                                                |     |    |
| g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs                                                                                                                                                                                                                                                                                                    |     |    |
| h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests                                                                                                                                                                                                                                                                                                                                         |     |    |
| i <input type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)                                                                                                                                                                                                                                                                                                       |     |    |
| j <input type="checkbox"/> Other (describe in Section C)                                                                                                                                                                                                                                                                                                                                                                                                     |     |    |
| 4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>17</u>                                                                                                                                                                                                                                                                                                                                                                            |     |    |
| 5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted ..... | X   |    |
| 6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C .....                                                                                                                                                                                                                                                                                                    |     | X  |
| b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C .....                                                                                                                                                                                                                                                                                        |     | X  |
| 7 Did the hospital facility make its CHNA report widely available to the public? .....                                                                                                                                                                                                                                                                                                                                                                       | X   |    |
| If "Yes," indicate how the CHNA report was made widely available (check all that apply):                                                                                                                                                                                                                                                                                                                                                                     |     |    |
| a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>SEE PART V, SECTION C</u>                                                                                                                                                                                                                                                                                                                                                   |     |    |
| b <input checked="" type="checkbox"/> Other website (list url): <u>SEE PART V, SECTION C</u>                                                                                                                                                                                                                                                                                                                                                                 |     |    |
| c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility                                                                                                                                                                                                                                                                                                                              |     |    |
| d <input type="checkbox"/> Other (describe in Section C)                                                                                                                                                                                                                                                                                                                                                                                                     |     |    |
| 8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 .....                                                                                                                                                                                                                                                              | X   |    |
| 9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>17</u>                                                                                                                                                                                                                                                                                                                                                          |     |    |
| 10 Is the hospital facility's most recently adopted implementation strategy posted on a website? .....                                                                                                                                                                                                                                                                                                                                                       | X   |    |
| a If "Yes," (list url): <u>SEE PART V, SECTION C</u>                                                                                                                                                                                                                                                                                                                                                                                                         |     |    |
| b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? .....                                                                                                                                                                                                                                                                                                                                           |     |    |
| 11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.                                                                                                                                                                                                      |     |    |
| 12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? .....                                                                                                                                                                                                                                                                                                |     | X  |
| b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? .....                                                                                                                                                                                                                                                                                                                                                     |     |    |
| c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$                                                                                                                                                                                                                                                                                                    |     |    |

**Part V Facility Information** (continued)

**Financial Assistance Policy (FAP)**

Name of hospital facility or letter of facility reporting group CARROLL HOSPITAL CENTER, INC.

|                                                                                                                                                                                                                                                                                                                                                              | Yes      | No |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----|
| Did the hospital facility have in place during the tax year a written financial assistance policy that:                                                                                                                                                                                                                                                      |          |    |
| <b>13</b> Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? .....                                                                                                                                                                                                                       | <b>X</b> |    |
| If "Yes," indicate the eligibility criteria explained in the FAP:                                                                                                                                                                                                                                                                                            |          |    |
| <b>a</b> <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>300</u> % and FPG family income limit for eligibility for discounted care of <u>500</u> %                                                                                                                    |          |    |
| <b>b</b> <input type="checkbox"/> Income level other than FPG (describe in Section C)                                                                                                                                                                                                                                                                        |          |    |
| <b>c</b> <input checked="" type="checkbox"/> Asset level                                                                                                                                                                                                                                                                                                     |          |    |
| <b>d</b> <input checked="" type="checkbox"/> Medical indigency                                                                                                                                                                                                                                                                                               |          |    |
| <b>e</b> <input type="checkbox"/> Insurance status                                                                                                                                                                                                                                                                                                           |          |    |
| <b>f</b> <input type="checkbox"/> Underinsurance status                                                                                                                                                                                                                                                                                                      |          |    |
| <b>g</b> <input type="checkbox"/> Residency                                                                                                                                                                                                                                                                                                                  |          |    |
| <b>h</b> <input type="checkbox"/> Other (describe in Section C)                                                                                                                                                                                                                                                                                              |          |    |
| <b>14</b> Explained the basis for calculating amounts charged to patients? .....                                                                                                                                                                                                                                                                             | <b>X</b> |    |
| <b>15</b> Explained the method for applying for financial assistance? .....                                                                                                                                                                                                                                                                                  | <b>X</b> |    |
| If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):                                                                                                                                                          |          |    |
| <b>a</b> <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application                                                                                                                                                                                          |          |    |
| <b>b</b> <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application                                                                                                                                                                              |          |    |
| <b>c</b> <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process                                                                                                                                                            |          |    |
| <b>d</b> <input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications                                                                                                                                                                      |          |    |
| <b>e</b> <input type="checkbox"/> Other (describe in Section C)                                                                                                                                                                                                                                                                                              |          |    |
| <b>16</b> Was widely publicized within the community served by the hospital facility? .....                                                                                                                                                                                                                                                                  | <b>X</b> |    |
| If "Yes," indicate how the hospital facility publicized the policy (check all that apply):                                                                                                                                                                                                                                                                   |          |    |
| <b>a</b> <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE PART V, SECTION C</u>                                                                                                                                                                                                                              |          |    |
| <b>b</b> <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE PART V, SECTION C</u>                                                                                                                                                                                                             |          |    |
| <b>c</b> <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE PART V, SECTION C</u>                                                                                                                                                                                                  |          |    |
| <b>d</b> <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)                                                                                                                                                                                                |          |    |
| <b>e</b> <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)                                                                                                                                                                               |          |    |
| <b>f</b> <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)                                                                                                                                                                    |          |    |
| <b>g</b> <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention |          |    |
| <b>h</b> <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP                                                                                                                                                                                             |          |    |
| <b>i</b> <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations                                                                                                                                       |          |    |
| <b>j</b> <input type="checkbox"/> Other (describe in Section C)                                                                                                                                                                                                                                                                                              |          |    |

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**Part V Facility Information** (continued)

**Billing and Collections**

Name of hospital facility or letter of facility reporting group CARROLL HOSPITAL CENTER, INC.

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

**Policy Relating to Emergency Medical Care**

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

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

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

Name of hospital facility or letter of facility reporting group CARROLL HOSPITAL CENTER, INC.

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

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Public Disclosure Copy



**Part V Facility Information** (continued)

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

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 5: THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA)

TOOK INTO ACCOUNT INPUT FROM REPRESENTATIVES OF THE COMMUNITY SERVED BY

THE HOSPITAL FACILITY, INCLUDING PERSONS WITH SPECIAL KNOWLEDGE OF OR

EXPERTISE IN PUBLIC HEALTH, AS WELL AS LEADERS AND REPRESENTATIVES OF

MEDICALLY UNDERSERVED, LOW-INCOME, AND MINORITY POPULATIONS. THE CHNA

WRITTEN REPORT INCORPORATED EXPERTISE AND PARTICIPATION FROM SUCH

COMMUNITY LEADERS AND REPRESENTATIVES, AS WELL AS LEADERS IN PUBLIC

HEALTH, INCLUDING REPRESENTATIVES FROM THE CARROLL COUNTY HEALTH

DEPARTMENT. AS PART OF THE CHNA, A KEY INFORMANT SURVEY OF 78 COMMUNITY

LEADERS FROM A BROAD RANGE OF SECTORS, INCLUDING PUBLIC HEALTH AND MEDICAL

SERVICES, NON-PROFIT AND SOCIAL ORGANIZATIONS, CHILDREN AND YOUTH

AGENCIES, AND THE BUSINESS COMMUNITY, WAS UNDERTAKEN. AMONG THE

INDIVIDUALS WHO COMPLETED THE KEY INFORMANT SURVEY WERE REPRESENTATIVES

FROM SUCH COMMUNITY ORGANIZATIONS AS ASL INTERPRETER CORPS, RAPE CRISIS

SERVICES, CARROLL COUNTY ARTS COUNCIL, CARROLL COUNTY RECREATION AND

PARKS, WESTMINSTER FIRE AND ENGINE, GIRL SCOUTS OF CENTRAL MARYLAND, AND

ELECTED OFFICIALS AS WELL AS PUBLIC HEALTH EXPERTS INCLUDING A WIDE RANGE

OF PHYSICIANS AND NUMEROUS MEMBERS OF THE CARROLL COUNTY HEALTH

DEPARTMENT. IN ADDITION, THE CHNA INCLUDES FINDINGS FROM THE MARYLAND

STATE HEALTH IMPROVEMENT PROCESS (SHIP), CARROLL COUNTY SHIP PROFILE AND

CARROLL COUNTY LOCAL HEALTH IMPROVEMENT PLAN. FUTHERMORE, LEADERS FROM

THE CARROLL COUNTY HEALTH DEPARTMENT AND THE PARTNERSHIP FOR A HEALTHIER

CARROLL COUNTY ARE MEMBERS OF A COMMITTEE THAT HELPS OVERSEE THE

DEVELOPMENT AND EXECUTION OF THE CHNA PLAN.

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

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

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 7A AND 7B:

[HTTPS://HEALTHYCARROLL.ORG/WP-CONTENT/UPLOADS/2019/01/CONSOLIDATED-REPORT-2018-CHNA.PDF](https://HEALTHYCARROLL.ORG/WP-CONTENT/UPLOADS/2019/01/CONSOLIDATED-REPORT-2018-CHNA.PDF)

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 10A:

[HTTPS://HEALTHYCARROLL.ORG/WP-CONTENT/UPLOADS/2019/01/COMMUNITY-BENEFIT-PLAN-2019-2021.PDF](https://HEALTHYCARROLL.ORG/WP-CONTENT/UPLOADS/2019/01/COMMUNITY-BENEFIT-PLAN-2019-2021.PDF)

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 11: PURSUANT TO THE CHNA UNDERTAKEN BY CARROLL

HOSPITAL, 20 COMMUNITY HEALTH NEEDS WERE IDENTIFIED. THEN, WORKING

COLLABORATIVELY, HOSPITAL AND COMMUNITY PUBLIC HEALTH LEADERS, AS WELL AS

THE HOSPITAL'S COMMUNITY BENEFIT PLANNING COMMITTEE, BEGAN PRIORITIZING

THE FOCUS FOR ACTION IN THE NEXT THREE YEARS. IN PARTICULAR, A JOINT

STRATEGIES MEETING WAS CONVENED TO HELP DETERMINE THE PRIORITIZATION OF

THE IDENTIFIED COMMUNITY HEALTH NEEDS.

DURING THE JOINT STRATEGY MEETING, EACH OF THE 20 IDENTIFIED COMMUNITY

HEALTH NEEDS WAS ADDRESSED. THE 20 IDENTIFIED NEEDS WERE PRIORITIZED BY

HOSPITAL AND COMMUNITY PUBLIC HEALTH LEADERS ON THE FOLLOWING CRITERIA:

SERIOUSNESS AND ABILITY TO IMPACT. FINAL CRITERIA SELECTION WAS

DETERMINED BY THE EXECUTIVE COUNCIL MEMBERS OF CARROLL HOSPITAL, IN

COLLABORATION WITH THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY BOARD.

**Part V Facility Information** (continued)

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

PURSUANT TO THIS PRIORITIZATION PROCESS, IT WAS DETERMINED THAT THE NEEDS CARROLL HOSPITAL WOULD ATTEMPT TO ADDRESS WOULD BE NARROWED DOWN TO FOUR KEY COMMUNITY BENEFIT ISSUES, SO AS TO MAXIMIZE THE HOSPITAL'S RESOURCES TO ADDRESS NEEDS THE HOSPITAL FELT IT WAS IN THE BEST POSITION TO ATTEMPT TO MEET. THE NEEDS IN PRIORITY ORDER ARE: BEHAVIORAL HEALTH, DIABETES, HEART HEALTH, AND CANCER. BEHAVIORAL HEALTH INCLUDES MENTAL HEALTH AND SUBSTANCE ABUSE. AMONG THOSE NEEDS THAT THE HOSPITAL FACILITY DETERMINED IT WOULD NOT SPECIFICALLY FOCUS UPON ADDRESSING WERE: IMMUNIZATION/VACCINATION AND DENTAL HEALTH.

IDENTIFIED NEEDS NOT SPECIFICALLY ADDRESSED:

IT WAS DETERMINED THAT CARROLL COUNTY'S PRIMARY IMMUNIZATION CONCERN IS THE INFLUENZA IMMUNIZATION, WHICH CURRENTLY IS BEING MANAGED THROUGH A COLLABORATIVE AND COOPERATIVE PROCESS. ADDITIONALLY, CARROLL HOSPITAL OFFERS FLU RESOURCE INFORMATION TO EVERYONE WHO USES SERVICES AT THE HOSPITAL, AS WELL AS IN OUTPATIENT SETTINGS TO ENCOURAGE INDIVIDUALS TO GET THEIR VACCINE. THE RESOURCES LIST LOCATIONS THROUGHOUT THE COUNTY WHERE FLU VACCINES ARE OFFERED. THIS INFORMATION IS ALSO LISTED ON THE HOSPITAL'S WEBSITE AND PROMOTED VIA SOCIAL MEDIA. FLU CLINICS ARE HELD EVERY FALL AT SENIOR CENTERS AS A COLLABORATIVE INITIATIVE LED BY THE PARTNERSHIP'S HEALTHY AGING LEADERSHIP TEAM WITH SENIOR CENTERS AND A PRIVATE PHARMACY.

ACCESS CARROLL EXPANDED ON ITS PRIMARY CARE MEDICAL SERVICES TO ADD DENTAL CARE IN FISCAL YEAR 2014. IN ADDITION, ORAL HEALTH SCREENINGS ARE OFFERED AS PART OF THE HOSPITAL'S ANNUAL HEALTH FAIR EACH YEAR AND THROUGHOUT THE COUNTY AT COMMUNITY EVENTS. ADDITIONALLY, THE PARTNERSHIP'S HEALTHY AGING

**Part V Facility Information** (continued)

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

LEADERSHIP TEAM WILL EVALUATE POSSIBLE ROLES FOR IMPROVING ORAL HEALTH.

THE CARROLL COUNTY HEALTH DEPARTMENT HAS A DENTAL CLINIC FOR CHILDREN AND PREGNANT WOMEN WHO HAVE MEDICAL ASSISTANCE.

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 16A, FAP:

[HTTP://WWW.CARROLLHOSPITALCENTER.ORG/FINANCIAL-ASSISTANCE](http://www.carrollhospitalcenter.org/financial-assistance)

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 16B, FAP APPLICATION:

[HTTPS://WWW.LIFEBRIDGEHEALTH.ORG/UPLOADS/PUBLIC/DOCUMENTS/CARROLL/FINANCIAL%20ASSISTANCE/FINANCIAL%20ASSISTANCE%20POLICY%20NEW%20FY19\\_APP.PDF](https://www.lifebridgehealth.org/uploads/public/documents/carroll/financial%20assistance/financial%20assistance%20policy%20new%20fy19_app.pdf)

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 16C, FAP PLAIN LANGUAGE SUMMARY:

[HTTPS://WWW.LIFEBRIDGEHEALTH.ORG/UPLOADS/PUBLIC/DOCUMENTS/CARROLL/FINANCIAL%20ASSISTANCE/CH\\_FINANCIALSHEET\\_ENGLISHSPANISH\\_8\\_27\\_20.PDF](https://www.lifebridgehealth.org/uploads/public/documents/carroll/financial%20assistance/ch_financialsheet_englishspanish_8_27_20.pdf)

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 20E:

THE HOSPITAL FACILITY OR AN AUTHORIZED THIRD PARTY DID NOT UNDERTAKE ANY OF THE COLLECTION ACTIONS NOTED IN PART V, SECTION B, LINE 18 BEFORE MAKING REASONABLE EFFORTS TO DETERMINE ANY PATIENTS' ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY. IN ORDER TO HELP DETERMINE PATIENTS' ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE HOSPITAL UNDERTAKES A NUMBER OF ACTIONS,

**Part V Facility Information** (continued)

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

INCLUDING NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY ON  
ADMISSION, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY PRIOR  
TO DISCHARGE, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY IN  
COMMUNICATIONS WITH THE PATIENT'S BILLS, AND DOCUMENTING ITS  
DETERMINATION OF WHETHER PATIENTS WERE ELIGIBLE FOR FINANCIAL  
ASSISTANCE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 22D: CHARGES FOR ALL HOSPITAL PATIENTS ARE  
STATE REGULATED. SERVICES ARE CHARGED TO ALL HOSPITAL PATIENTS AT THE  
SAME RATE. CHARGES FOR INDIVIDUALS FOUND ELIGIBLE FOR FAP BASED ON 300%  
OR LESS OF THE FEDERAL POVERTY LEVEL (FPL) ARE WRITTEN-OFF IN FULL TO  
FAP (THERE IS NO PATIENT LIABILITY). CHARGES FOR INDIVIDUALS FOUND  
ELIGIBLE FOR FAP BASED ON THE HSCRC'S FINANCIAL HARDSHIP CRITERIA OF  
301%-500% OF FPL ARE CAPPED AT 25% OF THE ANNUAL HOUSEHOLD INCOME PER  
THE HSCRC'S FINANCIAL HARDSHIP CRITERIA. THE DIFFERENCE BETWEEN THE  
TOTAL CHARGES AND THE CALCULATED 25% OF THE ANNUAL HOUSEHOLD INCOME IS  
WRITTEN OFF AS CHARITY CARE.

CARROLL HOSPITAL CENTER, INC.:

PART V, SECTION B, LINE 24: THE HOSPITAL FACILITY DOES NOT CHARGE ANY  
INDIVIDUALS THAT IT KNOWS ARE ELIGIBLE FOR FINANCIAL ASSISTANCE AN  
AMOUNT EQUAL TO THE GROSS CHARGE FOR ANY SERVICE. THE HOSPITAL USES  
THE CHARGE MASTER RATES FOR A SERVICE AS A STARTING POINT AGAINST WHICH  
THE DISCOUNTS MANDATED IN THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE  
POLICY ARE APPLIED TO DETERMINE THE AMOUNT ACTUALLY BILLED TO PATIENTS  
ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY. THE HOSPITAL FACILITY

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

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

WILL NOT COLLECT PAYMENT FROM ANY PATIENT ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY IN EXCESS OF THE REDUCED AMOUNT THAT IS ACTUALLY BILLED TO SUCH FINANCIAL ASSISTANCE PATIENT. IN ADDITION, IF THE HOSPITAL CHARGED AN INDIVIDUAL THAT HAD NOT YET BEEN DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE AT THE TIME OF THE CHARGE AN AMOUNT EQUAL TO GROSS CHARGES, THEN UPON DETERMINING THE INDIVIDUAL WAS ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE HOSPITAL PROMPTLY CORRECTS THE BILL.

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**Part V Facility Information** (continued)

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

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

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

| Name and address                                                                      | Type of Facility (describe) |
|---------------------------------------------------------------------------------------|-----------------------------|
| 1 CARROLL COUNTY RADIOLOGY<br>7253 AMBASSADOR ROAD<br>BALTIMORE, MD 21244             | IMAGING CENTER              |
| 2 CARROLL COUNTY RADIOLOGY<br>1430 PROGRESS WAY, SUITE 108<br>ELDERSBURG, MD 21784    | IMAGING CENTER              |
| 3 CARROLL COUNTY RADIOLOGY<br>193 STONER AVENUE, SUITE 200<br>WESTMINSTER, MD 21157   | IMAGING CENTER              |
| 4 CARROLL COUNTY RADIOLOGY<br>1011 BALTIMORE BLVD<br>WESTMINSTER, MD 21157            | IMAGING CENTER              |
| 5 CARROLL COUNTY RADIOLOGY<br>844 WASHINGTON ROAD, SUITE 102<br>WESTMINSTER, MD 21157 | IMAGING CENTER              |
|                                                                                       |                             |
|                                                                                       |                             |
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**Part VI Supplemental Information**

Provide the following information.

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

PART I, LINE 3C:

FOR PATIENTS THAT EXPERIENCE A MEDICAL HARDSHIP (MEDICAL DEBT THAT EXCEEDS 25% OF HOUSEHOLD INCOME OR WHOSE INCOME IS BELOW SPECIFIED LEVELS), CARROLL HOSPITAL CENTER PROVIDES FREE OR DISCOUNTED CARE. IF A PATIENT HAS RECEIVED REDUCED COSTS, UNDER THIS POLICY, THE PATIENT OR ANY IMMEDIATE FAMILY MEMBER OF THE PATIENT LIVING IN THE SAME HOUSEHOLD SHALL REMAIN ELIGIBLE TO RECEIVE REDUCED COSTS FOR ANY MEDICALLY NECESSARY CARE WHEN SEEKING SUBSEQUENT CARE DURING THE 12 MONTH PERIOD BEGINNING ON THE DATE ON WHICH THE REDUCED COST CARE WAS INITIALLY RECEIVED.

IN ADDITION, SOME PATIENTS ARE PRESUMED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE DISCOUNTS ON THE BASIS OF LIFE CIRCUMSTANCES. THESE PATIENTS THAT THE HOSPITAL HAS DETERMINED PRESUMPTIVELY QUALIFY FOR FINANCIAL ASSISTANCE ARE NOT REQUIRED TO COMPLETE ADDITIONAL FORMS OR PROVIDE ADDITIONAL INFORMATION AND ARE GRANTED 100% FINANCIAL ASSISTANCE DISCOUNTS. THE HOSPITAL INTERNALLY DOCUMENTS ANY AND ALL RECOMMENDATIONS TO PROVIDE PRESUMPTIVE FINANCIAL ASSISTANCE DISCOUNTS FROM PATIENTS AND OTHER SOURCES, SUCH AS PHYSICIANS, COMMUNITY OR RELIGIOUS GROUPS, INTERNAL



**Part VI** Supplemental Information (Continuation)

OR EXTERNAL SOCIAL SERVICES OR FINANCIAL COUNSELING PERSONNEL. THE FOLLOWING ARE EXAMPLES OF PATIENT SITUATIONS THAT MAY REASONABLY ASSIST IN THE DETERMINATION OF PRESUMPTIVE ELIGIBILITY FOR FINANCIAL ASSISTANCE:

- (1) PATIENT HAS RECEIVED CARE FROM AND/OR HAS PARTICIPATED IN WOMEN'S, INFANTS AND CHILDREN (WIC) PROGRAMS,
- (2) PATIENT IS HOMELESS AND/OR HAS RECEIVED CARE FROM A HOMELESS CLINIC,
- (3) PATIENT'S FAMILY IS ELIGIBLE FOR AND IS RECEIVING FOOD STAMPS,
- (4) PATIENT'S FAMILY IS ELIGIBLE FOR AND IS PARTICIPATING IN SUBSIDIZED SCHOOL LUNCH PROGRAMS,
- (5) PATIENT QUALIFIES FOR OTHER STATE OR LOCAL ASSISTANCE PROGRAMS THAT ARE UNFUNDED OR THE PATIENT'S ELIGIBILITY HAS BEEN DISMISSED DUE TO A TECHNICALITY (E.G. MEDICAID SPEND-DOWN),
- (6) FAMILY OR FRIENDS OF A PATIENT HAVE PROVIDED INFORMATION ESTABLISHING THE PATIENT'S INABILITY TO PAY,
- (7) THE PATIENT'S STREET ADDRESS AND DOCUMENTATION EVIDENCE STATUS IN AN AFFORDABLE OR SUBSIDIZED HOUSING DEVELOPMENT,
- (8) PATIENT/GUARANTOR'S WAGES ARE INSUFFICIENT FOR GARNISHMENT, AS DEFINED BY STATE LAW, OR
- (9) PATIENT IS DECEASED, WITH NO KNOWN ESTATE.

PART I, LINE 7:

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 BREAK-OUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE. THE COST OF RENDERING SERVICES FOR MEDICAL ASSISTANCE PATIENTS IS APPROXIMATELY EQUAL TO MEDICAID REVENUES IN MARYLAND. THUS, THE NET EFFECT IS APPROXIMATELY ZERO.

**Part VI** Supplemental Information (Continuation)

THE EXCEPTION TO THIS IS THE IMPACT ON THE HOSPITAL OF ITS SHARE OF THE MEDICAID ASSESSMENT. IN RECENT YEARS, THE STATE OF MARYLAND HAS CLOSED FISCAL GAPS IN THE STATE MEDICAID BUDGET BY ASSESSING HOSPITALS THROUGH THE RATE-SETTING SYSTEM.

PART I, LINE 7A - I:

THE FOLLOWING COSTING METHODOLOGY WAS USED TO CALCULATE LINES 7A THROUGH 7I ON THE COMMUNITY BENEFIT REPORT.

COST TO CHARGE RATIO - COST TO CHARGE RATIO WAS USED IN REPORTING FINANCIAL ASSISTANCE AT COST. THE COST TO CHARGE RATIO WAS DERIVED FROM CALCULATIONS SIMILAR TO WORKSHEET 2.

PART I, LINE 7G:

CARROLL HOSPITAL CENTER INCURRED APPROXIMATELY \$1.3 MILLION OF NET COMMUNITY BENEFIT EXPENSE AS A RESULT OF UNDERTAKING SUBSIDIZED HEALTH SERVICES.

A SHORTAGE OF PRIMARY OR SPECIALTY PROVIDERS HAS PERHAPS POSED THE MOST SIGNIFICANT CHALLENGES IN INPATIENT CARE DELIVERY. SUBSTANTIAL PHYSICIAN SUBSIDIES HAVE BECOME NECESSARY TO ENSURE THAT ALL PATIENTS REQUIRING ANESTHESIA, PEDIATRIC, PSYCHIATRIC, OBSTETRICAL, CRITICAL AND GENERAL MEDICAL CARE HAVE THE ACCESS THEY NEED ONCE ADMITTED TO THE HOSPITAL, INCLUDING 24/7 COVERAGE. CARROLL HOSPITAL CENTER HAS HOSPITALIST PROGRAMS IN EACH OF THESE AREAS AND ALLOCATES A SIGNIFICANT AMOUNT OF RESOURCES SUSTAINING THE PROGRAMS. IN FY20, APPROXIMATELY \$11.7 MILLION WAS SPENT IN ENSURING CARE FOR ALL PATIENTS AND RECRUITING AND RETAINING PHYSICIANS.

**Part VI** Supplemental Information (Continuation)

EQUALLY IMPORTANT IS ACCESS TO PHYSICIANS ON AN OUTPATIENT BASIS, NOT JUST FOR THE UNINSURED, BUT ALSO FOR ALL PATIENTS IN OUR GROWING COMMUNITY. TO ENSURE OUR COMMUNITY HAS ACCESS TO QUALITY PHYSICIANS, CARROLL HOSPITAL CENTER CONTINUALLY MONITORS STATISTICALLY CALCULATED NEED BY DEVELOPING A COMPREHENSIVE MEDICAL STAFF DEVELOPMENT PLAN BASED ON THE HEALTH CARE NEEDS OF OUR MEDICAL SERVICE AREA. THE REPORT INCLUDES AN ANALYSIS OF APPROPRIATE STAFFING LEVELS IN A VARIETY OF MEDICAL SPECIALTIES. THE PHYSICIAN NEEDS ASSESSMENT METHODOLOGY USED IS BASED ON A QUALITATIVE STANDARD ESTABLISHED BY THE INTERNAL REVENUE SERVICES (IRS). THE REPORT GUIDES THE HOSPITAL'S RECRUITING STRATEGY, HELPS US TO PRIORITIZE RECRUITING EFFORTS AND ALLOWS THE HOSPITAL TO PLACE CONTINGENCIES ON RECRUITED PHYSICIANS TO ENSURE THEY SEE MEDICALLY UNDERSERVED, UNINSURED, MEDICARE AND MEDICAID PATIENTS.

WHILE CARROLL HOSPITAL CENTER CARES FOR PATIENTS WITH NO MEANS TO PAY THEIR MEDICAL EXPENSES THROUGHOUT THE HOSPITAL, IT IS SEEN MOST ACUTELY IN THE EMERGENCY DEPARTMENT (ED), WHERE MANY UNINSURED PATIENTS OFTEN COME FOR PRIMARY AND EMERGENT CARE. SINCE ALL PATIENTS PRESENTING TO THE ED ARE TREATED FOR ANY MEDICAL CONDITION REGARDLESS OF THEIR ABILITY TO PAY FOR CARE, THE UNINSURED POPULATION POSES A SIGNIFICANT CHALLENGE NOT ONLY TO THE HOSPITAL, BUT ALSO TO PHYSICIANS PROVIDING CARE IN THE HOSPITAL AND IN THE ED. DUE IN PART TO LACK OF OR MINIMAL REIMBURSEMENT, IT HAS BECOME INCREASINGLY DIFFICULT TO FIND SPECIALISTS TO PROVIDE ON-CALL SERVICES FOR THE ED AROUND-THE-CLOCK. THE MORE SERIOUS ISSUE IS THAT THIS TREND EFFECTS NOT ONLY OUR UNINSURED PATIENTS, BUT ALL PATIENTS SEEKING TREATMENT IN OUR ED.

THE LIKELIHOOD THAT PATIENTS PRESENT MORE ACUTELY IN THE UNINSURED

**Part VI** Supplemental Information (Continuation)

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

TO HELP EASE THE EFFECTS OF UNCOMPENSATED CARE ON PHYSICIANS AND ADDRESS THE GAP IN CARE FOR OUR PATIENTS, CARROLL HOSPITAL CENTER HAS CONTINUED TWO MAJOR, COSTLY INITIATIVES TO ADDRESS THE GAP PROACTIVELY. FIRST, THE HOSPITAL CONTRACTS WITH 10 MEDICAL SPECIALTIES TO ENSURE 24/7 COVERAGE IN THE ED. IMPLEMENTED IN 2006, THOSE SPECIALTIES INCLUDE NEUROSURGERY, GENERAL, PLASTIC, VASCULAR, ORAL SURGERY, ORTHOPEDICS, UROLOGY, PODIATRY, OPHTHALMOLOGY AND ENT. ADDITIONALLY, THE GROWING VOLUMES OF UNINSURED PATIENTS HAS CAUSED THE HOSPITAL TO INSTITUTE AN ADDITIONAL POLICY WHICH ALLOWS PHYSICIANS WHO SEE PATIENTS WITHOUT A PAYMENT SOURCE IN THE ED TO BE REIMBURSED FOR PHYSICIAN SERVICES BY THE HOSPITAL AT CURRENT MEDICARE RATES. WHILE PAYMENT FOR ED CALL MAY HELP WITH THE GAPS IN COVERAGE FOR THE UNINSURED, IT BEARS A SIGNIFICANT FINANCIAL TOLL ON THE HOSPITAL. THE EXPENSE TO PAY PHYSICIANS FOR ED CALL HAS COST THE HOSPITAL \$1,617,294 IN FY20.

ALL THE INITIATIVES AND SUPPORT LISTED ABOVE WOULD NOT BE PROVIDED IF CARROLL HOSPITAL CENTER DID NOT PROVIDE THEM. AS THE ONLY HOSPITAL IN THE COUNTY, IT IS OUR PRIMARY RESPONSIBILITY TO PROVIDE THESE SERVICES FOR THE UNINSURED AND UNDERINSURED, AS WELL AS ALL COMMUNITY MEMBERS. NO OTHER ORGANIZATION OR INDIVIDUAL IN THE COUNTY WOULD BE ABLE TO PROVIDE ALL OF

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**Part VI** Supplemental Information (Continuation)

THESE COMPREHENSIVE SERVICES IN THE AREAS THAT THE HOSPITAL DOES.

AS PART OF THE MISSION DRIVEN HEALTH SERVICES, CARROLL HOSPITAL PROVIDES MEDICAL SERVICES TO ACCESS CARROLL PATIENTS. FOUNDED IN 2005, ACCESS CARROLL IS A JOINT VENTURE BETWEEN CARROLL HOSPITAL, THE CARROLL COUNTY HEALTH DEPARTMENT AND THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY THAT PROVIDES FREE HEALTH CARE TO UNINSURED, LOW-INCOME CARROLL COUNTY RESIDENTS WHO MEET CERTAIN ELIGIBILITY REQUIREMENTS.

ACCESS CARROLL CONSISTS OF A HEALTH CARE TEAM INVOLVING VOLUNTEER PHYSICIANS, NURSES AND OTHER MEDICAL PROFESSIONALS WHO WORK TOGETHER TO PROVIDE PATIENTS WITH PRIMARY MEDICAL CARE. MEDICATION ASSISTANCE, SPECIALTY CARE, DIAGNOSTIC AND LABORATORY TESTING, AND PATIENT EDUCATION ARE ALSO AVAILABLE ONSITE. CARROLL HOSPITAL INCURRED \$1,094,976 IN COST TREATING ACCESS CARROLL PATIENTS IN FISCAL YEAR 2020.

ALSO INCLUDED IN THESE EXPENSES ARE DIRECT AND INDIRECT COSTS ATTRIBUTABLE TO HOSPITAL BASED PHYSICIANS TOTALING \$10,249,038.

**PART II: COALITION BUILDING**

THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY, INC., AN AFFILIATE OF CARROLL HOSPITAL AND THE CARROLL COUNTY HEALTH DEPARTMENT, IS A PRIVATE NONPROFIT ORGANIZATION WORKING TO IMPROVE HEALTH BY CONNECTING PEOPLE, INSPIRING ACTION, AND STRENGTHENING COMMUNITY. THE PARTNERSHIP IS A RELATED SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION OF THE HOSPITAL, WHICH RECEIVES A MAJORITY OF ITS OPERATING FUNDS FROM CONTRIBUTIONS MADE DIRECTLY BY THE HOSPITAL.

**Part VI** Supplemental Information (Continuation)

THE HOSPITAL ALSO OFFERS EMERGENCY PREPAREDNESS TRAINING AND SUPPORT AS NEEDED TO COMMUNITY ORGANIZATIONS.

PART III, LINE 2:

CARROLL HOSPITAL CENTER INCURRED \$7,566,851 IN BAD DEBT EXPENSE DURING THE FISCAL YEAR 2020. THIS REFLECTS THE AMOUNT OF GROSS PATIENT CHARGES UNCOLLECTED FROM PATIENTS THAT DID NOT QUALIFY FOR FINANCIAL ASSISTANCE. PATIENT ACCOUNTS RECEIVABLE ARE REDUCED BY PROVISION FOR BAD DEBTS. IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, THE HEALTH SYSTEM ANALYZES HISTORICAL COLLECTIONS AND WRITE-OFFS AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE PROVISION FOR BAD DEBTS AND PROVISION FOR UNCOLLECTIBLE ACCOUNTS. MANAGEMENT REGULARLY REVIEWS ITS ESTIMATE AND EVALUATES THE SUFFICIENCY OF THE ALLOWANCE FOR BAD DEBTS. THE HEALTH SYSTEM ANALYZES CONTRACTUAL AMOUNTS DUE FROM PATIENTS WHO HAVE THIRD PARTY COVERAGE AND PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR BAD DEBTS. FOR PATIENT ACCOUNTS RECEIVABLE ASSOCIATED WITH SELF-PAY PATIENTS, WHICH INCLUDES THOSE PATIENTS WITHOUT INSURANCE COVERAGE FOR A PORTION OF THE BILL, THE HEALTH SYSTEM RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS FOR PATIENTS THAT ARE UNABLE OR UNWILLING TO PAY FOR THE PORTION OF THE BILL REPRESENTING THEIR FINANCIAL RESPONSIBILITY. ACCOUNT BALANCES ARE CHARGED OFF AGAINST THE ALLOWANCE FOR BAD DEBTS AFTER ALL MEANS OF COLLECTION HAS BEEN EXHAUSTED. BAD DEBT EXPENSE REPORTED ON LINE 2 REFLECTS ACTUAL PATIENT CHARGES THAT HAVE BEEN DETERMINED TO BE UNCOLLECTIBLE FOR PATIENTS THAT HAVE NOT QUALIFIED FOR CHARITY CARE. BAD DEBT EXPENSE MAY ALSO INCLUDE ADDITIONAL "BAD DEBT PROVISIONS" FOR DOUBTFUL ACCOUNTS BASED ON MANAGEMENT'S ESTIMATES OF FUTURE ACCOUNT COLLECTIONS BASED ON CHANGES IN SERVICE MIX AND PAYOR MIX.

**Part VI** Supplemental Information (Continuation)

PART III, LINE 3:

CARROLL HOSPITAL CENTER, INC. DETERMINES ELIGIBILITY FOR FINANCIAL ASSISTANCE THROUGH OTHER VARIOUS MEANS (CREDIT REPORTS, DEBT AND ASSET REVIEWS, AND REFERRALS FROM THE HOSPITAL'S BILLING AGENTS) WHEN THE PATIENT HAS NOT COMPLETED THE FINANCIAL ASSISTANCE APPLICATION. IF A DETERMINATION IS MADE REGARDING THE PATIENT'S INABILITY TO PAY, THE ACCOUNT CAN BE APPROVED FOR FINANCIAL ASSISTANCE ON A PRESUMPTIVE BASIS RATHER THAN BE REFLECTED AS BAD DEBT EXPENSE. OF THE REMAINING BAD DEBT EXPENSE, IT IS ESTIMATED THAT \$529,680 IN COST MAY BE ATTRIBUTABLE TO PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE/CHARITY CARE.

PART III, LINE 4:

ALL PATIENT ACCOUNTS ARE HANDLED CONSISTENTLY AND APPROPRIATELY TO MAXIMIZE CASH FLOW AND TO IDENTIFY BAD DEBT ACCOUNTS TIMELY. ACTIVE ACCOUNTS ARE CONSIDERED BAD DEBT ACCOUNTS WHEN THEY MEET SPECIFIC COLLECTION ACTIVITY GUIDELINES AND/OR ARE REVIEWED BY THE APPROPRIATE MANAGEMENT AND DEEMED TO BE UNCOLLECTIBLE. EVERY EFFORT IS MADE TO IDENTIFY AND PURSUE ALL ACCOUNT BALANCE LIQUIDATION OPTIONS, INCLUDING BUT NOT LIMITED TO THIRD PARTY PAYOR REIMBURSEMENT, PATIENT PAYMENT ARRANGEMENTS, MEDICAID ELIGIBILITY AND FINANCIAL ASSISTANCE. THIRD PARTY RECEIVABLE MANAGEMENT AGENCIES PROVIDE EXTENDED BUSINESS OFFICE SERVICES AND INSURANCE OUTSOURCE SERVICES TO ENSURE MAXIMUM EFFORT IS TAKEN TO RECOVER INSURANCE AND SELF-PAY DOLLARS BEFORE TRANSFER TO BAD DEBT. CONTRACTUAL ARRANGEMENTS WITH THIRD PARTY COLLECTION AGENCIES ARE USED TO ASSIST IN THE RECOVERY OF BAD DEBT DOLLARS AFTER ALL INTERNAL COLLECTION EFFORTS HAVE BEEN EXHAUSTED. IN SO DOING, THE COLLECTION AGENCIES MUST OPERATE CONSISTENTLY WITH CARROLL HOSPITAL CENTER'S GOAL OF MAXIMUM BAD

**Part VI** Supplemental Information (Continuation)

DEBT RECOVERY AND STRICT ADHERENCE WITH FAIR DEBT COLLECTIONS PRACTICES ACT (FDCPA) RULES AND REGULATIONS, WHILE MAINTAINING POSITIVE PATIENT RELATIONS. SEE AUDITED FINANCIAL STATEMENTS PAGE 17

PART III, LINE 8:

CARROLL HOSPITAL CENTER'S TAX YEAR 2019 (FISCAL YEAR 2020) MEDICARE COST REPORT SUBMISSION WAS UTILIZED AS THE SOURCE DOCUMENT TO REPORT MEDICARE TOTAL REVENUE AND ALLOWABLE COSTS.

PART III, LINE 9B:

FOR THOSE PATIENTS THAT DO NOT INITIALLY APPLY OR QUALIFY FOR FINANCIAL ASSISTANCE, THE ORGANIZATION CONTINUES TO MONITOR WHETHER THE PATIENT MAY QUALIFY FOR FINANCIAL ASSISTANCE. IF THE PATIENT IS FOUND TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE AT ANY POINT (INCLUDING ONCE COLLECTION EFFORTS HAVE BEGUN), THE ORGANIZATION WILL APPROVE THE PATIENT FOR FINANCIAL ASSISTANCE. COLLECTION EFFORTS WILL BE STOPPED IMMEDIATELY ONCE THE PATIENT IS FOUND TO QUALIFY FOR FINANCIAL ASSISTANCE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY. PATIENTS DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE SUBSEQUENT TO THE DATE OF SERVICE MAY BE ELIGIBLE FOR A REFUND OF PAYMENTS MADE IF IT IS DETERMINED THAT THE PATIENT WAS ELIGIBLE FOR FINANCIAL ASSISTANCE AT THE TIME OF SERVICE.

PART VI, LINE 2:

MONITORING THE HEALTH STATUS OF THE COMMUNITY IS AN ONGOING AND INTERACTIVE PROCESS ENGAGED IN BY THE HOSPITAL, WITH SUBSTANTIAL INVOLVEMENT FROM OUR COMMUNITY VIA THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY, INC. ("THE PARTNERSHIP"), AN ENTITY ESTABLISHED BY THE HOSPITAL AND THE CARROLL COUNTY HEALTH DEPARTMENT SPECIFICALLY TO ASSESS UNMET



**Part VI** Supplemental Information (Continuation)

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

IMPROVEMENT IN THE COMMUNITY HEALTH IMPROVEMENT AREAS (CHIA) IS ONE OF THE HOSPITAL'S GOALS. THE CHIA ARE THE NEED AREAS REQUIRING INDIVIDUAL AND ORGANIZATIONAL ACTION TO ACHIEVE TARGETED IMPROVED STATUS USING THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES' HEALTHY PEOPLE 2030 TARGETS AS THE BENCHMARK. THE HOSPITAL PARTICIPATES ACTIVELY IN MANY OF THE CHIA LEADERSHIP TEAMS COMPRISED OF DIVERSE INDIVIDUALS AND ORGANIZATIONS FROM THROUGHOUT THE HOSPITAL'S SERVICE AREA, WHO SHARE EXPERTISE AND INTEREST IN THE CHIA. WITH SUPPORT AND GUIDANCE FROM THE PARTNERSHIP, THOSE LEADERSHIP TEAMS DEVELOP AND IMPLEMENT ACTION PLANS SPECIFICALLY INTENDED TO ACCOMPLISH TARGETED RESULTS. "HEALTHY CARROLL VITAL SIGNS" (DESCRIBED BELOW) ARE THEN AFFIRMED, ARE SPECIFIC TO EACH CHIA LEADERSHIP TEAM AND SERVE AS ONE OF THE PRIMARY TOOLS FOR MEASURING AND REPORTING RESULTS TO THE HOSPITAL LEADERSHIP AND TO THE COMMUNITY.

RECENTLY THE HOSPITAL HAS COLLABORATED WITH THE PARTNERSHIP WITH RESPECT TO AN ASSESSMENT OF HEALTH NEEDS VIA MARYLAND'S STATE HEALTH IMPROVEMENT PROCESS (S.H.I.P.), WHICH WAS ORGANIZED TO PRODUCE A LOCAL HEALTH IMPROVEMENT PLAN (L.H.I.P.). THE PARTNERSHIP ORGANIZATION ENTHUSIASTICALLY AGREED TO SERVE AS THE LOCAL COALITION REQUIRED IN THE S.H.I.P. PROCESS. THIS PROVIDED CARROLL HOSPITAL CENTER YET ANOTHER

**Part VI** Supplemental Information (Continuation)

OPPORTUNITY FOR LINKAGE TO IMPORTANT, VALIDATED INFORMATION ABOUT HEALTH NEEDS IN OUR COMMUNITY AND ONGOING OPPORTUNITIES TO COLLABORATE WITH OUR LOCAL AND STATE HEALTH DEPARTMENT REGARDING IMPLEMENTATION STRATEGIES FOR TARGETED RESULTS.

PURSUANT TO THE S.H.I.P. ASSESSMENT, THIRTY-NINE "HIGH IMPACT OBJECTIVES" WERE IDENTIFIED BY THE STAFF AT MARYLAND'S DEPARTMENT OF HEALTH AND MENTAL HYGIENE. A CARROLL COUNTY SPECIFIC DATA PROFILE SERVED AS THE BASELINE DOCUMENT. AFTER THOROUGH ANALYSIS, A LEADERSHIP TEAM, WHICH INCLUDED THE HOSPITAL, PRODUCED A LOCAL HEALTH IMPROVEMENT PLAN (L.H.I.P.) ADDRESSING FIVE PRIORITY NEED AREAS. THE S.H.I.P. AND L.H.I.P. PROVIDE ANOTHER IMPORTANT SET OF VERY USEFUL INFORMATION AND IS BEING FULLY INTEGRATED WITHIN THE HOSPITAL'S THIRD IRS COMPLIANT COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) AND COMMUNITY BENEFIT PLANNING PROCESSES. THE HOSPITAL AND THE PARTNERSHIP HAVE CONDUCTED MULTIPLE PREVIOUS NEEDS ASSESSMENTS, HAVE MADE REAL PROGRESS TOWARD COMMUNITY ENGAGEMENT IN THESE PROCESSES AND HAVE INTEGRATED ANNUAL MEASUREMENT SYSTEMS INTO THE HEALTH IMPROVEMENT WORK KNOWN AS "HEALTHY CARROLL VITAL SIGNS (HCVS)." THE COMMUNITY BENEFIT & HEALTH IMPROVEMENT PLAN FY2019 TO FY2021, WAS THE PLAN BY THE HOSPITAL AND THE PARTNERSHIP TO ADDRESS THE 2018 (TAX YEAR 2017) COMMUNITY HEALTH NEEDS ASSESSMENT. DURING THE 2018 FISCAL YEAR, THE HOSPITAL CONDUCTED ITS THIRD COMMUNITY HEALTH NEEDS ASSESSMENT IN COMPLIANCE WITH IRS REQUIREMENTS ("CHNA"). SHORTLY THEREAFTER, THE HOSPITAL BEGAN TO UNDERTAKE CERTAIN INITIATIVES IDENTIFIED IN THE CHNA IMPLEMENTATION STRATEGY TO BEGIN TO ATTEMPT TO MEET IDENTIFIED COMMUNITY HEALTH NEEDS.

PART VI, LINE 3:

CARROLL HOSPITAL CENTER, INC. (CHC) HAS A NUMBER OF PROGRAMS TO ASSIST

**Part VI** Supplemental Information (Continuation)

PATIENTS WITH THEIR PAYMENT OBLIGATIONS. FIRST, WE PROVIDE A MEDICAID ENROLLMENT SERVICE TO PATIENTS WHO QUALIFY FOR MEDICAL ASSISTANCE. THIS SERVICE ASSISTS PATIENTS WITH PAPERWORK AND WILL EVEN PROVIDE TRANSPORTATION IF NEEDED. THIS PAST YEAR, CHC ASSISTED OVER 200 PATIENTS IN APPLYING FOR THE STATE'S MEDICAL ASSISTANCE PROGRAM.

FOR PATIENTS WHO DO NOT QUALIFY FOR MEDICAID COVERAGE, CHC HAS AN IN-HOUSE FINANCIAL ASSISTANCE PROGRAM. OUR ELIGIBILITY STANDARDS ARE MORE LENIENT THAN EVEN THOSE PROPOSED BY THE MARYLAND HOSPITAL ASSOCIATION GUIDELINES. WE WRITE OFF 100% OF THE BILL FOR PATIENTS WHOSE INCOME IS BELOW 300% OF THE FEDERAL POVERTY GUIDELINES (FPG) AND WRITE OFF A PORTION OF THE BILL FOR PATIENTS WHOSE INCOME IS BETWEEN 301%-500% OF THE FPG. WHEN PATIENTS EXPRESS THEIR INABILITY TO PAY FOR SERVICES, OUR STAFF WORKS TO FIND THE BEST POSSIBLE OPTION FOR THEM BY DISCUSSING IN DETAIL THEIR SITUATION. THE FAMILY IS INVOLVED IN THOSE CONVERSATIONS TO THE EXTENT THE PATIENT FEELS COMFORTABLE.

THE HOSPITAL ALSO HAS A PROCESS IN PLACE FOR PATIENTS TO HAVE FINANCIAL ASSISTANCE DECISIONS RECONSIDERED AND THAT PROCESS IS CLEARLY OUTLINED IN OUR FINANCIAL ASSISTANCE POLICY AND IN INFORMATION PROVIDED TO OUR PATIENTS. IN ADDITION, FOR PATIENTS WITH INCOME BELOW 500% OF THE FPG AND WHOSE MEDICAL DEBT AT CHC IS IN EXCESS OF 25% OF THEIR HOUSEHOLD INCOME, THE HOSPITAL HAS A MEDICAL HARDSHIP PLAN THAT PROVIDES FOR REDUCED-COST CARE.

IN ADDITION TO THE SIGNAGE AND PRINT COMMUNICATION, CARROLL HOSPITAL ALSO PROVIDES SERVICES AND INFORMATION DURING THE IN-TAKE AND DISCHARGE PROCESS. OUR POLICY IS OFFERED TO ANY PATIENT AT ALL ACCESS POINTS WHO IS

**Part VI** Supplemental Information (Continuation)

EITHER UNINSURED OR UNDER-INSURED. PATIENTS ARE PRE-SCREENED FOR SCHEDULED SERVICES AND DO NOT NEED TO EXPRESS A HARDSHIP; RATHER, WE REACH OUT TO THEM PRIOR TO SERVICE TO DETERMINE IF THEY MAY BE ELIGIBLE FOR ANY PROGRAM OFFERED. OUR ADMITTED PATIENTS WHO ARE UNINSURED ARE VISITED BY FINANCIAL COUNSELORS AT BEDSIDE FOR CONSIDERATION OF ANY AND ALL PROGRAMS OF ASSISTANCE. APPLICATIONS FOR MEDICAID AND FINANCIAL ASSISTANCE ARE STARTED AT THAT POINT.

IN ORDER TO ENSURE THERE ARE NO LANGUAGE BARRIERS, INTERPRETERS ARE USED IN THE APPLICATION PROCESS FOR EVERY PATIENT THAT NEEDS ONE. FAMILY MEMBERS ARE INVOLVED, AS THE PATIENT ALLOWS.

CARROLL HOSPITAL HAS IMPLEMENTED A DISCHARGE PROCESS IN THE EMERGENCY DEPARTMENT TO ASSIST UNINSURED PATIENTS WITH MEDICAL ASSISTANCE APPLICATIONS ONLINE, IF THEIR HEALTH CONDITION ALLOWS. PATIENTS ARE PROVIDED A COPY OF THE FINANCIAL ASSISTANCE APPLICATION ALONG WITH CONTACT INFORMATION AND ENCOURAGED TO COMPLETE IT AT THE TIME OF SERVICE. FOLLOW-UP-CALLS ARE MADE BY THE FINANCIAL COUNSELING OFFICE FOR RESOLUTION.

PART VI, LINE 4:

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

POPULATION

**Part VI** Supplemental Information (Continuation)

TOTAL POPULATION 2019: 168,442

POPULATION PERCENTAGE CHANGE FROM 2010 TO 2019: 0.4%

PERSONS UNDER 5 YEARS OLD, PERCENTAGE IN 2019: 5.5%

PERSONS UNDER 18 YEARS OLD, PERCENTAGE IN 2019: 21.6%

PERSONS 65 YEARS OLD AND OVER, PERCENTAGE IN 2019: 17.3%

FEMALE PERSONS, PERCENTAGE IN 2017: 50.5%

PERSONS OF WHITE RACE, PERCENTAGE IN 2018: 91.7%

PERSONS OF BLACK RACE, PERCENTAGE IN 2018: 3.9%

PERSONS OF HISPANIC OR LATINO ORIGIN, PERCENTAGE IN 2018: 3.9%

SOURCE: US CENSUS BUREAU: STATE AND COUNTY QUICKFACTS.

**FAMILY**

TOTAL NUMBER OF HOUSEHOLDS (2015-2019): 60,758

AVERAGE HOUSEHOLD SIZE (2015-2019): 2.70 PERSONS

SOURCE: US CENSUS BUREAU: STATE AND COUNTY QUICKFACTS.

**ECONOMICS**

MEDIAN HOUSEHOLD INCOME: \$96,769

PERCENTAGE OF PERSONS BELOW POVERTY LEVEL: 5.3%

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

**OTHER SIGNIFICANT DEMOGRAPHIC CHARACTERISTICS**

ACCORDING TO THE AMERICAN COMMUNITY SURVEY THE PERCENTAGE OF UNINSURED

**Part VI** Supplemental Information (Continuation)

PATIENTS IN CARROLL COUNTY IS 4.2%. IN FY 2019, OF THE CARROLL COUNTY RESIDENTS THAT WERE HOSPITALIZED (EITHER AT CHC OR OTHER HOSPITALS) 10.8% WERE ENROLLED IN MEDICAL ASSISTANCE PROGRAMS IN CARROLL COUNTY, WHICH INCLUDES MCHIP, PAC, AND MEDICAL ASSISTANCE. THE AVERAGE LIFE EXPECTANCY WITHIN CARROLL COUNTY WAS 78.6 YEARS.

PART VI, LINE 5:

CARROLL HOSPITAL CENTER, FOUNDED IN 1961, IS THE SOLE HOSPITAL SERVING THE JURISDICTION OF CARROLL COUNTY, MARYLAND WITH A 2019 POPULATION OF MORE THAN 168,000 PERSONS. CARROLL HOSPITAL CENTER IS THE SECOND LARGEST EMPLOYER IN CARROLL COUNTY WITH OVER 2,000 ASSOCIATES IN FY 2020. CARROLL HOSPITAL CENTER IS ACCREDITED BY THE JOINT COMMISSION.

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

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

**Part VI** Supplemental Information (Continuation)

THERE ARE APPROXIMATELY 450 PHYSICIANS REPRESENTING 38 SPECIALTIES ON OUR MEDICAL STAFF. WE OPERATE AN EMERGENCY DEPARTMENT (ED) SERVING ALL PERSONS REGARDLESS OF ABILITY TO PAY.

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

THE PARTNERSHIP WAS ESTABLISHED TO:

- ASSESS UNMET HEALTH NEEDS IN OUR COMMUNITY
- EXPAND THE CAPACITY FOR HEALTH AND QUALITY OF LIFE IMPROVEMENT IN OUR COMMUNITY
- SERVE AS OUR COLLABORATIVE VEHICLE FOR INTERACTION WITH THE COMMUNITY
- DRIVE THE EFFORT TO CREATE A HEALTHIER CARROLL COUNTY COMMUNITY

THIS STRATEGY HAS ALLOWED CARROLL HOSPITAL CENTER TO REMAIN CONTINUALLY WELL-CONNECTED TO THE COMMUNITY, TO LEVERAGE OUR RESOURCES IN ACTION ALONGSIDE THOSE OF OTHER KEY ORGANIZATIONS AND AGENCIES (PARTICULARLY, THE

**Part VI** Supplemental Information (Continuation)

CARROLL COUNTY HEALTH DEPARTMENT) AND TO ASSURE MEASURABLE RESULTS.  
 MONITORING THE HEALTH STATUS OF THE COMMUNITY IS AN ONGOING AND  
 INTERACTIVE PROCESS ENGAGED IN BY CARROLL HOSPITAL CENTER AND THE  
 PARTNERSHIP. CARROLL HOSPITAL CENTER AND THE PARTNERSHIP PURSUE  
 IMPROVEMENT IN THE COMMUNITY HEALTH IMPROVEMENT AREAS (CHIAS) VIA  
 LEADERSHIP TEAMS COMPRISED OF DIVERSE INDIVIDUALS AND ORGANIZATIONS WHO  
 SHARE EXPERTISE AND INTEREST IN THE CHIA. THOSE LEADERS DEVELOP AND  
 IMPLEMENT ACTION PLANS SPECIFICALLY INTENDED TO ACCOMPLISH TARGETED  
 RESULTS. "HEALTHY CARROLL VITAL SIGNS" ARE THEN AFFIRMED, ARE SPECIFIC TO  
 EACH CHIA LEADERSHIP TEAM AND SERVE AS ONE OF THE PRIMARY TOOLS FOR  
 RESULTS REPORTING. WWW.HEALTHYCARROLL.ORG IS THE PARTNERSHIP'S WEBSITE  
 WHERE CURRENT SECONDARY DATA, NATIONAL BENCHMARKS, IMPROVEMENT TARGETS AND  
 BEST PRACTICE REFERENCES ARE EASILY AVAILABLE, ARE AS CURRENT AS  
 AVAILABLE, AND ARE AVAILABLE TO ANYONE AT NO COST.

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

OUR INTEGRATED APPROACH RECOGNIZES AND STRIVES TO ELIMINATE BARRIERS SUCH  
 AS TRANSPORTATION CHALLENGES OR LIMITED ABILITIES TO PURCHASE ESSENTIAL  
 PRESCRIPTION PRODUCTS; IT ALSO INCLUDES MORE IN-COMMUNITY CARE  
 COORDINATION AND ASSISTANCE WITH NAVIGATING THE OFTEN COMPLEX WORLD OF  
 HEALTH CARE ASSOCIATED SERVICES.

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



**Part VI** Supplemental Information (Continuation)

AT ACCESS CARROLL, INC. THE BARRIERS OF LOW INCOME AND INELIGIBILITY FOR STATE, FEDERAL OR OTHER INSURANCE ASSISTANCE ARE BEING ELIMINATED FOR SIGNIFICANT NUMBERS OF CARROLL COUNTY RESIDENTS WHO ARE RECEIVING THE SAME STELLAR INTEGRATED PRIMARY AND SPECIALTY CARE SERVICES NEEDED TO MANAGE THEIR ACUTE AND/OR CHRONIC DISEASE ISSUES AS THEIR HIGHER INCOME AND INSURED NEIGHBORS. IN ADDITION TO THE PRIMARY AND SPECIALTY MEDICAL CARE AND CARE MANAGEMENT NAVIGATION ASSISTANCE, THE ACCESS CARROLL PATIENTS RECEIVE DIAGNOSTIC LABORATORY AND RADIOLOGY SERVICES, DENTAL SERVICES, PRESCRIPTION ASSISTANCE AND MORE.

CARROLL HOSPITAL CENTER CONTRIBUTED \$1,094,976 TO ACCESS CARROLL IN FY20 TO COVER SALARY AND BENEFIT EXPENSES FOR THE EXECUTIVE DIRECTOR, MANAGER, ONE FULL TIME RN CASE MANAGER AND TWO PART-TIME POSITIONS (AIDE AND DEVELOPMENT SPECIALIST), AS WELL AS OPERATIONAL EXPENSES. THE HOSPITAL ALSO PROVIDES LABORATORY AND DIAGNOSTIC IMAGING SERVICES TO ACCESS CARROLL, CAPTURED UNDER CHARITY CARE, WHICH TOTALED \$181,499 IN FY20.

THESE HEALTH PROMOTION EFFORTS ARE IN ADDITION TO PROGRAMS AND SERVICES THAT SEEK TO HELP PEOPLE CHANGE THEIR LIFESTYLES TO MOVE TOWARD A STATE OF OPTIMAL HEALTH IN MIND, BODY AND SPIRIT. CARROLL HOSPITAL CENTER DEMONSTRATES ITS COMMITMENT TO IMPROVING THE HEALTH AND WELLNESS OF THE COMMUNITIES IT SERVES BY PROVIDING SERVICES AND PROGRAMS THAT ADDRESS CRITICAL NEEDS, INCLUDING HEALTH CARE TO VULNERABLE OR UNDERSERVED PEOPLE, PUBLIC HEALTH PROGRAMS, AND HEALTH EDUCATION, SCREENING AND PREVENTION SERVICES. THESE PROGRAMS AND ACTIVITIES INCLUDED HOSPICE SERVICES, PHYSICIAN SUPPORT, CHARITY/UNCOMPENSATED CARE, EDUCATION PROGRAMS, HEALTH SCREENINGS, SUPPORT GROUPS, HEALTH PROFESSIONS EDUCATION AND COMMUNITY CONTRIBUTIONS.

**Part VI** Supplemental Information (Continuation)

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

PART VI, LINE 6:

CARROLL HOSPITAL, A LIFEBRIDGE HEALTH CENTER, IS PART OF AN AFFILIATED HEALTH CARE SYSTEM THAT PROVIDES AN ARRAY OF HEALTH CARE SERVICES TO ITS COMMUNITY. THE HOSPITAL, AS A SOLE COMMUNITY PROVIDER, PROVIDES BOTH INPATIENT AND OUTPATIENT CARE, INCLUDING ESSENTIAL HEALTH CARE SERVICES SUCH AS OBSTETRICS, EMERGENCY SERVICES, PEDIATRIC, AND CRITICAL CARE, WHICH WOULD LIKELY OTHERWISE NOT BE PROVIDED WITHIN CARROLL COUNTY DUE TO THEIR UNPROFITABLE NATURE (HIGH COST SERVICES WITH RELATIVELY LOW REIMBURSEMENT). ADDITIONALLY, THE HOSPITAL IS RELATED TO A GROUP PHYSICIAN PRACTICE (CARROLL HEALTH GROUP), WHICH PROVIDES PRIMARY AND SPECIALTY CARE SERVICES TO THE COMMUNITY. THE PROVISION OF PHYSICIAN SERVICES HELPS MEET AN IDENTIFIED COMMUNITY HEALTH NEED FOR ADDITIONAL PRIMARY AND SPECIALTY CARE PHYSICIANS AND PROVIDERS IN THE COMMUNITY. CARROLL HOSPICE, AN AFFILIATE OF CARROLL HOSPITAL, PROVIDES INPATIENT HOSPICE CARE, AS WELL AS RESIDENTIAL HOSPICE AND PALLIATIVE CARE, TO PATIENTS NEARING THE END OF LIFE. CARROLL HOSPICE PROVIDES PAIN MANAGEMENT AND SYMPTOM CONTROL AND HELPS COORDINATE HOME AND INPATIENT SERVICES. IN ORDER TO PROVIDE COMPREHENSIVE AND COMPASSIONATE CARE, CARROLL HOSPICE UTILIZES AN INTERDISCIPLINARY TEAM, INCLUDING PHYSICIANS, NURSES, SOCIAL WORKERS, CLERGY, PHARMACISTS, AND HOME HEALTH AIDES. FURTHER, CARROLL HOSPICE PROVIDES BEREAVEMENT CARE FOR FAMILY MEMBERS FOR UP TO THIRTEEN MONTHS, AS WELL AS FOR THE BROADER COMMUNITY AS NEEDED.

**Part VI** Supplemental Information (Continuation)

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

MD

Public Disclosure Copy

**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

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

▶ **Attach to Form 990.**

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

OMB No. 1545-0047

**2019**

**Open to Public  
Inspection**

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

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

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

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

| <b>1 (a)</b> Name and address of organization or government                                         | <b>(b)</b> EIN | <b>(c)</b> IRC section (if applicable) | <b>(d)</b> Amount of cash grant | <b>(e)</b> Amount of non-cash assistance | <b>(f)</b> Method of valuation (book, FMV, appraisal, other) | <b>(g)</b> Description of noncash assistance | <b>(h)</b> Purpose of grant or assistance    |
|-----------------------------------------------------------------------------------------------------|----------------|----------------------------------------|---------------------------------|------------------------------------------|--------------------------------------------------------------|----------------------------------------------|----------------------------------------------|
| PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY - 295 STONER AVE, SUITE 306 - WESTMINSTER, MD 21157-5799 | 52-2156892     | 501(C)(3)                              | 191,000.                        | 0.                                       |                                                              |                                              | TO SUPPORT THE OPERATIONS OF PARTNERSHIP.    |
| ACCESS CARROLL 10 DISTILLERY DRIVE, SUITE 200 WESTMINSTER, MD 21157-5799                            | 20-2146701     | 501(C)(3)                              | 1,094,976.                      | 0.                                       |                                                              |                                              | TO SUPPORT THE OPERATIONS OF ACCESS CARROLL. |
|                                                                                                     |                |                                        |                                 |                                          |                                                              |                                              |                                              |
|                                                                                                     |                |                                        |                                 |                                          |                                                              |                                              |                                              |
|                                                                                                     |                |                                        |                                 |                                          |                                                              |                                              |                                              |
|                                                                                                     |                |                                        |                                 |                                          |                                                              |                                              |                                              |

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

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

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

Schedule I (Form 990) (2019)

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

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

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

PART I, LINE 2:

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

THE SECOND GRANT PROVIDED IS TO ACCESS CARROLL, A RELATED ORGANIZATION THAT

**Part IV** Supplemental Information

IS A JOINT VENTURE BETWEEN CARROLL HOSPITAL, THE CARROLL COUNTY HEALTH DEPARTMENT AND THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY. ACCESS CARROLL IS A 501 (C)(3) TAX EXEMPT ORGANIZATION THAT PROVIDES FREE HEALTH CARE TO UNINSURED, LOW-INCOME CARROLL COUNTY RESIDENTS WHO MEET CERTAIN ELIGIBILITY REQUIREMENTS.

Public Disclosure Copy

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2019**

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
 ▶ Attach to Form 990.  
 ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

Department of the Treasury  
Internal Revenue Service

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

Employer identification number  
**52-1452024**

**Part I Questions Regarding Compensation**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

|           | Yes | No |
|-----------|-----|----|
| <b>1b</b> |     |    |
| <b>2</b>  |     |    |
| <b>4a</b> |     | X  |
| <b>4b</b> | X   |    |
| <b>4c</b> |     | X  |
| <b>5a</b> |     | X  |
| <b>5b</b> |     | X  |
| <b>6a</b> |     | X  |
| <b>6b</b> |     | X  |
| <b>7</b>  |     | X  |
| <b>8</b>  |     | X  |
| <b>9</b>  |     |    |

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

Schedule J (Form 990) 2019

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

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

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

| (A) Name and Title                                           |      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|--------------------------------------------------------------|------|----------------------------------------------------|-------------------------------------|-------------------------------------|------------------------------------------------|-------------------------|---------------------------------|-----------------------------------------------------------------------|
|                                                              |      | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |                                                |                         |                                 |                                                                       |
| (1) KIMBERLY A JOHNSTON-DELTUVA, M.D.<br>BOARD MEMBER        | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 266,161.                                           | 93,278.                             | 270.                                | 5,781.                                         | 842.                    | 366,332.                        | 0.                                                                    |
| (2) SARAH LENTZ, MD<br>BOARD MEMBER                          | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 409,389.                                           | 85,550.                             | 270.                                | 0.                                             | 23,859.                 | 519,068.                        | 0.                                                                    |
| (3) NEIL M. MELTZER<br>BOARD MEMBER/LBH PRESIDENT/CEO        | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 999,827.                                           | 842,880.                            | 485,431.                            | 388,916.                                       | 20,227.                 | 2,737,281.                      | 357,770.                                                              |
| (4) LESLIE R. SIMMONS<br>BOARD MEMBER/PT YR INT PRES/LBH EVP | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 704,152.                                           | 318,661.                            | 156,357.                            | 265,490.                                       | 19,941.                 | 1,464,601.                      | 100,342.                                                              |
| (5) MICHAEL MYERS<br>TREASURER/VICE PRESIDENT/CFO            | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 254,694.                                           | 65,899.                             | 6,109.                              | 41,631.                                        | 27,012.                 | 395,345.                        | 0.                                                                    |
| (6) MARK D. OLSZYK<br>VP OF MEDICAL STAFF                    | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 436,897.                                           | 134,059.                            | 8,732.                              | 58,734.                                        | 197.                    | 638,619.                        | 0.                                                                    |
| (7) JED S. ROSEN, M.D.<br>CHIEF OF SURGERY                   | (i)  | 385,272.                                           | 24,750.                             | 2,158.                              | 5,631.                                         | 22,285.                 | 440,096.                        | 0.                                                                    |
|                                                              | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
| (8) HOLLY PHIPPS ADAMS<br>VP HUMAN RESOURCES                 | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 291,487.                                           | 87,185.                             | 6,333.                              | 46,920.                                        | 24,677.                 | 456,602.                        | 0.                                                                    |
| (9) M. ELLEN FINNERTY MYERS<br>CHIEF DEVELOPMENT OFFICER     | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 264,713.                                           | 80,099.                             | 6,678.                              | 33,757.                                        | 12,336.                 | 397,583.                        | 0.                                                                    |
| (10) STEPHANIE J. REID<br>CNO/VP QUALITY                     | (i)  | 235,170.                                           | 58,674.                             | 15,011.                             | 31,926.                                        | 1,786.                  | 342,567.                        | 0.                                                                    |
|                                                              | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
| (11) DWAYNE RICHARDSON<br>SR VP OPERATION                    | (i)  | 231,296.                                           | 74,120.                             | 5,002.                              | 27,056.                                        | 22,101.                 | 359,575.                        | 0.                                                                    |
|                                                              | (ii) | 23,099.                                            | 7,402.                              | 500.                                | 2,702.                                         | 2,207.                  | 35,910.                         | 0.                                                                    |
| (12) CRIS W. COLEMAN<br>ASSISTANT VP OF FINANCE              | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                              | (ii) | 215,852.                                           | 46,411.                             | 414.                                | 7,599.                                         | 10,417.                 | 280,693.                        | 0.                                                                    |
| (13) SHARON L. MCCLERNAN<br>VP OF CLINICAL INTEGRATION       | (i)  | 197,941.                                           | 50,654.                             | 5,037.                              | 27,995.                                        | 26,900.                 | 308,527.                        | 0.                                                                    |
|                                                              | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
| (14) FLAVIO W. KRUTER<br>PHYSICIAN                           | (i)  | 922,551.                                           | 42,055.                             | 2,286.                              | 0.                                             | 23,467.                 | 990,359.                        | 0.                                                                    |
|                                                              | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
| (15) DARLENE GABEAU<br>PHYSICIAN                             | (i)  | 561,228.                                           | 90,298.                             | 270.                                | 2,754.                                         | 29,672.                 | 684,222.                        | 0.                                                                    |
|                                                              | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
| (16) QIWEI GAI<br>PHYSICIAN                                  | (i)  | 443,990.                                           | 121,481.                            | 774.                                | 2,310.                                         | 30,289.                 | 598,844.                        | 0.                                                                    |
|                                                              | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |



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

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

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

| (A) Name and Title                                         |      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                                     | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|------------------------------------------------------------|------|----------------------------------------------------|-------------------------------------|-------------------------------------|------------------------------------------------|-------------------------|---------------------------------|-----------------------------------------------------------------------|
|                                                            |      | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other reportable compensation |                                                |                         |                                 |                                                                       |
| (17) MARLANA OTTINGER<br>PHYSICIAN                         | (i)  | 422,572.                                           | 0.                                  | 744.                                | 1,482.                                         | 9,817.                  | 434,615.                        | 0.                                                                    |
|                                                            | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
| (18) RONALD MCDADE<br>DIRECTOR OF HEALTHCARE REDESIGN      | (i)  | 169,394.                                           | 31,238.                             | 962.                                | 881.                                           | 21,701.                 | 224,176.                        | 0.                                                                    |
|                                                            | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
| (19) KEVIN K. KELBLY<br>FORMER TREASURER/SENIOR VP FINANCE | (i)  | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                            | (ii) | 379,803.                                           | 114,697.                            | 113,896.                            | 42,417.                                        | 24,898.                 | 675,711.                        | 0.                                                                    |
| (20) JOHN A. STEERS, M.D.<br>FORMER BOARD MEMBER           | (i)  | 37,600.                                            | 0.                                  | 0.                                  | 0.                                             | 0.                      | 37,600.                         | 0.                                                                    |
|                                                            | (ii) | 0.                                                 | 0.                                  | 0.                                  | 0.                                             | 0.                      | 0.                              | 0.                                                                    |
|                                                            | (i)  |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (ii) |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (i)  |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (ii) |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (i)  |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (ii) |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (i)  |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (ii) |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (i)  |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (ii) |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (i)  |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (ii) |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (i)  |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (ii) |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (i)  |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |
|                                                            | (ii) |                                                    |                                     |                                     |                                                |                         |                                 |                                                                       |

**Part III Supplemental Information**

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

## PART I, LINE 3:

THE COMPENSATION OF CARROLL HOSPITAL CENTER, INC.'S CEO/EXECUTIVE DIRECTOR USED AT LIFEBRIDGE HEALTH, INC. INCLUDE A COMPENSATION COMMITTEE, COMPENSATION SURVEY OR STUDY AND APPROVAL BY THE BOARD OR COMPENSATION IS DETERMINED AT THE PARENT LEVEL BY LIFEBRIDGE HEALTH, INC. THE METHODS INDEPENDENT COMPENSATION CONSULTANT, WRITTEN EMPLOYMENT CONTRACT, COMMITTEE

## PART I, LINE 4B:

THE FOLLOWING DIRECTORS AND OFFICERS PARTICIPATED IN A LIFEBRIDGE HEALTH SPONSORED SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN DURING THE YEAR:

|                      |            |
|----------------------|------------|
| NEIL MELTZER         | \$ 361,442 |
| LESLIE SIMMONS       | \$ 241,199 |
| ELLEN FINNERTY MYERS | \$ 29,246  |
| SHARON MCCLERNAN     | \$ 22,716  |
| MARK OLSZYK          | \$ 48,008  |
| STEPHANIE REID       | \$ 25,635  |
| HOLLY PHIPPS-ADAMS   | \$ 32,878  |
| KEVIN KELBLY         | \$ 42,417  |

**Part III Supplemental Information**

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

MICHAEL MYERS \$ 27,701

DWAYNE RICHARDSON \$ 28,561

THE FOLLOWING DIRECTORS AND OFFICERS RECEIVED PAYMENTS AS PART OF THEIR PARTICIPATION IN A LIFEBRIDGE HEALTH SPONSORED SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN DURING THE YEAR:

NEIL MELTZER \$ 428,403

LESLIE SIMMONS \$ 115,877

COMPENSATION PROVIDED BY RELATED ORGANIZATIONS:

MR. MELTZER RECEIVED COMPENSATION AS PRESIDENT OF LIFEBRIDGE HEALTH, INC., NOT AS A DIRECTOR.

MS. SIMMONS RECEIVED COMPENSATION AS INTERIM PRESIDENT OF CARROLL HOSPITAL CENTER, AND AS EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER OF LIFEBRIDGE HEALTH, INC., NOT AS A DIRECTOR.

DR. JOHNSON-DELTUVA RECEIVED COMPENSATION AS PHYSICIAN OF A SINGLE MEMBER LLC OWNED BY LIFEBRIDGE COMMUNITY PHYSICIANS, INC., NOT AS A DIRECTOR.

**Part III Supplemental Information**

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

DR. LENTZ RECEIVED COMPENSATION AS A PHYSICIAN OF CARROLL HEALTH GROUP,  
LLC, NOT AS A DIRECTOR.

DR. JOHN STEERS RECEIVED COMPENSATION FOR ON CALL SERVICES TO CARROLL  
HOSPITAL CENTER, INC., NOT AS A FORMER DIRECTOR.

MR. KEVIN KELBLY RECEIVED COMPENSATION AS FORMER SENIOR VICE PRESIDENT AND  
CFO OF CARROLL HOSPITAL CENTER, INC., NOT AS A FORMER DIRECTOR.

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| <b>Part III Private Business Use</b>                                                                                                                                                                                                         |      |    |     |    |     |    |     |    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----|-----|----|-----|----|-----|----|
|                                                                                                                                                                                                                                              | A    |    | B   |    | C   |    | D   |    |
|                                                                                                                                                                                                                                              | Yes  | No | Yes | No | Yes | No | Yes | No |
| 1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? .....                                                                                                           |      | X  |     |    |     |    |     |    |
| 2 Are there any lease arrangements that may result in private business use of bond-financed property? .....                                                                                                                                  |      | X  |     |    |     |    |     |    |
| 3a Are there any management or service contracts that may result in private business use of bond-financed property? .....                                                                                                                    | X    |    |     |    |     |    |     |    |
| b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?                                                         | X    |    |     |    |     |    |     |    |
| c Are there any research agreements that may result in private business use of bond-financed property? .....                                                                                                                                 | X    |    |     |    |     |    |     |    |
| d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property? .....                                                               | X    |    |     |    |     |    |     |    |
| 4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government .....                                                                      | 1.00 | %  |     | %  |     | %  |     | %  |
| 5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ..... | 1.00 | %  |     | %  |     | %  |     | %  |
| 6 Total of lines 4 and 5 .....                                                                                                                                                                                                               | 2.00 | %  |     | %  |     | %  |     | %  |
| 7 Does the bond issue meet the private security or payment test? .....                                                                                                                                                                       |      | X  |     |    |     |    |     |    |
| 8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?                                                                   |      | X  |     |    |     |    |     |    |
| b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of .....                                                                                                                                              |      | %  |     | %  |     | %  |     | %  |
| c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2? .....                                                                                                                            |      |    |     |    |     |    |     |    |
| 9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2? .....                           | X    |    |     |    |     |    |     |    |

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

**Part IV Arbitrage** (continued)

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

**Part V Procedures To Undertake Corrective Action**

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

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

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

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

(F) DESCRIPTION OF PURPOSE: REFUND 2002 BONDS, FAC ACQ, RENOVATION

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

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

DATE THE REBATE COMPUTATION WAS PERFORMED: 07/01/2020





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

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

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount of transaction | (d) Description of transaction | (e) Sharing of organization's revenues? |    |
|-------------------------------|-----------------------------------------------------------------|---------------------------|--------------------------------|-----------------------------------------|----|
|                               |                                                                 |                           |                                | Yes                                     | No |
| HEATHER GREEN                 | FAMILY RELATIONSHIP                                             | 92,148.                   | EMPLOYEE OF                    |                                         | X  |
| CHELSEA BEAUVAIS              | FAMILY RELATIONSHIP                                             | 42,406.                   | REGISTERED                     |                                         | X  |
| ROBERT J. BEAUVAIS            | FAMILY RELATIONSHIP                                             | 87,106.                   | IT SYSTEM E                    |                                         | X  |
| RANDY C. GREEN, JR.           | FAMILY RELATIONSHIP                                             | 48,080.                   | REGISTERD N                    |                                         | X  |
| SOMMER DORSEY                 | FAMILY RELATIONSHIP                                             | 21,104.                   | COLLECTIONS                    |                                         | X  |
| JOHN A STEERS MD PA           | INDIRECT                                                        | 557,575.                  | JOHN A STEE                    |                                         | X  |
|                               |                                                                 |                           |                                |                                         |    |
|                               |                                                                 |                           |                                |                                         |    |
|                               |                                                                 |                           |                                |                                         |    |

**Part V Supplemental Information.**

Provide additional information for responses to questions on Schedule L (see instructions).

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: HEATHER GREEN

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY RELATIONSHIP TO A DIRECTOR, LESLIE SIMMONS

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF HOSPITAL - DIRECTOR OF

CARDIAC VASCULAR LAB

(A) NAME OF PERSON: CHELSEA BEAUVAIS

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY RELATIONSHIP TO A DIRECTOR, LESLIE SIMMONS

(D) DESCRIPTION OF TRANSACTION: REGISTERED NURSE

(A) NAME OF PERSON: ROBERT J. BEAUVAIS

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY RELATIONSHIP TO A DIRECTOR, LESLIE SIMMONS

(D) DESCRIPTION OF TRANSACTION: IT SYSTEM ENGINEER

(A) NAME OF PERSON: RANDY C. GREEN, JR.

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY RELATIONSHIP TO A DIRECTOR, LESLIE SIMMONS

**Part V Supplemental Information**

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

(D) DESCRIPTION OF TRANSACTION: REGISTERD NURSE

(A) NAME OF PERSON: SOMMER DORSEY

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY RELATIONSHIP TO A KEY EMPLOYEE, SHARON MCCLERNAN

(D) DESCRIPTION OF TRANSACTION: COLLECTIONS REG SPECIALIST

(A) NAME OF PERSON: JOHN A STEERS MD PA

(D) DESCRIPTION OF TRANSACTION: JOHN A STEERS MD PA IS OWNED BY FORMER BOARD MEMBER JOHN A STEERS. A CARROLL HOSPITAL AFFILIATE PAID JOHN A STEERS MD PA FOR MEDICAL SERVICES.

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

Department of the Treasury  
Internal Revenue Service

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

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization

CARROLL HOSPITAL CENTER, INC.

Employer identification number

52-1452024

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

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

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

EXPERIENCE FOR PEOPLE IN ALL STAGES OF LIFE. WE ARE THE HEART OF  
HEALTH CARE IN OUR COMMUNITIES.

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

SERVICES INCLUDING, EMERGENCY SERVICES, COMPREHENSIVE CANCER CARE,  
PEDIATRICS, MATERNITY, GERIATRICS, THE LATEST MINIMALLY INVASIVE  
SURGICAL PROCEDURES AND ADVANCED TOTAL AND PARTIAL JOINT REPLACEMENT  
PROCEDURES. IN THE YEAR ENDING JUNE 2020, CARROLL HOSPITAL CENTER  
RECORDED 12,596 INPATIENT ADMISSIONS AND OBSERVATION STAY CASES, 1003  
BIRTHS AND 5153 SURGICAL PROCEDURES, ALL CONTRIBUTING TO A TOTAL OF  
103,282 PATIENT ENCOUNTERS FOR THE PERIOD. ALL OF THIS IS IN LINE WITH  
OUR MISSION: "OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL  
TREATMENT, COMPASSIONATE CARE, AND EXPERT GUIDANCE IN MAINTAINING THEIR  
HEALTH AND WELL-BEING. AT CARROLL HOSPITAL CENTER, WE OFFER AN  
UNCOMPROMISING COMMITMENT TO THE HIGHEST QUALITY HEALTH CARE EXPERIENCE  
FOR PEOPLE IN ALL STAGES OF LIFE. WE ARE THE HEART OF HEALTHCARE IN  
OUR COMMUNITIES." THE HOSPITAL ALSO PROVIDES PLANNED COMMUNITY BENEFIT  
ACTIVITIES TO IMPROVE ACCESS TO HEALTH CARE AND IMPROVE THE OVERALL

HEALTH OF OUR COMMUNITY. OUR MISSION IS PURSUED IN COLLABORATION WITH

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

Schedule O (Form 990 or 990-EZ) (2019)

932211 09-06-19

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

OUR RELATED ORGANIZATIONS: CARROLL COUNTY HEALTH SERVICES, CARROLL HOSPICE, THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY (OUR COMMUNITY ADVOCACY ARM), AND THE CARROLL HOSPITAL CENTER FOUNDATION, FOR MORE INFORMATION ON THESE SUBSIDIARIES, PLEASE SEE THEIR INDIVIDUAL FORMS 990, AS WELL AS LIFEBRIDGE HEALTH AND ITS OTHER COMPONENTS.

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

THE CORPORATION SHALL HAVE ONE MEMBER: CARROLL COUNTY HEALTH SERVICES CORPORATION (THE "MEMBER") A MARYLAND NONSTOCK CORPORATION. MEMBERSHIP IN THE CORPORATION SHALL NOT BE TRANSFERABLE.

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

THE MEMBER SHALL HAVE THE EXCLUSIVE POWER AND AUTHORITY TO TAKE THE FOLLOWING ACTIONS: (1) THE BOARD OF DIRECTORS SHALL AT ALL TIMES BE IDENTICAL TO THE BOARD OF DIRECTORS OF THE MEMBER. NONVOTING MEMBERS OF THE BOARD OF DIRECTORS OF THE MEMBERS, AS PROVIDED FOR UNDER THE BYLAWS OF THE MEMBER, SHALL BE NONVOTING DIRECTORS OF THE CORPORATION. (2) THE MEMBER MAY REMOVE ANY DIRECTOR AT ANY TIME, WITH OR WITHOUT CAUSE. REMOVAL FROM THE BOARD OF DIRECTORS OF THE MEMBER CONSTITUTES REMOVAL FROM THE BOARD OF DIRECTORS OF THE CORPORATION. (3) THE INDIVIDUAL SERVING AS PRESIDENT OF THE MEMBER WILL SERVE AS THE PRESIDENT OF THE CORPORATION. REMOVAL OR RESIGNATION OF THE PRESIDENT OF THE MEMBER WILL CONSTITUTE REMOVAL OR RESIGNATION AS THE PRESIDENT OF THE CORPORATION, AND APPOINTMENT AS THE PRESIDENT OF THE MEMBER WILL CONSTITUTE APPOINTMENT AS PRESIDENT OF THE CORPORATION.

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

THE MEMBER HAS POWER TO APPOINT AND/OR REMOVE MEMBERS OF THE GOVERNING

|                                                           |                                              |
|-----------------------------------------------------------|----------------------------------------------|
| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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BODY.

FORM 990, PART VI, SECTION B, LINE 10A:

THE POLICIES DESCRIBED IN PART VI, SECTION B, LINES 10A-16B APPLY TO CARROLL HOSPITAL CENTER, INC. AND ITS AFFILIATES AS LISTED BELOW:

CARROLL HOSPITAL CENTER MOB INVESTMENT, LLC

CARROLL REGIONAL CANCER CENTER PHYSICIANS, LLC

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

THE LIFEBRIDGE EXEMPT ENTITIES 990'S ARE INITIALLY REVIEWED BY THE ASSISTANT VICE PRESIDENT OF FINANCIAL REPORTING. IN ADDITION, AN INDEPENDENT ACCOUNTING FIRM ALSO REVIEWS ALL THE 990 RETURNS. A FORMAL MEETING IS THEN SCHEDULED WITH THE CHIEF FINANCIAL OFFICER, VICE PRESIDENT OF FINANCE, GENERAL COUNSEL, AND ASSISTANT VICE PRESIDENT OF FINANCIAL REPORTING TO REVIEW IN THEIR ENTIRETY ALL THE LIFEBRIDGE EXEMPT ENTITIES 990'S. MANAGEMENT THEN PROVIDES A COPY OF THE 990'S TO THE AUDIT AND COMPLIANCE COMMITTEE OF THE LIFEBRIDGE BOARD AND TO EACH INDIVIDUAL BOARD DIRECTOR PRIOR TO THE FILING DATE FOR REVIEW.

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

ALL DIRECTORS, OFFICERS, EMPLOYEES, MEDICAL STAFF MEMBERS, AND VOLUNTEERS ARE EXPECTED TO RECOGNIZE AND DISCLOSE AT THE EARLIEST POSSIBLE TIME ACTUAL AND POTENTIAL CONFLICTS OF INTEREST.

AN INDIVIDUAL IS CONSIDERED TO HAVE A CONFLICT OF INTEREST WITH REGARD TO A MATTER OR TRANSACTION IF THE INDIVIDUAL OR A FAMILY MEMBER OF THE INDIVIDUAL HAS A PERSONAL OR FINANCIAL INTEREST THAT HAS THE POTENTIAL TO INFLUENCE THE ACTION TAKEN BY THE INDIVIDUAL ON BEHALF OF LIFEBRIDGE

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| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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HEALTH. ADDITIONAL INFORMATION REGARDING WHAT CONSTITUTES A CONFLICT OF INTEREST AND HOW TO DISCLOSE A CONFLICT IS OUTLINED BELOW.

LIFEBRIDGE AND ALL OF ITS SUBSIDIARIES SHALL REQUIRE ALL EMPLOYEES, MEDICAL STAFF, AND MEMBERS OF THE BOARD TO DISCLOSE ANY ACTIVITIES THAT COULD RESULT IN A POSSIBLE CONFLICT OF INTEREST. IF A CONFLICT IS IDENTIFIED, THE PERSON INVOLVED WOULD RECUSE HIM/HERSELF FROM DELIBERATIONS REGARDING THE TRANSACTIONS. AN INDIVIDUAL IS CONSIDERED TO HAVE A CONFLICT OF INTEREST WITH REGARD TO A MATTER OR TRANSACTION IF THE INDIVIDUAL HAS A PERSONAL OR FINANCIAL INTEREST THAT HAS THE POTENTIAL TO INFLUENCE THE ACTION TAKEN BY THE INDIVIDUAL ON BEHALF OF LIFEBRIDGE OR ANY OF ITS SUBSIDIARIES.

AN INDIVIDUAL IS CONSIDERED TO HAVE A "PERSONAL INTEREST" IN A MATTER IF IT IS LIKELY TO HAVE A DIRECT AND MATERIAL IMPACT ON THE INDIVIDUAL'S RELATIONSHIP WITH LIFEBRIDGE OR ANY OF ITS SUBSIDIARIES (E.G., THE INDIVIDUAL'S CONTINUED MEMBERSHIP ON A SUBSIDIARY HOSPITAL'S MEDICAL STAFF), OR ON THE INDIVIDUAL'S OWN HEALTH CARE, OR THE INDIVIDUAL IS PERSONALLY INVOLVED IN A SUBSTANTIAL WAY (E.G., SERVES AS AN OFFICER, DIRECTOR, TRUSTEE, OR KEY EMPLOYEE) WITH ANOTHER ORGANIZATION THAT HAS A SIGNIFICANT INTEREST IN THE MATTER.

AN INDIVIDUAL IS CONSIDERED TO HAVE A "FINANCIAL INTEREST" IN A TRANSACTION IF THE INDIVIDUAL, OR THEIR FAMILY MEMBER, (I) IS A PARTY TO THE TRANSACTION, (II) WILL BENEFIT PERSONALLY FROM THE TRANSACTION, OR (III) HAS, DIRECTLY OR INDIRECTLY, A CURRENT OR ANTICIPATED OWNERSHIP OR INVESTMENT IN, OR COMPENSATION ARRANGEMENT WITH, A PARTY TO THE TRANSACTION. AN OWNERSHIP INTEREST OF LESS THAN 5% IN AN ENTITY WILL NOT, IN AND OF ITSELF, GENERALLY BE CONSIDERED A FINANCIAL INTEREST; HOWEVER, TO

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|-----------------------------------------------------------|----------------------------------------------|
| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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THE EXTENT THE INDIVIDUAL'S COMPENSATION FROM THE ENTITY IS DIRECTLY LINKED TO THE ENTITY'S BUSINESS WITH LIFEBRIDGE HEALTH, SUCH COMPENSATION WILL CONSTITUTE A FINANCIAL INTEREST.

FOR THE PURPOSES OF THIS POLICY, A "FAMILY MEMBER" INCLUDES SPOUSE OR DOMESTIC PARTNER, PARENTS, BROTHERS AND SISTERS, CHILDREN (WHETHER NATURAL OR ADOPTED), GRANDPARENTS, GRANDCHILDREN, GREAT-GRANDCHILDREN, AND IN-LAWS, SPOUSES OF BROTHERS, SISTERS, CHILDREN, GRANDCHILDREN, AND GREAT-GRANDCHILDREN, AND ANY OTHER MEMBER OF A HOUSEHOLD OF THE INDIVIDUAL.

CONFLICTS OF INTEREST ARE TO BE REPORTED BY EMPLOYEES TO THEIR SUPERVISOR, WHO WILL BE RESPONSIBLE FOR DETERMINING WHETHER FURTHER DISSEMINATION IS NECESSARY.

MEMBERS OF THE MEDICAL STAFF SHOULD REPORT CONFLICTS TO THE CHIEF OF THEIR DEPARTMENT, AND MEMBERS OF THE BOARD SHOULD REPORT THEM TO THE CHIEF COMPLIANCE OFFICER.

QUESTIONNAIRES ARE SENT OUT TO MEMBERS OF THE BOARD ON AN ANNUAL BASIS. IF QUESTIONS ARISE OR FURTHER GUIDANCE IS SOUGHT, INDIVIDUALS CAN CONTACT THE CHIEF COMPLIANCE OFFICER (410-601-4832) OR CONFIDENTIAL COMPLIANCE HOTLINE (1-844-732-6233).

NOTHING IN THIS DEFINITION IS INTENDED TO RELIEVE ANY PERSON OF ANY ADDITIONAL OBLIGATIONS THAT MAY BE IMPOSED BY STATE OR FEDERAL LAW.

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

IT IS THE POLICY OF LIFEBRIDGE HEALTH INC. AND ITS SUBSIDIARIES TO MAKE

|                                                           |                                              |
|-----------------------------------------------------------|----------------------------------------------|
| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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AVAILABLE UPON REQUEST THE AUDITED FINANCIAL STATEMENTS TO THE GENERAL PUBLIC. THE LIFE BRIDGE HEALTH INC. AND SUBSIDIARY GOVERNING DOCUMENTS ARE NOT MADE AVAILABLE TO THE GENERAL PUBLIC UPON REQUEST OR VIA A WEBSITE. THE CONFLICT OF INTEREST POLICY IS INCLUDED ON SCHEDULE O.

## FORM 990, PART VII:

UNDER THE BYLAWS OF CARROLL HOSPITAL CENTER, INC. THE BOARD OF CARROLL HOSPITAL CENTER, INC. MUST AT ALL TIMES BE IDENTICAL TO THE BOARD OF CARROLL COUNTY HEALTH SERVICES CORPORATION.

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

## PHYSICIAN FEES:

|                                 |             |
|---------------------------------|-------------|
| PROGRAM SERVICE EXPENSES        | 14,405,683. |
| MANAGEMENT AND GENERAL EXPENSES | 0.          |
| FUNDRAISING EXPENSES            | 0.          |
| TOTAL EXPENSES                  | 14,405,683. |

## CONTRACTED SERVICES:

|                                 |            |
|---------------------------------|------------|
| PROGRAM SERVICE EXPENSES        | 3,807,796. |
| MANAGEMENT AND GENERAL EXPENSES | 46,307.    |
| FUNDRAISING EXPENSES            | 0.         |
| TOTAL EXPENSES                  | 3,854,103. |

## OTHER FEES:

|                                 |             |
|---------------------------------|-------------|
| PROGRAM SERVICE EXPENSES        | 4,726,036.  |
| MANAGEMENT AND GENERAL EXPENSES | 12,226,459. |
| FUNDRAISING EXPENSES            | 0.          |
| TOTAL EXPENSES                  | 16,952,495. |



|                                                           |                                              |
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| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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## PURCHASED SERVICES, AGENCY, PATIENT RELATED SERVICES:

|                                 |             |
|---------------------------------|-------------|
| PROGRAM SERVICE EXPENSES        | 11,130,583. |
| MANAGEMENT AND GENERAL EXPENSES | 2,424,658.  |
| FUNDRAISING EXPENSES            | 0.          |
| TOTAL EXPENSES                  | 13,555,241. |

## CANCER CENTER PROFESSIONAL FEES:

|                                 |          |
|---------------------------------|----------|
| PROGRAM SERVICE EXPENSES        | 300,000. |
| MANAGEMENT AND GENERAL EXPENSES | 0.       |
| FUNDRAISING EXPENSES            | 0.       |
| TOTAL EXPENSES                  | 300,000. |

## FOOD SERVICES:

|                                 |         |
|---------------------------------|---------|
| PROGRAM SERVICE EXPENSES        | 94,716. |
| MANAGEMENT AND GENERAL EXPENSES | 0.      |
| FUNDRAISING EXPENSES            | 0.      |
| TOTAL EXPENSES                  | 94,716. |

## CONSULTING:

|                                 |         |
|---------------------------------|---------|
| PROGRAM SERVICE EXPENSES        | 72,638. |
| MANAGEMENT AND GENERAL EXPENSES | 2,201.  |
| FUNDRAISING EXPENSES            | 0.      |
| TOTAL EXPENSES                  | 74,839. |

|                                                        |             |
|--------------------------------------------------------|-------------|
| TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A | 49,237,077. |
|--------------------------------------------------------|-------------|

## DUE TO AFFILIATES - BONDS

ON MAY 1, 2015, A SINGLE OBLIGATED GROUP (THE OBLIGATED GROUP) WAS

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| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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FORMED, CONSISTING OF LIFE BRIDGE HEALTH INC., SINAI HOSPITAL OF BALTIMORE INC., NORTHWEST HOSPITAL CENTER INC., LEVINDALE HEBREW GERIATRIC CENTER & HOSPITAL INC., GRACE MEDICAL CENTER, THE BALTIMORE JEWISH HEALTH FOUNDATION INC., CHILDREN'S HOSPITAL AT SINAI FOUNDATION INC., CARROLL COUNTY HEALTH SERVICES CORPORATION, CARROLL HOSPITAL CENTER INC., CARROLL COUNTY MED SERVICES INC., AND BRIDGINGLIFE INC. (FORMERLY CARROLL HOSPICE INC.). MEMBERS OF THE OBLIGATED GROUP ARE JOINTLY AND SEVERALLY LIABLE FOR ALL OF THE OUTSTANDING BONDS. THE BONDS INCLUDE THE ONES DETAILED ABOVE AS WELL AS THE BONDS ISSUED ON BEHALF OF CARROLL HOSPITAL CENTER, INC. AND ITS RELATED SUBSIDIARIES. THESE BONDS WERE ISSUED BY THE MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES (MHHEFA) AUTHORITY ON BEHALF OF LIFE BRIDGE HEALTH INC. AND CARROLL HOSPITAL CENTER, INC. AND THEIR RESPECTIVE AFFILIATES, TOGETHER WITH THE OTHER OBLIGATIONS ON PARITY WITH SUCH BONDS. ALL THE BONDS ARE REPORTED ON SCHEDULE K OF THE LIFE BRIDGE HEALTH INC. FORM 990.

ON JULY 30, 2015, LIFE BRIDGE HEALTH, INC., TOGETHER WITH ITS AFFILIATES SINAI HOSPITAL OF BALTIMORE INC., NORTHWEST HOSPITAL CENTER INC., LEVINDALE HEBREW GERIATRIC CENTER & HOSPITAL INC., GRACE MEDICAL CENTER, THE BALTIMORE JEWISH HEALTH FOUNDATION INC., CHILDREN'S HOSPITAL AT SINAI FOUNDATION INC., CARROLL COUNTY HEALTH SERVICES CORPORATION, CARROLL HOSPITAL CENTER INC., CARROLL COUNTY MED SERVICES INC., AND BRIDGINGLIFE INC. (FORMERLY CARROLL HOSPICE INC.) (COLLECTIVELY, THE OBLIGATED GROUP) BORROWED \$159,685,000 FROM THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE AUTHORITY) TO FINANCE AND REFINANCE THE COST OF CONSTRUCTION, RENOVATION, AND EQUIPPING OF CERTAIN ADDITIONAL FACILITIES FOR THE OBLIGATED GROUP, TO REFUND A PORTION OF THE SERIES 2008 BONDS AND THE

|                                                           |                                              |
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| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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AUTHORITY'S CARROLL ISSUE, SERIES 2006 BONDS, AND REFINANCE A PORTION OF AN OUTSTANDING LINE OF CREDIT. THE AUTHORITY OBTAINED THE FUNDS FOR THIS FINANCING THROUGH THE ISSUANCE OF BONDS UNDER THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (MHHEFA) REVENUE BONDS, LIFEBRIDGE HEALTH ISSUE, SERIES 2015, COLLATERALIZED BY ALL RECEIPTS OF THE OBLIGATED GROUP. THE BONDS WERE ISSUED AT A PREMIUM OF \$7,389,102, OF WHICH CARROLL HOSPITAL'S PORTION IS \$2,387,741, WHICH IS BEING AMORTIZED OVER THE LIFE OF THE BOND ISSUE. THE MEMBERS OF THE OBLIGATED GROUP ARE JOINTLY AND SEVERALLY LIABLE FOR REPAYMENT OF THE PRINCIPAL AND LOAN AND INTEREST THEREON. AS OF JUNE 30, 2020, \$164,314,903 OF THE TOTAL AMOUNT BORROWED, OF WHICH CARROLL HOSPITAL'S PORTION IS \$73,231,469, APPEARS AS DUE TO LIFEBRIDGE HEALTH. ALL THE BONDS WERE ISSUED IN THE NAME OF LIFEBRIDGE AND ARE REPORTED ON SCHEDULE K OF ITS FORM 990.

ON OCTOBER 25, 2016, LIFEBRIDGE HEALTH, INC., TOGETHER WITH ITS AFFILIATES SINAI HOSPITAL OF BALTIMORE INC., NORTHWEST HOSPITAL CENTER INC., LEVINDALE HEBREW GERIATRIC CENTER & HOSPITAL INC., GRACE MEDICAL CENTER, THE BALTIMORE JEWISH HEALTH FOUNDATION INC., CHILDREN'S HOSPITAL AT SINAI FOUNDATION INC., CARROLL COUNTY HEALTH SERVICES CORPORATION, CARROLL HOSPITAL CENTER INC., CARROLL COUNTY MED SERVICES INC., AND BRIDGINGLIFE, INC. (FORMERLY CARROLL HOSPICE INC.) (COLLECTIVELY, THE OBLIGATED GROUP) BORROWED \$120,695,000 FROM THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE AUTHORITY) TO REFINANCE THE SERIES 2008 BONDS. THE AUTHORITY OBTAINED THE FUNDS FOR THIS FINANCING THROUGH THE ISSUANCE OF BONDS UNDER THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (MHHEFA) REVENUE BONDS, LIFEBRIDGE HEALTH ISSUE, SERIES 2016, COLLATERALIZED BY

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| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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ALL RECEIPTS OF THE OBLIGATED GROUP. THE BONDS WERE ISSUED AT A PREMIUM OF \$11,192,819, WHICH IS BEING AMORTIZED OVER THE LIFE OF THE BOND ISSUE. THE MEMBERS OF THE OBLIGATED GROUP ARE JOINTLY AND SEVERALLY LIABLE FOR REPAYMENT OF THE PRINCIPAL AND LOAN AND INTEREST THEREON. AS OF JUNE 30, 2020, \$121,235,201 OF THE TOTAL AMOUNT BORROWED APPEARS AS DUE TO LIFE BRIDGE HEALTH. ALL THE BONDS WERE ISSUED IN THE NAME OF LIFE BRIDGE AND ARE REPORTED ON SCHEDULE K OF ITS FORM 990.

ON OCTOBER 31, 2017, LIFE BRIDGE HEALTH, INC. TOGETHER WITH ITS AFFILIATES SINAI HOSPITAL OF BALTIMORE, NORTHWEST HOSPITAL CENTER, LEVINDALE HEBREW AND GERIATRIC CENTER, GRACE MEDICAL CENTER, CHILDREN'S HOSPITAL AT SINAI FOUNDATION, THE BALTIMORE JEWISH HEALTH FOUNDATION, CARROLL COUNTY HEALTH SERVICES CORPORATION, CARROLL HOSPITAL CENTER, INC., CARROLL COUNTY MED SERVICES INC., AND BRIDGING LIFE INC. (FORMERLY CARROLL HOSPICE INC.) (COLLECTIVELY, THE OBLIGATED GROUP) BORROWED \$118,120,000 FROM THE MARYLAND HEALTH AND HIGHER EDUCATIONAL FACILITIES AUTHORITY (THE AUTHORITY) WHICH WAS USED TO REFUND THE SERIES 2008 BONDS. THE BONDS WERE ISSUED AT A PREMIUM OF \$12,517,982, WHICH IS BEING AMORTIZED OVER THE LIFE OF THE BOND ISSUE. THE MEMBERS OF THE OBLIGATED GROUP ARE JOINTLY AND SEVERALLY LIABLE FOR REPAYMENT OF THE PRINCIPAL AND LOAN AND INTEREST THEREON. AS OF JUNE 30, 2020, \$122,182,849 OF THE TOTAL AMOUNT BORROWED APPEARS AS DUE TO LIFE BRIDGE HEALTH. ALL THE BONDS WERE ISSUED IN THE NAME OF LIFE BRIDGE AND ARE REPORTED ON SCHEDULE K OF ITS FORM 990.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

|                                      |          |
|--------------------------------------|----------|
| MANAGEMENT REVENUE FROM RELATED ORGS | -90,000. |
|--------------------------------------|----------|

|                                                           |                                              |
|-----------------------------------------------------------|----------------------------------------------|
| Name of the organization<br>CARROLL HOSPITAL CENTER, INC. | Employer identification number<br>52-1452024 |
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|                                                                     |             |
|---------------------------------------------------------------------|-------------|
| TRANSFER TO CARROLL COUNTY HEALTH SERVICES CORPORATION              | -1,000,000. |
| CHANGE IN MINIMUM PENSION LIABILITY                                 | -4,352,277. |
| CARROLL COUNTY RADIOLOGY, LLC                                       | -1,719,239. |
| CHANGE IN INVESTMENT IN BRIDGINGLIFE (FKA CARROLL HOSPICE)          |             |
| UNRESTRICTED                                                        | 3,523,383.  |
| CHANGE IN INVESTMENT IN FOUNDATION UNRESTRICTED                     | -116,290.   |
| CHANGE IN TEMPORARILY RESTRICTED ASSETS (FOUNDATION & BRIDGINGLIFE) | 1,160,237.  |
| TRANSFERS TO AFFILIATES                                             | 217,614.    |
| GRANTS                                                              | 191,000.    |
| NON-UNION PENSION NON- SERVICE INCOME                               | 180,528.    |
| TRANSFER FROM AFFILATE                                              | 385,000.    |
| TOTAL TO FORM 990, PART XI, LINE 9                                  | -1,620,044. |

PART XII, LINE 2C EXPLANATION

THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

Public Disclosure Copy

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

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

▶ Attach to Form 990.

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

OMB No. 1545-0047

**2019**

Open to Public Inspection

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

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

| (a)<br>Name, address, and EIN (if applicable)<br>of disregarded entity                                     | (b)<br>Primary activity | (c)<br>Legal domicile (state or<br>foreign country) | (d)<br>Total income | (e)<br>End-of-year assets | (f)<br>Direct controlling<br>entity |
|------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------------------------|---------------------|---------------------------|-------------------------------------|
| CARROLL HOSPITAL CENTER MOB INVESTMENT, LLC<br>- 27-1528335, 200 MEMORIAL AVENUE,<br>WESTMINSTER, MD 21157 | INVESTMENTS             | MARYLAND                                            | 335,019.            | 0.                        | CARROLL HOSPITAL<br>CENTER, INC.    |
| CARROLL REGIONAL CANCER CENTER PHYSICIANS -<br>42-2463175, 200 MEMORIAL AVENUE,<br>WESTMINSTER, MD 21157   | HEALTHCARE              | MARYLAND                                            | -1,513,599.         | 48,673.                   | CARROLL HOSPITAL<br>CENTER, INC.    |
|                                                                                                            |                         |                                                     |                     |                           |                                     |
|                                                                                                            |                         |                                                     |                     |                           |                                     |
|                                                                                                            |                         |                                                     |                     |                           |                                     |
|                                                                                                            |                         |                                                     |                     |                           |                                     |

**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)<br>Name, address, and EIN<br>of related organization                                                                  | (b)<br>Primary activity                                                   | (c)<br>Legal domicile (state or<br>foreign country) | (d)<br>Exempt Code<br>section | (e)<br>Public charity<br>status (if section<br>501(c)(3)) | (f)<br>Direct controlling<br>entity | (g)<br>Section 512(b)(13)<br>controlled<br>entity? |    |
|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------|-------------------------------|-----------------------------------------------------------|-------------------------------------|----------------------------------------------------|----|
|                                                                                                                           |                                                                           |                                                     |                               |                                                           |                                     | Yes                                                | No |
| CARROLL COUNTY HEALTH SERVICES CORPORATION -<br>52-0691413, 200 MEMORIAL AVENUE,<br>WESTMINSTER, MD 21157                 | CHARITY SUPPORT FOR<br>CARROLL HOSPITAL CENTER,<br>INC.                   | MARYLAND                                            | 501(C)(3)                     | LINE 12B, II                                              | LIFEBRIDGE<br>HEALTH, INC.          |                                                    | X  |
| CARROLL HOSPITAL CENTER FOUNDATION, INC. -<br>52-1115038, 200 MEMORIAL AVENUE,<br>WESTMINSTER, MD 21157                   | CHARITY SUPPORT FOR<br>CARROLL HOSPITAL CENTER,<br>INC. & CARROLL HOSPICE | MARYLAND                                            | 501(C)(3)                     | LINE 12A, I                                               | CARROLL HOSPITAL<br>CENTER, INC.    | X                                                  |    |
| BRIDGINGLIFE, INC. (FKA CARROLL HOSPICE,<br>INC.) - 52-1565870, 200 MEMORIAL AVENUE,<br>WESTMINSTER, MD 21157             | HOSPICE                                                                   | MARYLAND                                            | 501(C)(3)                     | LINE 7                                                    | CARROLL HOSPITAL<br>CENTER, INC.    | X                                                  |    |
| PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY -<br>52-2156892, 535 OLD WESTMINSTER PIKE, SUITE<br>102, WESTMINSTER, MD 21157 | HEALTH SERVICE                                                            | MARYLAND                                            | 501(C)(3)                     | LINE 7                                                    | CARROLL HOSPITAL<br>CENTER, INC.    | X                                                  |    |

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

Schedule R (Form 990) 2019

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

| (a)<br>Name, address, and EIN<br>of related organization                                                                 | (b)<br>Primary activity                                                       | (c)<br>Legal domicile (state or<br>foreign country) | (d)<br>Exempt Code<br>section | (e)<br>Public charity<br>status (if section<br>501(c)(3)) | (f)<br>Direct controlling<br>entity | (g)<br>Section 512(b)(13)<br>controlled<br>organization? |    |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------|-------------------------------|-----------------------------------------------------------|-------------------------------------|----------------------------------------------------------|----|
|                                                                                                                          |                                                                               |                                                     |                               |                                                           |                                     | Yes                                                      | No |
| LEVINDALE HEBREW GERIATRIC CENTER AND<br>HOSPITAL, INC. - 52-0607913, 2434 WEST<br>BELVEDERE AVENUE, BALTIMORE, MD 21215 | GERIATRIC HOSPITAL<br>DEDICATED TO PROVIDING<br>SERVICE TO THE AGED           | MARYLAND                                            | 501(C)(3)                     | LINE 3                                                    | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| SINAI HOSPITAL OF BALTIMORE, INC. -<br>52-0486540, 2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                    | PROVIDE MEDICAL CARE,<br>EDUCATE STUDENTS, PERFORM<br>MEDICAL RESEARCH        | MARYLAND                                            | 501(C)(3)                     | LINE 3                                                    | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| COURTLAND GARDENS NURSING AND REHABILITATION<br>CENTER - 52-0607907, 2434 WEST BELVEDERE<br>AVENUE, BALTIMORE, MD 21215  | SKILLED NURSING CARE FOR<br>THE ELDERLY                                       | MARYLAND                                            | 501(C)(3)                     | LINE 10                                                   | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| NORTHWEST HOSPITAL CENTER, INC. - 52-1372665<br>5401 OLD COURT ROAD<br>RANDALLSTOWN, MD 21133                            | A HOSPITAL ASPIRING TO<br>IMPROVE THE WELLBEING OF<br>THE COMMUNITY IT SERVES | MARYLAND                                            | 501(C)(3)                     | LINE 3                                                    | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| CHILDREN'S HOSPITAL OF BALTIMORE CITY -<br>52-0591592, 2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                | CHARITY SUPPORT FOR SINAI<br>HOSPITAL OF BALTIMORE,<br>INC.                   | MARYLAND                                            | 501(C)(3)                     | LINE 12B, II                                              | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| THE BALTIMORE JEWISH HEALTH FOUNDATION, INC.<br>- 52-2111541, 2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215         | CHARITY SUPPORT FOR SINAI<br>HOSPITAL OF BALTIMORE,<br>INC.                   | MARYLAND                                            | 501(C)(3)                     | LINE 12B, II                                              | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| CHILDREN'S HOSPITAL AT SINAI FOUNDATION -<br>52-2167587, 2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215              | CHARITY SUPPORT FOR SINAI<br>HOSPITAL OF BALTIMORE,<br>INC.                   | MARYLAND                                            | 501(C)(3)                     | LINE 12B, II                                              | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| THE BALTIMORE JEWISH ELDERCARE FOUNDATION,<br>INC. - 52-2337669, 2401 WEST BELVEDERE<br>AVENUE, BALTIMORE, MD 21215      | CHARITY SUPPORT FOR<br>LEVINDALE HEBREW GERIATRIC<br>CENTER HOSPITAL          | MARYLAND                                            | 501(C)(3)                     | LINE 12B, II                                              | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| LIFEBRIDGE HEALTH, INC. - 52-1402373<br>2401 WEST BELVEDERE AVENUE<br>BALTIMORE, MD 21215                                | TO SUPPORT THE CHARITABLE<br>MISSIONS OF ITS<br>SUBSIDIARIES.                 | MARYLAND                                            | 501(C)(3)                     | LINE 12C,<br>III-FI                                       | N/A                                 |                                                          | X  |
| THE BALTIMORE CHILD ABUSE CENTER, INC. -<br>52-1681279, 2300 NORTH CHARLES STREET,<br>BALTIMORE, MD 21218                | CHILD ABUSE SUPPORT,<br>TREATMENT, AND PREVENTION                             | MARYLAND                                            | 501(C)(3)                     | LINE 7                                                    | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| GRACE MEDICAL CENTER, INC. - 52-0591555<br>2000 W BALTIMORE STREET<br>BALTIMORE, MD 21223                                | ACUTE CARE HOSPITAL                                                           | MARYLAND                                            | 501(C)(3)                     | LINE 3                                                    | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |
| WEST BALTIMORE RENAISSANCE FOUNDATION, INC.<br>- 84-3355332, 2401 W BELVEDERE AVE,<br>BALTIMORE, MD 21215                | COMMUNITY RESOURCE CENTER                                                     | MARYLAND                                            | 501(C)(3)                     | LINE 7                                                    | LIFEBRIDGE<br>HEALTH, INC.          |                                                          | X  |

**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)<br>Name, address, and EIN<br>of related organization                                                          | (b)<br>Primary activity | (c)<br>Legal domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Predominant income<br>(related, unrelated,<br>excluded from tax under<br>sections 512-514) | (f)<br>Share of total<br>income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Disproportionate<br>allocations? |    | (i)<br>Code V-UBI<br>amount in box<br>20 of Schedule<br>K-1 (Form 1065) | (j)<br>General or<br>managing<br>partner? |     | (k)<br>Percentage<br>ownership |
|-------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------|------------------------------------------|-----------------------------------------|----|-------------------------------------------------------------------------|-------------------------------------------|-----|--------------------------------|
|                                                                                                                   |                         |                                                           |                                     |                                                                                                   |                                 |                                          | Yes                                     | No |                                                                         | Yes                                       | No  |                                |
| CARROLL COUNTY RADIOLOGY LLC<br>- 52-2190849, 7253 AMBASSADOR<br>ROAD, BALTIMORE, MD 21244                        | RADIOLOGY               | MD                                                        | CARROLL<br>HOSPITAL<br>CENTER, INC. | RELATED                                                                                           | 3,655,897.                      | 7,271,590.                               |                                         | X  | N/A                                                                     |                                           | X   | 60.00%                         |
| CARROLL OCCUPATIONAL HEALTH,<br>LLC - 20-2769332, 7001<br>CORPORATE CENTER COURT,<br>WESTMINSTER, MD 21157        | OCCUPATIONAL            | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                     |    | N/A                                                                     | N/A                                       | N/A | N/A                            |
| CARDIOVASCULAR ASSOCIATES OF<br>MARYLAND, LLC - 46-2935110,<br>2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215 | MEDICAL<br>SERVICES     | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                     |    | N/A                                                                     | N/A                                       | N/A | N/A                            |
| HEMOCARE MARYLAND, LLC -<br>26-1378175, 8028 RITCHIE<br>HIGHWAY, SUITE 210B,<br>PASADENA, MD 21122                | MEDICAL<br>SERVICES     | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                     |    | N/A                                                                     | N/A                                       | N/A | N/A                            |

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

| (a)<br>Name, address, and EIN<br>of related organization                                                                | (b)<br>Primary activity | (c)<br>Legal domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Type of entity<br>(C corp, S corp,<br>or trust) | (f)<br>Share of total<br>income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Percentage<br>ownership | (i)<br>Section<br>512(b)(13)<br>controlled<br>entity? |    |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------------------------------|-------------------------------------|--------------------------------------------------------|---------------------------------|------------------------------------------|--------------------------------|-------------------------------------------------------|----|
|                                                                                                                         |                         |                                                           |                                     |                                                        |                                 |                                          |                                | Yes                                                   | No |
| CARROLL COUNTY MED-SERVICES, INC. -<br>52-1891102, 200 MEMORIAL AVENUE,<br>WESTMINSTER, MD 21157                        | MEDICAL SERVICE         | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| LIFEBRIDGE INVESTMENTS, INC. - 52-1483166<br>2401 WEST BELVEDERE AVENUE<br>BALTIMORE, MD 21215                          | INVESTMENTS             | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| HEALTHSTAR MEDICAL SERVICES, INC. -<br>52-1829098, 2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                   | HEALTHCARE              | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| PRACTICE DYNAMICS, INC - 52-1960319<br>124 BUSINESS CENTER DRIVE<br>REISTERSTOWN, MD 21136                              | MANAGEMENT              | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| LIFEBRIDGE INSURANCE COMPANY, LTD. -<br>98-0415396, PO BOX 1109 KY1-1102, GRAND<br>CAYMAN, GRAND CAYMAN, CAYMAN ISLANDS | INSURANCE               | CAYMAN<br>ISLANDS                                         | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |



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

| (a)<br>Name, address, and EIN<br>of related organization                                                                                  | (b)<br>Primary activity | (c)<br>Legal<br>domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Predominant income<br>(related, unrelated,<br>excluded from tax under<br>sections 512-514) | (f)<br>Share of total<br>income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Dispropor-<br>tate allocations? |    | (i)<br>Code V-UBI<br>amount in box<br>20 of Schedule<br>K-1 (Form 1065) | (j)<br>General or<br>managing<br>partner? |    | (k)<br>Percentage<br>ownership |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------|------------------------------------------|----------------------------------------|----|-------------------------------------------------------------------------|-------------------------------------------|----|--------------------------------|
|                                                                                                                                           |                         |                                                              |                                     |                                                                                                   |                                 |                                          | Yes                                    | No |                                                                         | Yes                                       | No |                                |
| LIFEBRIDGE CARDIOLOGY<br>PARKVILLE, LLC - 46-3742313,<br>2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                               | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE COMMUNITY<br>GASTROENTEROLOGY, LLC -<br>46-2863298, 2401 WEST<br>BELVEDERE AVENUE, BALTIMORE,                                  | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE COMMUNITY<br>PEDIATRICS, LLC - 46-2842468,<br>2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                               | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE COMMUNITY<br>PULMONOLOGY, LLC -<br>46-1401312, 2401 WEST<br>BELVEDERE AVENUE, BALTIMORE,                                       | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE GYNECOLOGY OF<br>PIKESVILLE, LLC - 46-2949092,<br>2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                           | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE MEDICAL<br>ASSOCIATES, LLC - 46-2941505,<br>2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                                 | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE NEUROSCIENCES, LLC<br>(FORMALLY ORTHOPEDIC<br>SPECIALISTS, LLC) - 45-07,<br>2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215 | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE PRIMARY CARE OF<br>ELDERSBURG, LLC - 38-3897702,<br>2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                         | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE PRIMARY CARE OF<br>NORTH CARROLL, LLC -<br>80-0883321, 2401 WEST<br>BELVEDERE AVENUE, BALTIMORE,                               | MEDICAL<br>SERVICES     | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                    |    | N/A                                                                     | N/A                                       |    | N/A                            |

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

| (a)<br>Name, address, and EIN<br>of related organization                                                       | (b)<br>Primary activity | (c)<br>Legal domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Predominant income<br>(related, unrelated,<br>excluded from tax under<br>sections 512-514) | (f)<br>Share of total<br>income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Disproportion-<br>ate allocations? |    | (i)<br>Code V-UBI<br>amount in box<br>20 of Schedule<br>K-1 (Form 1065) | (j)<br>General or<br>managing<br>partner? |    | (k)<br>Percentage<br>ownership |
|----------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------|------------------------------------------|-------------------------------------------|----|-------------------------------------------------------------------------|-------------------------------------------|----|--------------------------------|
|                                                                                                                |                         |                                                           |                                     |                                                                                                   |                                 |                                          | Yes                                       | No |                                                                         | Yes                                       | No |                                |
| LIFEBRIDGE REHABILITATION<br>SERVICES LLC - 81-1504380,<br>2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215  | MEDICAL<br>SERVICES     | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| ELLCOTT CITY ASC MANAGEMENT,<br>LLC - 52-2331663, 2401 WEST<br>BELVEDERE AVENUE, BALTIMORE,<br>MD 21215        | MEDICAL<br>SERVICES     | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| SURGICENTER OF BALTIMORE, LLC<br>- 52-1658841, 2401 WEST<br>BELVEDERE AVENUE, BALTIMORE,<br>MD 21215           | MEDICAL<br>SERVICES     | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| MOUNT AIRY MED-SERVICES, LLC<br>- 46-5632176, 200 MEMORIAL<br>AVENUE, WESTMINSTER, MD<br>21157                 | MEDICAL<br>SERVICES     | MD                                                        |                                     | RELATED                                                                                           | 338,459.                        | 965,861.                                 |                                           | X  | N/A                                                                     |                                           | X  | 50.00%                         |
| SPRINGWELL PARTNERS, LLC -<br>27-1971171, 2200 PINE HILL<br>FARMS LANE, HUNT VALLEY, MD<br>21030               | ASSISTED LIVING         | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE SUBURBAN PHYSICIAN<br>GROUP II, LLC - 81-4209029,<br>5401 OLD COURT ROAD,<br>RANDALLSTOWN, MD 21133 | MEDICAL<br>SERVICES     | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE LAB MANAGEMENT,<br>LLC - 82-1113874, 2401 WEST<br>BELVEDERE AVENUE, BALTIMORE,<br>MD 21215          | LABORATORY<br>SERVICES  | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE METROPOLITAN<br>PHYSICIAN GROUP II, LLC -<br>81-4223537, 2401 WEST<br>BELVEDERE AVENUE, BALTIMORE,  | MEDICAL<br>SERVICES     | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| LIFEBRIDGE MULTI-SPECIALTY,<br>LLC - 46-3753120, 41 MAGNA<br>WAY, SUITE 100, WESTMINSTER,<br>MD 21157          | MEDICAL<br>SERVICES     | MD                                                        | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |

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

| (a)<br>Name, address, and EIN<br>of related organization                                                      | (b)<br>Primary activity  | (c)<br>Legal<br>domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Predominant income<br>(related, unrelated,<br>excluded from tax under<br>sections 512-514) | (f)<br>Share of total<br>income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Disproportion-<br>ate allocations? |    | (i)<br>Code V-UBI<br>amount in box<br>20 of Schedule<br>K-1 (Form 1065) | (j)<br>General or<br>managing<br>partner? |    | (k)<br>Percentage<br>ownership |
|---------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------|------------------------------------------|-------------------------------------------|----|-------------------------------------------------------------------------|-------------------------------------------|----|--------------------------------|
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          | Yes                                       | No |                                                                         | Yes                                       | No |                                |
| BRINTON WOODS HEALTH CARE<br>CENTER, LLC - 26-0107427,<br>9515 DEERECO ROAD, SUITE 407,<br>TIMONIUM, MD 21093 | REHABILITATION<br>CENTER | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| BRINTON WOODS SENIOR LIVING,<br>LLC - 74-3137876, 9515<br>DEERECO ROAD, SUITE 407,<br>TIMONIUM, MD 21093      | ASSISTED LIVING          | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| ELLCOTT CITY AMBULATORY<br>SURGERY CENTER LLLP, 2850<br>NORTH RIDGE ROAD, ELLICOTT<br>CITY, MD 21043          | MEDICAL<br>SERVICES      | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
| OAK FARM SOLUTIONS, LLC -<br>47-4944865, 1122 KENILWORTH<br>DRIVE, SUITE 307, TOWSON, MD<br>21204             | HOME HEALTH<br>SERVICES  | MD                                                           | N/A                                 | N/A                                                                                               | N/A                             | N/A                                      | N/A                                       |    | N/A                                                                     | N/A                                       |    | N/A                            |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |
|                                                                                                               |                          |                                                              |                                     |                                                                                                   |                                 |                                          |                                           |    |                                                                         |                                           |    |                                |

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**Part IV** Continuation of Identification of Related Organizations Taxable as a Corporation or Trust

| (a)<br>Name, address, and EIN<br>of related organization                                                                   | (b)<br>Primary activity   | (c)<br>Legal domicile<br>(state or<br>foreign<br>country) | (d)<br>Direct controlling<br>entity | (e)<br>Type of entity<br>(C corp, S corp,<br>or trust) | (f)<br>Share of total<br>income | (g)<br>Share of<br>end-of-year<br>assets | (h)<br>Percentage<br>ownership | (i)<br>Section<br>512(b)(13)<br>controlled<br>entity? |    |
|----------------------------------------------------------------------------------------------------------------------------|---------------------------|-----------------------------------------------------------|-------------------------------------|--------------------------------------------------------|---------------------------------|------------------------------------------|--------------------------------|-------------------------------------------------------|----|
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                | Yes                                                   | No |
| LIFEBRIDGE COMMUNITY PHYSICIANS, INC. -<br>80-0719005, 2401 WEST BELVEDERE AVENUE,<br>BALTIMORE, MD 21215                  | HEALTHCARE                | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| CARROLL COUNTY GENERAL HOSPITAL SOUTH<br>CARROLL MEDICAL CENTER CONDOMINIUM, 200<br>MEMORIAL AVENUE, WESTMINSTER, MD 21157 | REAL ESTATE               | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| MED-SERVICES HOLDINGS, INC.<br>200 MEMORIAL AVENUE<br>WESTMINSTER, MD 21157                                                | MEDICAL SERVICES          | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| CARROLL BILLING SERVICES, INC. - 30-0026598<br>200 MEMORIAL AVENUE<br>WESTMINSTER, MD 21157                                | HEALTHCARE                | MD                                                        | CARROLL<br>HOSPITAL<br>CENTER, INC. | C CORP                                                 | 0.                              | 0.                                       | 100%                           | X                                                     |    |
| CARROLL HEALTH GROUP, LLC - 27-1956453<br>200 MEMORIAL AVENUE<br>WESTMINSTER, MD 21157                                     | HEALTHCARE                | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| CARROLL URGENT CARE, LLC - 46-5739154<br>200 MEMORIAL AVENUE<br>WESTMINSTER, MD 21157                                      | HEALTHCARE                | MD                                                        | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
| LIFEBRIDGE HEALTH ISRAEL LTD - 51-5804516<br>16 ABBA HILLEL ROAD<br>RAMAT GAN, ISRAEL 5250608                              | HEALTHCARE CALL<br>CENTER | ISRAEL                                                    | N/A                                 | C CORP                                                 | N/A                             | N/A                                      | N/A                            |                                                       | X  |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |
|                                                                                                                            |                           |                                                           |                                     |                                                        |                                 |                                          |                                |                                                       |    |

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

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

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

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

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

| (a)<br>Name of related organization                                                                   | (b)<br>Transaction type (a-s) | (c)<br>Amount involved | (d)<br>Method of determining amount involved |
|-------------------------------------------------------------------------------------------------------|-------------------------------|------------------------|----------------------------------------------|
| (1) CARROLL HOSPITAL CENTER FOUNDATION, INC.<br>BRIDGINGLIFE, INC. (FKA CARROLL HOSPICE,<br>(2) INC.) | C                             | 6,025,586.             | CASH                                         |
| PARTNERSHIP FOR A HEALTHIER CARROLL<br>(3) COUNTY, INC.                                               | Q                             | 9,643,353.             | FMV                                          |
| PARTNERSHIP FOR A HEALTHIER CARROLL<br>(4) COUNTY, INC.                                               | B                             | 191,000.               | FMV                                          |
| BRIDGINGLIFE, INC. (FKA CARROLL HOSPICE,<br>(5) INC.)                                                 | O                             | 125,174.               | FMV                                          |
|                                                                                                       | S                             | 385,000.               | CASH                                         |
| (6) CARROLL COUNTY RADIOLOGY, LLC                                                                     | M                             | 1,070,615.             | FMV                                          |

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

| (a)<br>Name of other organization                             | (b)<br>Transaction type (a-s) | (c)<br>Amount involved | (d)<br>Method of determining amount involved |
|---------------------------------------------------------------|-------------------------------|------------------------|----------------------------------------------|
| (7) LIFEBRIDGE HEALTH, INC.                                   | P                             | 39,646,053.            | CASH                                         |
| (8) LIFEBRIDGE HEALTH, INC.<br>CARROLL COUNTY HEALTH SERVICES | R                             | 800,387.               | FMV                                          |
| (9) CORPORATION                                               | R                             | 1,000,000.             | CASH                                         |
| (10)                                                          |                               |                        |                                              |
| (11)                                                          |                               |                        |                                              |
| (12)                                                          |                               |                        |                                              |
| (13)                                                          |                               |                        |                                              |
| (14)                                                          |                               |                        |                                              |
| (15)                                                          |                               |                        |                                              |
| (16)                                                          |                               |                        |                                              |
| (17)                                                          |                               |                        |                                              |
| (18)                                                          |                               |                        |                                              |
| (19)                                                          |                               |                        |                                              |
| (20)                                                          |                               |                        |                                              |
| (21)                                                          |                               |                        |                                              |
| (22)                                                          |                               |                        |                                              |
| (23)                                                          |                               |                        |                                              |
| (24)                                                          |                               |                        |                                              |

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**Part VII Supplemental Information**

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

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

**NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:**

LIFEBRIDGE COMMUNITY GASTROENTEROLOGY, LLC

EIN: 46-2863298

2401 WEST BELVEDERE AVENUE

BALTIMORE, MD 21215

**NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:**

LIFEBRIDGE COMMUNITY PULMONOLOGY, LLC

EIN: 46-1401312

2401 WEST BELVEDERE AVENUE

BALTIMORE, MD 21215

**NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:**

LIFEBRIDGE NEUROSCIENCES, LLC (FORMALLY ORTHOPEDIC SPECIALISTS, LLC)

EIN: 45-0719598

2401 WEST BELVEDERE AVENUE

BALTIMORE, MD 21215

**NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:**

LIFEBRIDGE PRIMARY CARE OF NORTH CARROLL, LLC

EIN: 80-0883321

2401 WEST BELVEDERE AVENUE

BALTIMORE, MD 21215

**NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:**



**Part VII** Supplemental Information

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

LIFEBRIDGE METROPOLITAN PHYSICIAN GROUP II, LLC

EIN: 81-4223537

2401 WEST BELVEDERE AVENUE

BALTIMORE, MD 21215

Public Disclosure Copy

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

## 2019

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

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

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

Department of the Treasury  
Internal Revenue Service

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

|                                                                                                                                                                                                                                                                                                                                       |                      |                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>A</b> <input type="checkbox"/> Check box if address changed</p> <p><b>B</b> Exempt under section<br/> <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e)<br/> <input type="checkbox"/> 408A <input type="checkbox"/> 530(a)<br/> <input type="checkbox"/> 529(a)</p> | <b>Print or Type</b> | <p>Name of organization ( <input type="checkbox"/> Check box if name changed and see instructions.)<br/> <b>CARROLL HOSPITAL CENTER, INC.</b></p> <p>Number, street, and room or suite no. If a P.O. box, see instructions.<br/> <b>200 MEMORIAL AVENUE</b></p> <p>City or town, state or province, country, and ZIP or foreign postal code<br/> <b>WESTMINSTER, MD 21157</b></p> | <p><b>D</b> Employer identification number (Employees' trust, see instructions.)<br/> <b>52-1452024</b></p> <p><b>E</b> Unrelated business activity code (See instructions.)<br/> <b>531120</b></p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**C** Book value of all assets at end of year: **390,701,606.**

**F** Group exemption number (See instructions.) ▶

**G** Check organization type ▶  501(c) corporation  501(c) trust  401(a) trust  Other trust

**H** Enter the number of the organization's unrelated trades or businesses. ▶ **3** Describe the only (or first) unrelated trade or business here ▶ **RENTAL INCOME**. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

**I** During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? **STMT 3** ▶  Yes  No  
 If "Yes," enter the name and identifying number of the parent corporation. ▶

**J** The books are in care of ▶ **AMY ENGLE** Telephone number ▶ **410-871-7114**

| Part I Unrelated Trade or Business Income                                               |             | (A) Income | (B) Expenses | (C) Net |
|-----------------------------------------------------------------------------------------|-------------|------------|--------------|---------|
| 1a Gross receipts or sales                                                              |             |            |              |         |
| b Less returns and allowances                                                           | c Balance ▶ | 1c         |              |         |
| 2 Cost of goods sold (Schedule A, line 7)                                               |             | 2          |              |         |
| 3 Gross profit. Subtract line 2 from line 1c                                            |             | 3          |              |         |
| 4a Capital gain net income (attach Schedule D)                                          |             | 4a         |              |         |
| b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)                      |             | 4b         |              |         |
| c Capital loss deduction for trusts                                                     |             | 4c         |              |         |
| 5 Income (loss) from a partnership or an S corporation (attach statement)               |             | 5          |              |         |
| 6 Rent income (Schedule C)                                                              |             | 6          | 22,875.      | 22,875. |
| 7 Unrelated debt-financed income (Schedule E)                                           |             | 7          |              |         |
| 8 Interest, annuities, royalties, and rents from a controlled organization (Schedule F) |             | 8          |              |         |
| 9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)      |             | 9          |              |         |
| 10 Exploited exempt activity income (Schedule I)                                        |             | 10         |              |         |
| 11 Advertising income (Schedule J)                                                      |             | 11         |              |         |
| 12 Other income (See instructions; attach schedule)                                     |             | 12         |              |         |
| 13 Total. Combine lines 3 through 12                                                    |             | 13         | 22,875.      | 22,875. |

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

|                                                                                                                   |  |     |                 |         |
|-------------------------------------------------------------------------------------------------------------------|--|-----|-----------------|---------|
| 14 Compensation of officers, directors, and trustees (Schedule K)                                                 |  |     |                 |         |
| 15 Salaries and wages                                                                                             |  |     |                 |         |
| 16 Repairs and maintenance                                                                                        |  |     |                 |         |
| 17 Bad debts                                                                                                      |  |     |                 |         |
| 18 Interest (attach schedule) (see instructions)                                                                  |  |     |                 |         |
| 19 Taxes and licenses                                                                                             |  |     |                 | -1,884. |
| 20 Depreciation (attach Form 4562)                                                                                |  | 20  |                 |         |
| 21 Less depreciation claimed on Schedule A and elsewhere on return                                                |  | 21a |                 |         |
| 22 Depletion                                                                                                      |  | 22  |                 |         |
| 23 Contributions to deferred compensation plans                                                                   |  | 23  |                 |         |
| 24 Employee benefit programs                                                                                      |  | 24  |                 |         |
| 25 Excess exempt expenses (Schedule I)                                                                            |  | 25  |                 |         |
| 26 Excess readership costs (Schedule J)                                                                           |  | 26  |                 |         |
| 27 Other deductions (attach schedule)                                                                             |  | 27  | SEE STATEMENT 2 | 1,184.  |
| 28 Total deductions. Add lines 14 through 27                                                                      |  | 28  |                 | -700.   |
| 29 Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13           |  | 29  |                 | 23,575. |
| 30 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions) |  | 30  |                 | 0.      |
| 31 Unrelated business taxable income. Subtract line 30 from line 29                                               |  | 31  |                 | 23,575. |

**Part III Total Unrelated Business Taxable Income**

|    |                                                                                                                                                   |    |         |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------|----|---------|
| 32 | Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)                                    | 32 | 39,834. |
| 33 | Amounts paid for disallowed fringes                                                                                                               | 33 |         |
| 34 | Charitable contributions (see instructions for limitation rules)                                                                                  | 34 | 0.      |
| 35 | Total unrelated business taxable income before pre-2018 NOLs and specific deduction. Subtract line 34 from the sum of lines 32 and 33             | 35 | 39,834. |
| 36 | Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions) <b>STMT 4</b>                           | 36 | 39,834. |
| 37 | Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35                                               | 37 |         |
| 38 | Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions)                                                               | 38 | 1,000.  |
| 39 | <b>Unrelated business taxable income.</b> Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37 | 39 | 0.      |

**Part IV Tax Computation**

|    |                                                                                                                                                                                                                        |    |    |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|
| 40 | <b>Organizations Taxable as Corporations.</b> Multiply line 39 by 21% (0.21)                                                                                                                                           | 40 | 0. |
| 41 | <b>Trusts Taxable at Trust Rates.</b> See instructions for tax computation. Income tax on the amount on line 39 from:<br><input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041) | 41 |    |
| 42 | <b>Proxy tax.</b> See instructions                                                                                                                                                                                     | 42 |    |
| 43 | Alternative minimum tax (trusts only)                                                                                                                                                                                  | 43 |    |
| 44 | <b>Tax on Noncompliant Facility Income.</b> See instructions                                                                                                                                                           | 44 |    |
| 45 | <b>Total.</b> Add lines 42, 43, and 44 to line 40 or 41, whichever applies                                                                                                                                             | 45 | 0. |

**Part V Tax and Payments**

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

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

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

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

Signature of officer \_\_\_\_\_ Date \_\_\_\_\_ CFO \_\_\_\_\_ Title \_\_\_\_\_

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

|                               |                                                            |                              |          |                                                 |           |
|-------------------------------|------------------------------------------------------------|------------------------------|----------|-------------------------------------------------|-----------|
| <b>Paid Preparer Use Only</b> | Print/Type preparer's name                                 | Preparer's signature         | Date     | Check <input type="checkbox"/> if self-employed | PTIN      |
|                               | LORI S. BURGHAUSER                                         | LORI S. BURGHAUSER           | 05/12/21 |                                                 | P00370694 |
|                               | Firm's name <b>SC&amp;H GROUP, INC.</b>                    | Firm's EIN <b>20-5991824</b> |          | Phone no. <b>(410) 403-1500</b>                 |           |
|                               | Firm's address <b>910 RIDGEBROOK ROAD SPARKS, MD 21152</b> |                              |          |                                                 |           |

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

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

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

(see instructions)

1. Description of property

(1) **SUBWAY**

(2)

(3)

(4)

2. Rent received or accrued

| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| (1)                                                                                                                 | 22,875.                                                                                                                                       |                                                                                               |
| (2)                                                                                                                 |                                                                                                                                               |                                                                                               |
| (3)                                                                                                                 |                                                                                                                                               |                                                                                               |
| (4)                                                                                                                 |                                                                                                                                               |                                                                                               |
| <b>Total</b>                                                                                                        | <b>0.</b>                                                                                                                                     | <b>Total</b> 22,875.                                                                          |

(c) **Total income.** Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) **22,875.**

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

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

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

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

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

**Nonexempt Controlled Organizations**

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

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

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

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

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

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

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

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

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

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

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

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

Form **990-T** (2019)

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## FOOTNOTES

STATEMENT 1

CARROLL HOSPITAL CENTER, INC.  
EIN: 52-1452024

## 965 TRANSITION TAX DETAIL

|                                                   |      |
|---------------------------------------------------|------|
| PASSTHROUGH : GREENSPRING GLOBAL PARTNERS III, LP |      |
| DEFERRED FOREIGN INCOME - IRC SECTION 965(A)      | 334. |
| DEDUCTIONS - IRC SECTION 965(A)                   | 251. |

SECTION 965(H)(1) ELECTION TO PAY NET TAX LIABILITY UNDER  
SECTION 965 IN INSTALLMENTS UNDER SECTION 965(H)(1).  
NO

SECTION 965(I)(1) S CORPORATION SHAREHOLDER ELECTION TO  
DEFER PAYMENT OF NET TAX LIABILITY UNDER SECTION 965(I)(1)  
NO

SECTION 965(M)(1)(B) STATEMENT FOR REAL ESTATE INVESTMENT  
TRUSTS ELECTING DEFERRED INCLUSIONS UNDER SECTION 951(A)(1)  
BY REASON OF SECTION 965 UNDER SECTION 965(M)(1)(B)  
NO

SECTION 965(N) ELECTION NOT TO APPLY NET OPERATING LOSS  
DEDUCTION UNDER SECTION 965(N)  
NO

NOTICE 2018-13, SECTION 3.02 ELECTION UNDER SECTION 3.02 OF  
NOTICE 2018-13 TO USE ALTERNATIVE METHOD TO COMPUTE POST-  
1986 EARNINGS AND PROFITS  
NO

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| FORM 990-T                           | OTHER DEDUCTIONS | STATEMENT 2 |
|--------------------------------------|------------------|-------------|
| DESCRIPTION                          |                  | AMOUNT      |
| TAX PREP FEE                         |                  | 1,184.      |
| TOTAL TO FORM 990-T, PAGE 1, LINE 27 |                  | 1,184.      |

| FORM 990-T              | PARENT CORPORATION'S NAME AND IDENTIFYING NUMBER | STATEMENT 3    |
|-------------------------|--------------------------------------------------|----------------|
| CORPORATION'S NAME      |                                                  | IDENTIFYING NO |
| LIFEBRIDGE HEALTH, INC. |                                                  | 52-1402373     |

| FORM 990-T                        | NET OPERATING LOSS DEDUCTION |                         |                | STATEMENT 4         |
|-----------------------------------|------------------------------|-------------------------|----------------|---------------------|
| TAX YEAR                          | LOSS SUSTAINED               | LOSS PREVIOUSLY APPLIED | LOSS REMAINING | AVAILABLE THIS YEAR |
| 06/30/06                          | 171,269.                     | 171,269.                | 0.             | 0.                  |
| 06/30/07                          | 151,971.                     | 151,971.                | 0.             | 0.                  |
| 06/30/08                          | 151,028.                     | 151,028.                | 0.             | 0.                  |
| 06/30/09                          | 113,260.                     | 1,511.                  | 111,749.       | 111,749.            |
| 06/30/10                          | 32,318.                      | 0.                      | 32,318.        | 32,318.             |
| 06/30/15                          | 232,849.                     | 0.                      | 232,849.       | 232,849.            |
| 06/30/16                          | 1,220,248.                   | 0.                      | 1,220,248.     | 1,220,248.          |
| 06/30/17                          | 95,851.                      | 0.                      | 95,851.        | 95,851.             |
| NOL CARRYOVER AVAILABLE THIS YEAR |                              |                         | 1,693,015.     | 1,693,015.          |

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

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

ENTITY 1

OMB No. 1545-0047

**2019**

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

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

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

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

Department of the Treasury  
Internal Revenue Service

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

Unrelated Business Activity Code (see instructions) ▶ **621500**

Describe the unrelated trade or business ▶ **ADMINISTRATIVE FEES**

| <b>Part I Unrelated Trade or Business Income</b>                                               |                    | (A) Income        | (B) Expenses | (C) Net |
|------------------------------------------------------------------------------------------------|--------------------|-------------------|--------------|---------|
| <b>1 a</b> Gross receipts or sales                                                             |                    |                   |              |         |
| <b>b</b> Less returns and allowances                                                           | <b>c</b> Balance ▶ | <b>1c</b>         |              |         |
| <b>2</b> Cost of goods sold (Schedule A, line 7)                                               |                    | <b>2</b>          |              |         |
| <b>3</b> Gross profit. Subtract line 2 from line 1c                                            |                    | <b>3</b>          |              |         |
| <b>4 a</b> Capital gain net income (attach Schedule D)                                         |                    | <b>4a</b>         |              |         |
| <b>b</b> Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)                      |                    | <b>4b</b>         |              |         |
| <b>c</b> Capital loss deduction for trusts                                                     |                    | <b>4c</b>         |              |         |
| <b>5</b> Income (loss) from a partnership or an S corporation (attach statement)               |                    | <b>5</b>          |              |         |
| <b>6</b> Rent income (Schedule C)                                                              |                    | <b>6</b>          |              |         |
| <b>7</b> Unrelated debt-financed income (Schedule E)                                           |                    | <b>7</b>          |              |         |
| <b>8</b> Interest, annuities, royalties, and rents from a controlled organization (Schedule F) |                    | <b>8</b>          |              |         |
| <b>9</b> Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)      |                    | <b>9</b>          |              |         |
| <b>10</b> Exploited exempt activity income (Schedule I)                                        |                    | <b>10</b>         |              |         |
| <b>11</b> Advertising income (Schedule J)                                                      |                    | <b>11</b>         |              |         |
| <b>12</b> Other income (See instructions; attach schedule) <b>STMT 5</b>                       |                    | <b>12</b> 90,000. |              | 90,000. |
| <b>13 Total.</b> Combine lines 3 through 12                                                    |                    | <b>13</b> 90,000. |              | 90,000. |

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

|                                                                                                                          |  |            |  |         |
|--------------------------------------------------------------------------------------------------------------------------|--|------------|--|---------|
| <b>14</b> Compensation of officers, directors, and trustees (Schedule K)                                                 |  | <b>14</b>  |  |         |
| <b>15</b> Salaries and wages                                                                                             |  | <b>15</b>  |  | 90,000. |
| <b>16</b> Repairs and maintenance                                                                                        |  | <b>16</b>  |  |         |
| <b>17</b> Bad debts                                                                                                      |  | <b>17</b>  |  |         |
| <b>18</b> Interest (attach schedule) (see instructions)                                                                  |  | <b>18</b>  |  |         |
| <b>19</b> Taxes and licenses                                                                                             |  | <b>19</b>  |  |         |
| <b>20</b> Depreciation (attach Form 4562)                                                                                |  | <b>20</b>  |  |         |
| <b>21</b> Less depreciation claimed on Schedule A and elsewhere on return                                                |  | <b>21a</b> |  |         |
| <b>22</b> Depletion                                                                                                      |  | <b>22</b>  |  |         |
| <b>23</b> Contributions to deferred compensation plans                                                                   |  | <b>23</b>  |  |         |
| <b>24</b> Employee benefit programs                                                                                      |  | <b>24</b>  |  |         |
| <b>25</b> Excess exempt expenses (Schedule I)                                                                            |  | <b>25</b>  |  |         |
| <b>26</b> Excess readership costs (Schedule J)                                                                           |  | <b>26</b>  |  |         |
| <b>27</b> Other deductions (attach schedule)                                                                             |  | <b>27</b>  |  |         |
| <b>28 Total deductions.</b> Add lines 14 through 27                                                                      |  | <b>28</b>  |  | 90,000. |
| <b>29</b> Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13           |  | <b>29</b>  |  | 0.      |
| <b>30</b> Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions) |  | <b>30</b>  |  | 0.      |
| <b>31</b> Unrelated business taxable income. Subtract line 30 from line 29                                               |  | <b>31</b>  |  |         |

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2019

FORM 990-T (M)

OTHER INCOME

STATEMENT 5

DESCRIPTION

AMOUNT

CC MED SERVICES MANAGEMENT INCOME

90,000.

TOTAL TO SCHEDULE M, PART I, LINE 12

90,000.

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

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

ENTITY 2

OMB No. 1545-0047

**2019**

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

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

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

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

Department of the Treasury  
Internal Revenue Service

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

Unrelated Business Activity Code (see instructions) ▶ **525990**

Describe the unrelated trade or business ▶ **INVESTMENT INCOME**

| <b>Part I Unrelated Trade or Business Income</b>                                                    |                    | (A) Income        | (B) Expenses | (C) Net        |
|-----------------------------------------------------------------------------------------------------|--------------------|-------------------|--------------|----------------|
| <b>1 a</b> Gross receipts or sales                                                                  |                    |                   |              |                |
| <b>b</b> Less returns and allowances                                                                | <b>c</b> Balance ▶ | <b>1c</b>         |              |                |
| <b>2</b> Cost of goods sold (Schedule A, line 7)                                                    |                    | <b>2</b>          |              |                |
| <b>3</b> Gross profit. Subtract line 2 from line 1c                                                 |                    | <b>3</b>          |              |                |
| <b>4 a</b> Capital gain net income (attach Schedule D)                                              |                    | <b>4a</b>         |              |                |
| <b>b</b> Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)                           |                    | <b>4b</b>         |              |                |
| <b>c</b> Capital loss deduction for trusts                                                          |                    | <b>4c</b>         |              |                |
| <b>5</b> Income (loss) from a partnership or an S corporation (attach statement) <b>STATEMENT 6</b> |                    | <b>5</b> 15,693.  |              | <b>15,693.</b> |
| <b>6</b> Rent income (Schedule C)                                                                   |                    | <b>6</b>          |              |                |
| <b>7</b> Unrelated debt-financed income (Schedule E)                                                |                    | <b>7</b>          |              |                |
| <b>8</b> Interest, annuities, royalties, and rents from a controlled organization (Schedule F)      |                    | <b>8</b>          |              |                |
| <b>9</b> Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)           |                    | <b>9</b>          |              |                |
| <b>10</b> Exploited exempt activity income (Schedule I)                                             |                    | <b>10</b>         |              |                |
| <b>11</b> Advertising income (Schedule J)                                                           |                    | <b>11</b>         |              |                |
| <b>12</b> Other income (See instructions; attach schedule) <b>STMT 7</b>                            |                    | <b>12</b> 83.     |              | <b>83.</b>     |
| <b>13 Total.</b> Combine lines 3 through 12                                                         |                    | <b>13</b> 15,776. |              | <b>15,776.</b> |

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

|                                                                                                                                        |            |           |  |                |
|----------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|--|----------------|
| <b>14</b> Compensation of officers, directors, and trustees (Schedule K)                                                               |            | <b>14</b> |  |                |
| <b>15</b> Salaries and wages                                                                                                           |            | <b>15</b> |  |                |
| <b>16</b> Repairs and maintenance                                                                                                      |            | <b>16</b> |  |                |
| <b>17</b> Bad debts                                                                                                                    |            | <b>17</b> |  |                |
| <b>18</b> Interest (attach schedule) (see instructions)                                                                                |            | <b>18</b> |  |                |
| <b>19</b> Taxes and licenses                                                                                                           |            | <b>19</b> |  | <b>-1,299.</b> |
| <b>20</b> Depreciation (attach Form 4562)                                                                                              | <b>20</b>  |           |  |                |
| <b>21</b> Less depreciation claimed on Schedule A and elsewhere on return                                                              | <b>21a</b> |           |  |                |
| <b>22</b> Depletion                                                                                                                    |            | <b>22</b> |  |                |
| <b>23</b> Contributions to deferred compensation plans                                                                                 |            | <b>23</b> |  |                |
| <b>24</b> Employee benefit programs                                                                                                    |            | <b>24</b> |  |                |
| <b>25</b> Excess exempt expenses (Schedule I)                                                                                          |            | <b>25</b> |  |                |
| <b>26</b> Excess readership costs (Schedule J)                                                                                         |            | <b>26</b> |  |                |
| <b>27</b> Other deductions (attach schedule) <b>SEE STATEMENT 8</b>                                                                    |            | <b>27</b> |  | <b>816.</b>    |
| <b>28 Total deductions.</b> Add lines 14 through 27                                                                                    |            | <b>28</b> |  | <b>-483.</b>   |
| <b>29</b> Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13                         |            | <b>29</b> |  | <b>16,259.</b> |
| <b>30</b> Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions) <b>STMT 9</b> |            | <b>30</b> |  | <b>0.</b>      |
| <b>31</b> Unrelated business taxable income. Subtract line 30 from line 29                                                             |            | <b>31</b> |  | <b>16,259.</b> |

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2019

| FORM 990-T (M)                                                        | INCOME (LOSS) FROM PARTNERSHIPS | STATEMENT 6          |
|-----------------------------------------------------------------------|---------------------------------|----------------------|
| DESCRIPTION                                                           |                                 | NET INCOME OR (LOSS) |
| K-1 CHESAPEAKE INVESTMENTS III - ORDINARY BUSINESS INCOME (LOSS)      |                                 | -395.                |
| K-1 CHESAPEAKE INVESTMENTS III - NET RENTAL REAL ESTATE INCOME        |                                 | -30.                 |
| K-1 PREMIER PURCHASING - ORDINARY BUSINESS INCOME (LOSS)              |                                 | 16,074.              |
| K-1 GREENSPRING GLOBAL PARTNERS III - ORDINARY BUSINESS INCOME (LOSS) |                                 | 44.                  |
| TOTAL INCLUDED ON SCHEDULE M, PART I, LINE 5                          |                                 | 15,693.              |

| FORM 990-T (M)                       | OTHER INCOME | STATEMENT 7 |
|--------------------------------------|--------------|-------------|
| DESCRIPTION                          |              | AMOUNT      |
| NET SECTION 965 INCLUSION            |              | 83.         |
| TOTAL TO SCHEDULE M, PART I, LINE 12 |              | 83.         |

| FORM 990-T (M)                        | OTHER DEDUCTIONS | STATEMENT 8 |
|---------------------------------------|------------------|-------------|
| DESCRIPTION                           |                  | AMOUNT      |
| TAX PREP FEE                          |                  | 816.        |
| TOTAL TO SCHEDULE M, PART II, LINE 27 |                  | 816.        |

| SCHEDULE M                        | NET OPERATING LOSS DEDUCTION |                         |                | STATEMENT 9         |
|-----------------------------------|------------------------------|-------------------------|----------------|---------------------|
| TAX YEAR                          | LOSS SUSTAINED               | LOSS PREVIOUSLY APPLIED | LOSS REMAINING | AVAILABLE THIS YEAR |
| 06/30/19                          | 17,978.                      |                         | 17,978.        | 17,978.             |
| NOL CARRYOVER AVAILABLE THIS YEAR |                              |                         | 17,978.        | 17,978.             |

**SCHEDULE O  
(Form 1120)**

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

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

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

OMB No. 1545-0123

|                                              |                                                     |
|----------------------------------------------|-----------------------------------------------------|
| Name<br><b>CARROLL HOSPITAL CENTER, INC.</b> | Employer identification number<br><b>52-1452024</b> |
|----------------------------------------------|-----------------------------------------------------|

**Part I Apportionment Plan Information**

1 Type of controlled group:

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

2 This corporation has been a member of this group:

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

3 This corporation consents and represents to:

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

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

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

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

- a  No apportionment plan is in effect and none is being adopted.
- b  An apportionment plan is already in effect. It was adopted for the tax year ending JUNE 30, 2018, and for all succeeding tax years.

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

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

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

**Part II Apportionment** (See instructions)

| (a)<br>Group member's name and<br>employer identification number |                                                         | (b)<br>Tax year<br>end<br>(Yr-Mo) | Apportionment                         |                                                    |              |
|------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------|---------------------------------------|----------------------------------------------------|--------------|
|                                                                  |                                                         |                                   | (c)<br>Accumulated earnings<br>credit | (d)<br>Penalty for failure to<br>pay estimated tax | (e)<br>Other |
| <b>1</b>                                                         | CARROLL HOSPITAL CENTER, INC.                           | 52-1452024                        | 20-06                                 |                                                    |              |
| <b>2</b>                                                         | LIFEBRIDGE INVESTMENTS, INC. & SUBS                     | 52-1483166                        | 20-06                                 |                                                    |              |
| <b>3</b>                                                         | NORTHWEST HOSPITAL CENTER, INC.                         | 52-1372665                        | 20-06                                 |                                                    |              |
| <b>4</b>                                                         | SINAI HOSPITAL OF BALTIMORE, INC.                       | 52-0486540                        | 20-06                                 |                                                    |              |
| <b>5</b>                                                         | CARROLL COUNTY MED SERVICES, INC.                       | 52-1891102                        | 20-06                                 |                                                    |              |
| <b>6</b>                                                         | CARROLL COUNTY HEALTH SERVICES CORP                     | 52-0691413                        | 20-06                                 |                                                    |              |
| <b>7</b>                                                         | CARROLL HOSPITAL CENTER FOUNDATION, INC.                | 52-1115038                        | 20-06                                 |                                                    |              |
| <b>8</b>                                                         | LIFEBRIDGE HEALTH, INC.                                 | 52-1402373                        | 20-06                                 |                                                    |              |
| <b>9</b>                                                         | LEVINDALE HEBREW GERIATRIC CENTER AND<br>HOSPITAL, INC. | 52-0607913                        | 20-06                                 |                                                    |              |
| <b>10</b>                                                        | BALTIMORE CHILD ABUSE CENTER, INC.                      | 52-1681279                        | 20-06                                 |                                                    |              |
| <b>Total</b>                                                     |                                                         |                                   |                                       |                                                    |              |

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

**Part II Apportionment** (See instructions)

|              | (a)<br>Group member's name and<br>employer identification number | (b)<br>Tax year<br>end<br>(Yr-Mo) | Apportionment                         |                                                    |              |
|--------------|------------------------------------------------------------------|-----------------------------------|---------------------------------------|----------------------------------------------------|--------------|
|              |                                                                  |                                   | (c)<br>Accumulated earnings<br>credit | (d)<br>Penalty for failure to<br>pay estimated tax | (e)<br>Other |
| 1            | CHILDREN'S HOSPITAL AT SINAI FOUNDATION,<br>INC.                 | 52-2167587                        | 20-06                                 |                                                    |              |
| 2            |                                                                  |                                   |                                       |                                                    |              |
| 3            |                                                                  |                                   |                                       |                                                    |              |
| 4            |                                                                  |                                   |                                       |                                                    |              |
| 5            |                                                                  |                                   |                                       |                                                    |              |
| 6            |                                                                  |                                   |                                       |                                                    |              |
| 7            |                                                                  |                                   |                                       |                                                    |              |
| 8            |                                                                  |                                   |                                       |                                                    |              |
| 9            |                                                                  |                                   |                                       |                                                    |              |
| 10           |                                                                  |                                   |                                       |                                                    |              |
| <b>Total</b> |                                                                  |                                   |                                       |                                                    |              |

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

Public Disclosure Copy

# Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**  
▶ **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

|                                                                |                                                                                                                          |                                                           |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| <b>Type or print</b>                                           | Name of exempt organization or other filer, see instructions.<br><b>CARROLL HOSPITAL CENTER, INC.</b>                    | Taxpayer identification number (TIN)<br><b>52-1452024</b> |
| File by the due date for filing your return. See instructions. | Number, street, and room or suite no. If a P.O. box, see instructions.<br><b>200 MEMORIAL AVENUE</b>                     |                                                           |
|                                                                | City, town or post office, state, and ZIP code. For a foreign address, see instructions.<br><b>WESTMINSTER, MD 21157</b> |                                                           |

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 1

| Application Is For                       | Return Code | Application Is For                | Return Code |
|------------------------------------------|-------------|-----------------------------------|-------------|
| Form 990 or Form 990-EZ                  | 01          | Form 990-T (corporation)          | 07          |
| Form 990-BL                              | 02          | Form 1041-A                       | 08          |
| Form 4720 (individual)                   | 03          | Form 4720 (other than individual) | 09          |
| Form 990-PF                              | 04          | Form 5227                         | 10          |
| Form 990-T (sec. 401(a) or 408(a) trust) | 05          | Form 6069                         | 11          |
| Form 990-T (trust other than above)      | 06          | Form 8870                         | 12          |

**AMY ENGLE**

- The books are in the care of ▶ **200 MEMORIAL AVE - WESTMINSTER, MD 21157**  
Telephone No. ▶ **410-871-7114** Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and TINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **MAY 17, 2021**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year \_\_\_\_\_ or  
▶  tax year beginning **JUL 1, 2019**, and ending **JUN 30, 2020**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

|                                                                                                                                                                                               |           |    |    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----|----|
| <b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.                                   | <b>3a</b> | \$ | 0. |
| <b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. | <b>3b</b> | \$ | 0. |
| <b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.              | <b>3c</b> | \$ | 0. |

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.



# Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**  
▶ **Go to [www.irs.gov/Form8868](http://www.irs.gov/Form8868) for the latest information.**

**Electronic filing (e-file).** You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits](http://www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits).

**Automatic 6-Month Extension of Time.** Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

|                                                                |                                                                                                                          |                                                           |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| <b>Type or print</b>                                           | Name of exempt organization or other filer, see instructions.<br><b>CARROLL HOSPITAL CENTER, INC.</b>                    | Taxpayer identification number (TIN)<br><b>52-1452024</b> |
| File by the due date for filing your return. See instructions. | Number, street, and room or suite no. If a P.O. box, see instructions.<br><b>200 MEMORIAL AVENUE</b>                     |                                                           |
|                                                                | City, town or post office, state, and ZIP code. For a foreign address, see instructions.<br><b>WESTMINSTER, MD 21157</b> |                                                           |

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 | 7

| Application Is For                       | Return Code | Application Is For                | Return Code |
|------------------------------------------|-------------|-----------------------------------|-------------|
| Form 990 or Form 990-EZ                  | 01          | Form 990-T (corporation)          | 07          |
| Form 990-BL                              | 02          | Form 1041-A                       | 08          |
| Form 4720 (individual)                   | 03          | Form 4720 (other than individual) | 09          |
| Form 990-PF                              | 04          | Form 5227                         | 10          |
| Form 990-T (sec. 401(a) or 408(a) trust) | 05          | Form 6069                         | 11          |
| Form 990-T (trust other than above)      | 06          | Form 8870                         | 12          |

**AMY ENGLE**

- The books are in the care of ▶ **200 MEMORIAL AVE - WESTMINSTER, MD 21157**  
Telephone No. ▶ **410-871-7114** Fax No. ▶ \_\_\_\_\_
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_. If this is for the whole group, check this box . If it is for part of the group, check this box  and attach a list with the names and TINs of all members the extension is for.

**1** I request an automatic 6-month extension of time until **MAY 17, 2021**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year \_\_\_\_\_ or  
▶  tax year beginning **JUL 1, 2019**, and ending **JUN 30, 2020**.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  
 Change in accounting period

|                                                                                                                                                                                               |           |    |    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----|----|
| <b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.                                   | <b>3a</b> | \$ | 0. |
| <b>b</b> If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. | <b>3b</b> | \$ | 0. |
| <b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.              | <b>3c</b> | \$ | 0. |

**Caution:** If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

**Inclusion of Deferred Foreign Income  
 Upon Transition to Participation Exemption System**

OMB No. 1545-0123

▶ **Attach to tax return.**  
 ▶ **Go to [www.irs.gov/Form965](http://www.irs.gov/Form965) for instructions and the latest information.**

For calendar year \_\_\_\_\_, or other tax year beginning **JULY 1, 2019** and ending **JUNE 30, 2020** of the filer.

|                                                                           |                                         |
|---------------------------------------------------------------------------|-----------------------------------------|
| Name of person filing this return<br><b>CARROLL HOSPITAL CENTER, INC.</b> | Identifying number<br><b>52-1452024</b> |
|---------------------------------------------------------------------------|-----------------------------------------|

**Note:** Throughout this form, the term "2019 tax year" refers to 2019 calendar tax years and fiscal tax years of the person filing this return that begin in 2019.

**Part I Section 965(a) Inclusion**

|                                                                                                                                                                                                                                                                                                                      |          |             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------|
| 1 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>1</b> |             |
| 2 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>2</b> |             |
| <b>3 2019 tax year section 965(a) inclusions from pass-throughs.</b><br>Enter the sum here and on your tax return as follows.<br>Corporations: Enter the line 3 total on Form 1120, Schedule C, line 15, column (a), or the corresponding line of other corporate tax returns.<br>All others: See instructions ..... | <b>3</b> | <b>334.</b> |
| 4 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>4</b> |             |
| 5 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>5</b> |             |
| 6 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>6</b> |             |

**Part II Section 965(c) Deduction**

|                                                                                                                                                                                                                                                                                                                       |           |             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------|
| 7 Reserved .....                                                                                                                                                                                                                                                                                                      | <b>7</b>  |             |
| 8 Reserved .....                                                                                                                                                                                                                                                                                                      | <b>8</b>  |             |
| 9 Reserved .....                                                                                                                                                                                                                                                                                                      | <b>9</b>  |             |
| 10 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>10</b> |             |
| 11 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>11</b> |             |
| 12 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>12</b> |             |
| 13 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>13</b> |             |
| 14 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>14</b> |             |
| 15 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>15</b> |             |
| 16 Reserved .....                                                                                                                                                                                                                                                                                                     | <b>16</b> |             |
| <b>17 2019 tax year section 965(c) deduction from pass-throughs.</b><br>Enter the sum here and on your tax return as follows.<br>Corporations: Enter the line 17 total on Form 1120, Schedule C, line 15, column (c), or the corresponding line of other corporate tax returns.<br>All others: See instructions ..... | <b>17</b> | <b>251.</b> |

**Part III Elections**

|                                                                                                                                                                | Yes | No       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----------|
| <b>A</b> Was an election made to pay the net tax liability over 8 years as provided for in section 965(h)? .....                                               |     | <b>X</b> |
| <b>B</b> Complete if a shareholder in an S corporation.<br>Was an election made to defer payment of net tax liability as provided for in section 965(i)? ..... |     | <b>X</b> |
| <b>C</b> Complete if a Real Estate Investment Trust.<br>Was an election made to include income over 8 years as provided for in section 965(m)? .....           |     | <b>X</b> |
| <b>D</b> Was an election made not to apply a net operating loss deduction as provided in section 965(n)? .....                                                 |     | <b>X</b> |
| <b>E</b> Was the election provided for in Regulations section 1.965-2(f)(2) made? .....                                                                        |     | <b>X</b> |

LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form **965** (Rev. 1-2020)

**Corporate and Real Estate Investment Trust (REIT) Report of Net 965  
 Tax Liability and Electing REIT Report of 965 Amounts**

▶ Go to [www.irs.gov/Form965B](http://www.irs.gov/Form965B) for instructions and the latest information.

Check this box if this is an amended report

Name of taxpayer or REIT **CARROLL HOSPITAL CENTER, INC.** Identifying number **52-1452024** Taxable year of reporting **2019**

REITs Electing To Account for Section 965 Amounts Over Time Must Fill Out Part III.

| Part I Report of Net 965 Tax Liability and Election To Pay in Installments |                                                                                 |                                                                             |                                                                            |                                                                    |                                   |    |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
|----------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------|----|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
|                                                                            | (a)<br>Year of Section 965(a) Inclusion or Liability Assumed (see instructions) | (b)<br>Taxpayer's Net Tax Liability With all 965 Amounts (see instructions) | (c)<br>Taxpayer's Net Tax Liability Without 965 Amounts (see instructions) | (d)<br>Net 965 Tax Liability (subtract column (c) from column (b)) | (e)<br>Installation Election Made |    | (f)<br>Net 965 Tax Liability To Be Paid in Full in Year 1 (if column (e) is "No," enter amount from column (d)) | (g)<br>Net 965 Tax Liability To Be Paid in Installments (if column (e) is "Yes," enter amount from column (d) and see instructions) | (h)<br>Net 965 Tax Liability Transferred (Out), Transferred In, or Subsequent Adjustments if any (see instructions) | (i)<br>Tax Identification Number of Buyer/Transferee or Seller/Transferor |
|                                                                            |                                                                                 |                                                                             |                                                                            |                                                                    | Yes                               | No |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
| 1                                                                          | 2017                                                                            |                                                                             |                                                                            |                                                                    |                                   |    |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
| 2                                                                          | 2018                                                                            |                                                                             |                                                                            |                                                                    |                                   | X  |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
| 3                                                                          | 2019                                                                            | 0.                                                                          | 0.                                                                         |                                                                    |                                   | X  |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
| 4                                                                          |                                                                                 |                                                                             |                                                                            |                                                                    |                                   |    |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
| 5                                                                          |                                                                                 |                                                                             |                                                                            |                                                                    |                                   |    |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
| 6                                                                          |                                                                                 |                                                                             |                                                                            |                                                                    |                                   |    |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
| 7                                                                          |                                                                                 |                                                                             |                                                                            |                                                                    |                                   |    |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |
| 8                                                                          |                                                                                 |                                                                             |                                                                            |                                                                    |                                   |    |                                                                                                                 |                                                                                                                                     |                                                                                                                     |                                                                           |

| Part II Record of Amount of Net 965 Tax Liability Paid by the Taxpayer (see instructions) |                                                                                 |                        |                        |                        |                        |                        |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                                           | (a)<br>Year of Section 965(a) Inclusion or Liability Assumed (see instructions) | (b)<br>Paid for Year 1 | (c)<br>Paid for Year 2 | (d)<br>Paid for Year 3 | (e)<br>Paid for Year 4 | (f)<br>Paid for Year 5 |
| 1                                                                                         | 2017                                                                            |                        |                        |                        |                        |                        |
| 2                                                                                         | 2018                                                                            |                        |                        |                        |                        |                        |
| 3                                                                                         | 2019                                                                            |                        |                        |                        |                        |                        |
| 4                                                                                         |                                                                                 |                        |                        |                        |                        |                        |
| 5                                                                                         |                                                                                 |                        |                        |                        |                        |                        |
| 6                                                                                         |                                                                                 |                        |                        |                        |                        |                        |
| 7                                                                                         |                                                                                 |                        |                        |                        |                        |                        |
| 8                                                                                         |                                                                                 |                        |                        |                        |                        |                        |

|   | (g)<br>Paid for Year 6 | (h)<br>Paid for Year 7 | (i)<br>Paid for Year 8 | (j)<br>Net 965 Tax Liability Remaining Unpaid (see instructions) | (k)<br>Net 965 Tax Liability Paid for the Reporting Year |
|---|------------------------|------------------------|------------------------|------------------------------------------------------------------|----------------------------------------------------------|
| 1 |                        |                        |                        |                                                                  |                                                          |
| 2 |                        |                        |                        |                                                                  |                                                          |
| 3 |                        |                        |                        |                                                                  |                                                          |
| 4 |                        |                        |                        |                                                                  |                                                          |
| 5 |                        |                        |                        |                                                                  |                                                          |
| 6 |                        |                        |                        |                                                                  |                                                          |
| 7 |                        |                        |                        |                                                                  |                                                          |
| 8 |                        |                        |                        |                                                                  |                                                          |

**Totals** ▶

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

| <b>Part III Electing REIT Report of Section 965 Amounts Accounted for Over Time</b> (see instructions) |                                                                                |                                                        |                                           |                                           |                                                |                                                        |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------|-------------------------------------------|------------------------------------------------|--------------------------------------------------------|
|                                                                                                        | (a)<br>Tax Year of<br>Section 965(a) Inclusion and<br>Section 965(c) Deduction | (b)<br>Amount Elected To Be<br>Accounted for Over Time | (c)<br>Portion Accounted for in<br>Year 1 | (d)<br>Portion Accounted for in<br>Year 2 | (e)<br>Portion Accounted for in<br>Year 3      | (f)<br>Portion Accounted for in<br>Year 4              |
| <b>1a</b>                                                                                              | 2017 Section 965(a) Inclusion                                                  |                                                        |                                           |                                           |                                                |                                                        |
| <b>1b</b>                                                                                              | 2017 Section 965(c) Deduction                                                  |                                                        |                                           |                                           |                                                |                                                        |
| <b>2a</b>                                                                                              | 2018 Section 965(a) Inclusion                                                  |                                                        |                                           |                                           |                                                |                                                        |
| <b>2b</b>                                                                                              | 2018 Section 965(c) Deduction                                                  |                                                        |                                           |                                           |                                                |                                                        |
| <b>3a</b>                                                                                              | 2019 Section 965(a) Inclusion                                                  |                                                        |                                           |                                           |                                                |                                                        |
| <b>3b</b>                                                                                              | 2019 Section 965(c) Deduction                                                  |                                                        |                                           |                                           |                                                |                                                        |
|                                                                                                        | (g)<br>Portion Accounted for in<br>Year 5                                      | (h)<br>Portion Accounted for in<br>Year 6              | (i)<br>Portion Accounted for in<br>Year 7 | (j)<br>Portion Accounted for in<br>Year 8 | (k)<br>Amount Remaining To Be<br>Accounted for | (l)<br>Portion Accounted for<br>in This Reporting Year |
| <b>1a</b>                                                                                              |                                                                                |                                                        |                                           |                                           |                                                |                                                        |
| <b>1b</b>                                                                                              |                                                                                |                                                        |                                           |                                           |                                                |                                                        |
| <b>2a</b>                                                                                              |                                                                                |                                                        |                                           |                                           |                                                |                                                        |
| <b>2b</b>                                                                                              |                                                                                |                                                        |                                           |                                           |                                                |                                                        |
| <b>3a</b>                                                                                              |                                                                                |                                                        |                                           |                                           |                                                |                                                        |
| <b>3b</b>                                                                                              |                                                                                |                                                        |                                           |                                           |                                                |                                                        |
| <b>Totals</b> .....                                                                                    |                                                                                |                                                        |                                           |                                           |                                                | ▶                                                      |

If more lines are needed for any Parts on this form, attach additional sheets.

Public Disclosure Copy

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Consolidated Financial Statements and  
Supplementary Financial Information

June 30, 2020 and 2019

(With Independent Auditors' Report Thereon)

Public Disclosure Copy

# LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

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## Independent Auditors' Report

The Board of Directors  
LifeBridge Health, Inc. and Subsidiaries:

We have audited the accompanying consolidated financial statements of LifeBridge Health, Inc. and subsidiaries, which comprise the consolidated balance sheets as of June 30, 2020 and 2019, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of LifeBridge Health, Inc. and subsidiaries as of June 30, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

October 22, 2020

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**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Consolidated Balance Sheets

June 30, 2020 and 2019

(Dollars in thousands)

| <b>Assets</b>                                    | <b>2020</b>  | <b>2019</b> |
|--------------------------------------------------|--------------|-------------|
| Current assets:                                  |              |             |
| Cash and cash equivalents                        | \$ 251,832   | 167,802     |
| Investments                                      | 470,176      | 219,672     |
| Assets limited as to use, current portion        | 81,346       | 39,733      |
| Patient service receivables                      | 151,707      | 171,245     |
| Other receivables                                | 10,253       | 21,216      |
| Inventory                                        | 44,020       | 34,280      |
| Prepaid expenses                                 | 22,683       | 22,237      |
| Pledges receivable, current portion              | 3,386        | 2,841       |
| Total current assets                             | 1,035,403    | 679,026     |
| Board-designated investments                     | 191,964      | 213,856     |
| Long-term investments                            | 398,330      | 382,848     |
| Donor-restricted investments                     | 58,174       | 56,508      |
| Reinsurance recovery receivable                  | 11,138       | 21,401      |
| Assets limited as to use, net of current portion | 68,743       | 59,955      |
| Pledges receivable, net of current portion       | 7,681        | 7,567       |
| Property and equipment, net                      | 714,010      | 672,491     |
| Beneficial interest in split-interest agreement  | 4,792        | 4,997       |
| Investment in unconsolidated affiliates          | 41,450       | 47,701      |
| Other assets, net                                | 82,816       | 77,461      |
| Total assets                                     | \$ 2,614,501 | 2,223,811   |

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**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Consolidated Balance Sheets

June 30, 2020 and 2019

(Dollars in thousands)

| Liabilities and Net Assets                                           | 2020         | 2019      |
|----------------------------------------------------------------------|--------------|-----------|
| Current liabilities:                                                 |              |           |
| Accounts payable and accrued liabilities                             | \$ 115,082   | 106,640   |
| Accrued salaries, wages and benefits                                 | 110,853      | 94,250    |
| Advances from third-party payors                                     | 235,588      | 36,772    |
| Current portion of long-term debt and capital lease obligations, net | 24,501       | 14,957    |
| Other current liabilities                                            | 41,129       | 29,377    |
| Total current liabilities                                            | 527,153      | 281,996   |
| Other long-term liabilities                                          | 178,107      | 141,448   |
| Long-term debt and capital lease obligations, net                    | 592,211      | 537,831   |
| Total liabilities                                                    | 1,297,471    | 961,275   |
| Net assets:                                                          |              |           |
| Net assets without donor restrictions                                | 1,222,796    | 1,170,838 |
| Noncontrolling interest in consolidated subsidiaries                 | 20,201       | 19,785    |
| Total net assets without donor restrictions                          | 1,242,997    | 1,190,623 |
| Net assets with donor restrictions                                   | 74,033       | 71,913    |
| Total net assets                                                     | 1,317,030    | 1,262,536 |
| Total liabilities and net assets                                     | \$ 2,614,501 | 2,223,811 |

See accompanying notes to consolidated financial statements.

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Consolidated Statements of Operations

Years ended June 30, 2020 and 2019

(Dollars in thousands)

|                                                                                           | <u>2020</u>      | <u>2019</u>      |
|-------------------------------------------------------------------------------------------|------------------|------------------|
| Unrestricted revenues, gains and other support:                                           |                  |                  |
| Patient service revenue                                                                   | \$ 1,532,608     | 1,521,903        |
| Net assets released from restrictions used for operations                                 | 3,955            | 4,101            |
| Other operating revenue                                                                   | 125,642          | 84,391           |
| Total operating revenues                                                                  | <u>1,662,205</u> | <u>1,610,395</u> |
| Expenses:                                                                                 |                  |                  |
| Salaries and employee benefits                                                            | 928,375          | 868,537          |
| Supplies                                                                                  | 263,453          | 267,679          |
| Purchased services                                                                        | 286,696          | 276,338          |
| Depreciation and amortization                                                             | 89,160           | 86,949           |
| Repairs and maintenance                                                                   | 31,660           | 27,448           |
| Interest                                                                                  | 25,430           | 26,312           |
| Total expenses                                                                            | <u>1,624,774</u> | <u>1,553,263</u> |
| Operating income                                                                          | <u>37,431</u>    | <u>57,132</u>    |
| Other income (loss), net:                                                                 |                  |                  |
| Investment income                                                                         | 37,815           | 42,019           |
| Other                                                                                     | 6,684            | 2,037            |
| Loss on refinancing of debt                                                               | (2,954)          | —                |
| Total other income, net                                                                   | <u>41,545</u>    | <u>44,056</u>    |
| Excess of revenues over expenses                                                          | 78,976           | 101,188          |
| Net assets released from restrictions used for the purchases<br>of property and equipment | 1,647            | 3,533            |
| Net change in value of beneficial interest in split-interest agreement                    | 210              | 224              |
| Adjustment to pension liability                                                           | (26,795)         | (32,548)         |
| Other                                                                                     | (1,664)          | (6,866)          |
| Increase in unrestricted net assets                                                       | <u>\$ 52,374</u> | <u>65,531</u>    |

See accompanying notes to consolidated financial statements.

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Consolidated Statements of Changes in Net Assets

Years ended June 30, 2020 and 2019

(Dollars in thousands)

|                                                                                          | <u>Without donor<br/>restrictions</u> | <u>With donor<br/>restrictions</u> | <u>Total<br/>net assets</u> |
|------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------|-----------------------------|
| Net assets at June 30, 2018                                                              | \$ 1,125,092                          | 72,676                             | 1,197,768                   |
| Excess of revenues over expenses                                                         | 101,188                               | —                                  | 101,188                     |
| Unrealized gain on investments                                                           | —                                     | 303                                | 303                         |
| Net assets released from restrictions used for<br>the purchase of property and equipment | 3,533                                 | (3,533)                            | —                           |
| Restricted gifts and bequests                                                            | —                                     | 6,826                              | 6,826                       |
| Net assets released from restrictions used for<br>operations                             | —                                     | (4,101)                            | (4,101)                     |
| Net change in value of beneficial interest in<br>split-interest agreement                | 224                                   | (298)                              | (74)                        |
| Adjustment to pension liability                                                          | (32,548)                              | —                                  | (32,548)                    |
| Other                                                                                    | (6,866)                               | 40                                 | (6,826)                     |
| Change in net assets                                                                     | <u>65,531</u>                         | <u>(763)</u>                       | <u>64,768</u>               |
| Net assets at June 30, 2019                                                              | <u>1,190,623</u>                      | <u>71,913</u>                      | <u>1,262,536</u>            |
| Excess of revenues over expenses                                                         | 78,976                                | —                                  | 78,976                      |
| Unrealized gain on investments                                                           | —                                     | 476                                | 476                         |
| Net assets released from restrictions used for<br>the purchase of property and equipment | 1,647                                 | (1,647)                            | —                           |
| Restricted gifts and bequests                                                            | —                                     | 7,384                              | 7,384                       |
| Net assets released from restrictions used for<br>operations                             | —                                     | (3,955)                            | (3,955)                     |
| Net change in value of beneficial interest in<br>split-interest agreement                | 210                                   | (187)                              | 23                          |
| Adjustment to pension liability                                                          | (26,795)                              | —                                  | (26,795)                    |
| Other                                                                                    | (1,664)                               | 49                                 | (1,615)                     |
| Change in net assets                                                                     | <u>52,374</u>                         | <u>2,120</u>                       | <u>54,494</u>               |
| Net assets at June 30, 2020                                                              | <u>\$ 1,242,997</u>                   | <u>74,033</u>                      | <u>1,317,030</u>            |

See accompanying notes to consolidated financial statements.

LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended June 30, 2020 and 2019

(Dollars in thousands)

|                                                                                                            | <u>2020</u>       | <u>2019</u>     |
|------------------------------------------------------------------------------------------------------------|-------------------|-----------------|
| Cash flows from operating activities:                                                                      |                   |                 |
| Change in net assets                                                                                       | \$ 54,494         | 64,768          |
| Adjustments to reconcile change in net assets to net cash provided by operating activities:                |                   |                 |
| Depreciation and amortization                                                                              | 89,160            | 86,949          |
| Gain on sale of lab business                                                                               | —                 | (15,113)        |
| Adjustment to pension liability                                                                            | 26,795            | 32,548          |
| Realized and unrealized gains on investments, net                                                          | (19,949)          | (21,982)        |
| Restricted gifts and bequests                                                                              | (7,384)           | (6,826)         |
| Change in beneficial interest of split-interest agreement                                                  | 205               | 297             |
| Earnings on investments in unconsolidated affiliates                                                       | 111               | (2,594)         |
| Distributions from unconsolidated affiliates                                                               | 6,536             | 3,532           |
| Distributions to noncontrolling interest owners                                                            | 1,381             | 9,722           |
| Fair value of noncontrolling interests in acquisitions                                                     | —                 | (1,107)         |
| Amortization of deferred financing costs and discounts                                                     | 1,604             | 1,494           |
| Inherent contribution                                                                                      | (6,716)           | —               |
| Loss on refinancing of debt                                                                                | 2,954             | —               |
| Change in operating assets and liabilities:                                                                |                   |                 |
| Decrease (increase) in patient service receivables, net                                                    | 19,538            | (20,503)        |
| Decrease (increase) in other receivables                                                                   | 10,963            | (2,413)         |
| Increase in pledges receivable                                                                             | (659)             | (4,181)         |
| Increase in inventory                                                                                      | (6,045)           | (1,226)         |
| Increase in prepaid expenses                                                                               | (446)             | (2,957)         |
| Decrease in reinsurance recovery receivable                                                                | 10,263            | 4,853           |
| Increase in other assets                                                                                   | (9,375)           | (5,639)         |
| Increase (decrease) in accounts payable and accrued liabilities, and accrued salaries, wages, and benefits | 23,550            | (8,375)         |
| Increase (decrease) in advances from third-party payors                                                    | 196,092           | (6,034)         |
| Increase in other current and long-term liabilities                                                        | 25,636            | 3,057           |
| Net cash provided by operating activities                                                                  | <u>418,708</u>    | <u>108,270</u>  |
| Cash flows from investing activities:                                                                      |                   |                 |
| Change in investments and assets limited as to use                                                         | (262,203)         | (3,588)         |
| Investment in unconsolidated affiliates                                                                    | (396)             | (155)           |
| Purchases of property and equipment                                                                        | (98,439)          | (92,176)        |
| Purchases of alternative investments                                                                       | (28,893)          | (16,405)        |
| Proceeds from sales of alternative investments                                                             | 8,426             | 783             |
| Proceeds (loss) from sales of business                                                                     | —                 | 15,113          |
| Cash paid for acquisitions                                                                                 | —                 | (1,459)         |
| Net cash used in investing activities                                                                      | <u>(381,505)</u>  | <u>(97,887)</u> |
| Cash flows from financing activities:                                                                      |                   |                 |
| Payment on debt and capital lease obligations                                                              | (99,423)          | (17,043)        |
| Proceeds from issuance of debt                                                                             | 133,789           | 7,504           |
| Distributions to noncontrolling interest owners                                                            | (1,381)           | (9,722)         |
| Restricted gifts and bequests                                                                              | 7,384             | 6,826           |
| Net cash provided by (used in) financing activities                                                        | <u>40,369</u>     | <u>(12,435)</u> |
| Net increase (decrease) in cash and cash equivalents and restricted cash                                   | 77,572            | (2,052)         |
| Cash and cash equivalents and restricted cash:                                                             |                   |                 |
| Beginning of year                                                                                          | 189,781           | 191,833         |
| End of year                                                                                                | <u>\$ 267,353</u> | <u>189,781</u>  |

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Consolidated Statements of Cash Flows

Years ended June 30, 2020 and 2019

(Dollars in thousands)

|                                                                                                        | <u>2020</u>       | <u>2019</u>    |
|--------------------------------------------------------------------------------------------------------|-------------------|----------------|
| Supplemental cash flow disclosures:                                                                    |                   |                |
| Cash paid during the year for interest                                                                 | \$ 24,819         | 24,659         |
| Cash paid during the year for income taxes                                                             | 300               | 874            |
| Accounts payable related to purchase of property and equipment                                         | 5,867             | 5,476          |
| Adjustment to goodwill and property and equipment, net                                                 | —                 | 2,566          |
| Acquisition of Grace Medical Center                                                                    | see footnote 3    | —              |
| Reconciliation of ending cash and cash equivalents and restricted cash to consolidated balance sheets: |                   |                |
| Cash and cash equivalents                                                                              | \$ 251,832        | 167,802        |
| Investments                                                                                            | 8,898             | 13,291         |
| Long-term investments                                                                                  | 6,623             | 8,688          |
| Cash and cash equivalents and restricted cash                                                          | <u>\$ 267,353</u> | <u>189,781</u> |

See accompanying notes to consolidated financial statements.

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## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

### (1) Organization

On October 1, 1998, Sinai Health System, Inc. merged with Northwest Health System, Inc. to form LifeBridge Health, Inc. (LifeBridge). LifeBridge is a not-for-profit, nonstock Maryland Corporation.

LifeBridge's subsidiaries include Sinai Hospital of Baltimore, Inc. (Sinai); Northwest Hospital Center, Inc. (Northwest); Carroll Hospital Center (Carroll); Levindale Hebrew Geriatric Center and Hospital, Inc. (Levindale); Baltimore Child Abuse Center (BCAC); Children's Hospital of Baltimore City, Inc.; The Baltimore Jewish Health Foundation, Inc. (BJHF); The Baltimore Jewish Eldercare Foundation, Inc. (BJEF); Children's Hospital at Sinai Foundation, Inc. (CHSF); LifeBridge Anesthesia Associates, LLC (LAA); LifeBridge Insurance Company, Ltd. (LifeBridge Insurance); Courtland Gardens Nursing and Rehabilitation Center, Inc. (Courtland); LifeBridge Investments, Inc. (Investments); LifeBridge Health ACO, LLC; LifeBridge Physician Network, LLC; 8600 Liberty Road, LLC; and LifeBridge 23 Crossroads Drive Medical Office Building, LLC. Except for LifeBridge Insurance and Investments, all of the entities named above are not-for-profit and tax-exempt. Sinai and Levindale are constituent agencies of THE ASSOCIATED: Jewish Community Federation of Baltimore, Inc. (AJCF), a charitable corporation.

Effective November 1, 2019, Grace Medical Center (Grace) became a subsidiary of LifeBridge. The acquisition of Grace by LifeBridge is further discussed in note 3.

Investments is a for-profit corporation that holds, directly and indirectly, interests in a variety of for-profit businesses. Investments' wholly owned subsidiaries include:

- *Practice Dynamics, Inc.*
- *LifeBridge Health and Fitness, LLC*
- *Sinai Eldersburg Real Estate, LLC*
- *General Surgery Specialists, LLC*
- *BW Primary Care, LLC*
- *LifeBridge Community Practices, LLC*
- *The Center for Urologic Specialties, LLC*
- *LifeBridge Community Physicians, Inc. (Community Physicians)*

Investments also holds interests in numerous other health-related businesses.

Community Physicians is a for-profit corporation that provides physician and related services through numerous subsidiaries.

Carroll is a not-for-profit, nonstock Maryland corporation. The accompanying consolidated financial statements include the accounts of Carroll and its wholly or partially owned subsidiaries.

Wholly owned subsidiaries of Carroll include Carroll Hospital Center Foundation, Inc. (Carroll Foundation); Carroll Hospice, Inc. (CH); Carroll Regional Cancer Center Physicians, LLC (CRCCP); and Carroll Hospital Center MOB Investment, LLC. Carroll also holds interests in various health-related companies.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

Carroll County Med-Services, Inc. (CCMS) is a wholly owned, for-profit subsidiary of CCHS that is involved in real estate holdings, physician services, and other activities and also maintains ownership interests in various joint ventures. Wholly owned subsidiaries of CCMS include: Carroll Health Group, LLC; Carroll PHO, LLC; and Carroll ACO, LLC. CCMS also holds interests in various health-related companies.

### (2) Significant Accounting Policies

#### (a) Basis of Presentation

The consolidated financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. All controlled and direct member entities are consolidated. The accompanying consolidated financial statements include the accounts of LifeBridge Health, Inc. and subsidiaries (the Corporation). All entities where the Corporation exercises significant influence, but does not have control, are accounted for under the equity method. All other unconsolidated entities are accounted for under the cost method. All significant intercompany accounts and transactions have been eliminated.

#### (b) Cash and Cash Equivalents

Cash equivalents include certain investments in highly liquid debt instruments with original maturities of three months or less at the date of purchase.

#### (c) Assets Limited as to Use

Assets limited as to use primarily consists of assets held by trustees under bond indenture agreements, a self-insured workers' compensation reserve fund, and designated assets set aside by the Board of Directors for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes. A portion of the designated assets set aside by the Board of Directors is contractually designated.

#### (d) Inventory

Inventories, which consist primarily of medical supplies and pharmaceuticals, are stated at the lower of cost (using the moving average cost method of valuation) or market.

#### (e) Investments, Long-Term Investments and Donor-Restricted Investments

The Corporation's investment portfolio is considered a trading portfolio and is classified as current or noncurrent assets based on management's intention as to use. All debt and equity securities are reported in the consolidated balance sheets at fair value, principally based on quoted market prices. Cash equivalents, as defined above, included within investments and assets limited as to use are treated as investments.



## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

The Corporation has investments in alternative investments, primarily funds of hedge funds, totaling \$163,030 and \$146,995 at June 30, 2020 and 2019, respectively. These funds utilize various types of debt and equity securities and derivative instruments in their investment strategies. Also included in alternative investments are BJEF's and BJHF's funds that are invested on their behalf by the Associated Jewish Charities (AJC), an affiliate of AJCF. Alternative investments are recorded under the equity method, which is based on the net asset value (NAV) of the shares in each investment company or partnership.

Investments in unconsolidated affiliates are accounted for under the cost or equity method of accounting as appropriate and are included in other assets or investment in unconsolidated affiliates, respectively, in the consolidated balance sheets. The Corporation's equity income or loss is recognized in other operating revenue within the excess of revenue over expenses in the accompanying consolidated statements of operations.

Investments also include assets restricted by donor and assets designated by the Board of Directors for future capital improvements and other purposes over which it retains control and may, at its discretion, use for other purposes. Purchases and sales of securities are recorded on a trade-date basis.

Investment income (interest and dividends) including realized gains and losses on investment sales is reported as other income (loss), net within the excess of revenues over expenses in the accompanying consolidated statements of operations and changes in net assets unless the income or loss is restricted by the donor or law. Investment income on funds held in trust for self-insurance purposes is included in other operating revenue. Investment income and net gains (losses) that are restricted by the donor are recorded as a component of changes in net assets with donor restrictions, in accordance with donor-imposed restrictions. Realized gains and losses are determined based on the specific security's original purchase price. Unrealized gains and losses are included in other income, net within the excess of revenue over expenses.

Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 Inputs – Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date
- Level 2 Inputs – Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability
- Level 3 Inputs – Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

The hierarchy requires the use of observable market data when available. Assets and liabilities are classified in their entirety based on the lowest-level input that is significant to the fair value measurements.

#### **(f) Property and Equipment**

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. Equipment under capital lease obligations is amortized on the straight-line method over the shorter of the period of the lease term or the estimated useful life of the equipment. Maintenance and repair costs are expensed as incurred. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support and are excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

#### **(g) Impairment of Long-Lived Assets**

Management regularly evaluates whether events or changes in circumstances have occurred that could indicate impairment in the value of long-lived assets. In accordance with the provisions of ASC Topic 360, *Property, Plant, and Equipment*, if there is an indication that the carrying value of an asset is not recoverable, the Corporation estimates the projected undiscounted cash flows, excluding interest and taxes, of the related individual entities to determine if an impairment loss should be recognized. The amount of impairment loss is determined by comparing the historical carrying value of the asset to its estimated fair value. Estimated fair value is determined through an evaluation of recent and projected financial performance of facilities using standard industry valuation techniques.

In addition to consideration of impairment upon the events or changes in circumstances described above, management regularly evaluates the remaining lives of its long-lived assets. If estimates are changed, the carrying value of affected assets is allocated over the remaining lives. In estimating the future cash flows for determining whether an asset is impaired and if expected future cash flows used in measuring assets are impaired, the Corporation groups its assets at the lowest level for which there are identifiable cash flows independent of other groups of assets. The Corporation did not record a loss on impairment during the year ended June 30, 2020 or 2019.

#### **(h) Goodwill and Other Assets, Net**

Other assets consist primarily of goodwill and other intangibles related to practice acquisitions, notes receivable, and the cash surrender value of split-dollar life insurance.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

Goodwill represents the excess of the aggregate purchase price over the fair value of the net assets acquired in a business combination. ASC Topic 350, *Intangibles – Goodwill and Other*, requires that tangible and indefinite-lived assets as well as goodwill must be analyzed in order to determine whether their value has been impaired.

Goodwill is assessed annually for impairment at the reporting unit. As of June 30, 2020 and 2019, the Corporation had one reporting unit, which included all subsidiaries. The Corporation first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment tests as described in ASC Topic 350. The more-likely than-not threshold is defined as having a likelihood of more than 50%. The Corporation determined that it was not more likely than not that the fair value of its reporting unit was less than its carrying amount. Accordingly, the Corporation concluded that goodwill was not impaired as of June 30, 2020 and 2019 without having to perform the two-step impairment test.

**(i) Beneficial Interest in Split Interest Agreement**

CHSF holds a 25% interest in a trust, of which management has estimated the present value of the future income stream. CHSF will receive 25% of the net annual income until 2024, when the trust will terminate, and 25% of the principal will be distributed to CHSF. Management has reported the beneficial interest at fair value based on the fair value of the underlying trust investments.

**(j) Advances from Third-Party Payors**

Advances from third-party payors are comprised of advance funding from CareFirst BlueCross BlueShield, Medicaid, Aetna, United/MAMSI, and other insurance providers. The Corporation also received advance funding through the Cares Act and Medicare Accelerated and Advance Payment Program in response to the COVID-19 pandemic. See note 4 for further information.

**(k) Self-Insurance Programs**

The Corporation maintains self-insurance programs for professional and general liability, workers' compensation, and employee health benefits. The provision for estimated self-insurance program claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported. The estimates are based on historical trends, claims asserted, and reported incidents.

**(l) Other Long-Term Liabilities**

Other long-term liabilities consist of self-insurance liabilities, pension plan liabilities, asset retirement obligations, and deferred compensation plan liabilities.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

### **(m) Donor-Restricted Gifts**

Unconditional promises to give cash and other assets to the Corporation are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date those promises become unconditional. The gifts are reported as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the consolidated statements of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions.

### **(n) Net Assets**

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of externally imposed stipulations. Accordingly, net assets of the Corporation and changes therein are classified and reported as follows:

*Net assets without donor restrictions* – Net assets that are not subject to externally imposed stipulations

*Net assets with donor restrictions* – Net assets subject to externally imposed stipulations that may or will be met either by actions of the Corporation and/or the passage of time or may be maintained by the Corporation in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by externally imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions unless use of the related asset is limited by externally imposed restrictions or law. Expirations of temporary restrictions of net assets (i.e., the externally stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets if used to acquire capital assets; otherwise, they are recorded as unrestricted operating revenue.

### **(o) Net Patient Service Revenue**

Net patient service revenue for Sinai, Northwest, Carroll, Grace, and the chronic hospital component of Levindale is recorded at rates established by the State of Maryland Health Services Cost Review Commission (HSCRC) and, accordingly, reflects consideration expected to be received from patients based on rates in effect during the period in which the services are rendered over time and the Corporation's performance obligations are met. Generally, performance obligations satisfied over time relate to patients receiving inpatient acute care services. The Corporation measures the performance obligation from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. These services are considered to be a single performance obligation. Revenue for performance obligations satisfied at a point in time is recognized when services are provided and the Corporation does not believe it is required to provide additional services to the patient.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

Because all of its performance obligations relate to contracts with a duration of less than one year, the Corporation has elected to apply the optional exemption provided in Financial Accounting Standards Board ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

The Corporation is utilizing the portfolio approach practical expedient in ASC 606, *Revenue from Contracts with Customers*, for contracts related to net patient service revenue. The Corporation accounts for the contracts within each portfolio as a collective group, rather than individual contracts, based on the payment pattern expected in each portfolio category and the similar nature and characteristics of the patients within each portfolio. The portfolios consist of major payor classes for inpatient revenue and outpatient revenue. Based on historical collection trends and other analyses, the Corporation has concluded that revenue for a given portfolio would not be materially different than if accounting for revenue on a contract-by-contract basis.

On January 29, 2014, the Corporation and the HSCRC agreed to implement the Global Budget Revenue (GBR) methodology for Sinai, Northwest, Carroll, Grace, and Levindale. The agreement is updated annually, was in place during the years ended June 30, 2020 and 2019, and will renew for a one-year period unless it is canceled by the HSCRC or by the applicable hospital. The GBR model is a revenue constraint and quality improvement system designed by the HSCRC to provide hospitals with strong financial incentives to manage their resources efficiently and effectively in order to slow the rate of increase in healthcare costs and improve healthcare delivery processes and outcomes. The GBR model is consistent with the hospitals' mission to provide the highest value of care possible to their patients and the communities they serve.

The GBR agreement establishes a prospective, fixed revenue base (the GBR cap) for each fiscal year. This includes both inpatient and outpatient regulated services. Under GBR, the Corporation's revenue for all HSCRC-regulated services is predetermined for the upcoming year, regardless of changes in volume (subject to certain limits), service mix intensity, or mix of inpatient or outpatient services that occurs during the year. The GBR agreement allows the Corporation to adjust unit rates, within certain limits, to achieve the overall revenue base for the Corporation at year-end. Any overcharge or undercharge versus the GBR cap, within established constraint parameters, is prospectively added to the subsequent year's GBR cap. The GBR is adjusted for changes in market share, with the market-shift adjustments made semi-annually, on January 1 and July 1. The GBR cap is adjusted annually for inflation and changes in payor mix and uncompensated care, as well as changes in population and aging within the Corporation's service area. A hospital's GBR cap may also be adjusted based on the hospital's performance on various quality and utilization metrics established by the HSCRC. During the year ended June 30, 2020, the HSCRC issued regulations due to the impact of COVID-19 (note 4) on all hospitals in Maryland that allow hospitals to carry over any undercharge less amount recouped from other federal programs, including funds received from programs under the CARES Act as described in note 4, to the following fiscal year GBR cap. The HSCRC may also impose various other revenue adjustments that could be significant in the future.

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Contractual adjustments, which represent the difference between amounts billed as patient service revenue and amounts paid by third-party payors, are accrued in the period in which the related performance obligations are met. Because the Corporation does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as revenue.

Implicit price concessions represent differences between amounts billed and the estimated consideration the Corporation expects to receive from patients, which are determined based on historical collection experience, current market factors, and other factors. Generally, patients who are covered by third-party payors are responsible for patient responsibility balances, including deductibles and coinsurance, which vary in amount. The Corporation estimates the transaction price for patients with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any explicit price concessions, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. Adjustments arising from a change in the transaction price were not significant in 2020 or 2019.

Prior to October 1, 2019, Medicare reimbursed Northwest and Levindale for skilled nursing services under the Medicare skilled nursing Prospective Payment System (PPS). Under PPS, the payment rate is based on patient resource utilization as calculated by a patient classification system known as Resource Utilization Groups (RUG's).

Medicaid reimburses Levindale for long-term care services based on Levindale's actual costs. However, beginning in January 2015, the cost data from the 2012 cost reports was used to set Resource Utilization Group (similar to Medicare) rates, which are adjusted for changes in case mix. The case mix from two quarters prior is used to adjust the rates on a quarterly basis.

Effective October 1, 2019, Medicare reimburses Northwest and Levindale for skilled nursing services under the Medicare Patient-Driven Payment Model (PDPM). Under PDPM, therapy minutes are removed as the basis for payment in favor of resident classifications and anticipated resource needs during the course of a patient's stay. PDPM assigns every resident a case-mix classification that drives the daily reimbursement rate for that individual.

All other patient service revenue is recorded at the estimated net realizable amounts from patients, third-party payors, and others for services rendered.

#### **(p) Other Operating Revenue**

Other operating revenue includes income of LifeBridge Health and Fitness LLC, revenue from other support services, and revenue generated from investments in joint ventures that offer healthcare services or services that support or complement the delivery of care. During the year ended June 30, 2019, the Corporation sold its lab business for approximately \$15,100 and recognized a gain on sale of approximately \$15,100, which is included in other operating revenue.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

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#### **(q) Grants**

Federal grants are accounted for either as an exchange transaction or as a contribution based on terms and conditions of the grant. If the grant is accounted for as an exchange transaction, revenue is recognized as other operating revenue when earned. If the grant is accounted for as a contribution, the revenues are recognized as either other operating revenue or restricted contributions depending on the restrictions within the grant. During the year ended June 30, 2020, the Corporation received grants from the programs under the CARES Act. See note 4 for further information.

#### **(r) Charity Care and Bad Debt**

Sinai, Northwest, Carroll, Grace, and Levindale provide care to patients who meet certain criteria under their charity care policies without charge or at amounts less than their established rates. Because the facilities do not pursue the collection of amounts determined to qualify as charity care, those amounts are not reported as revenue. The amount of charity care provided during the years ended June 30, 2020 and 2019, based on patient charges forgone, was \$10,529 and \$8,702, respectively. The total direct and indirect costs to provide the care amounted to approximately \$8,889 and \$7,156 for the years ended June 30, 2020 and 2019, respectively.

All patient accounts are handled consistently and appropriately to maximize cash flow and to identify bad debt accounts timely. Active accounts are considered bad debt accounts when they met specific collection activity guidelines and/or are reviewed by the appropriate management and deemed to be uncollectible. Every effort is made to identify and pursue all account balance liquidation options, including, but not limited to, third-party payor reimbursement, patient payment arrangements, Medicaid eligibility, and financial assistance. Third-party receivable management agencies provide extended business office services and insurance outsource services to ensure maximum effort is taken to recover insurance and self-pay dollars before transfer to bad debt. Contractual arrangements with third-party collection agencies were used to assist in the recovery of bad debt after all internal collection efforts have been exhausted. In so doing, the collection agencies must operate consistently with the goal of maximum bad debt recovery and strict adherence with Fair Debt Collections Practices Act (FDCPA) rules and regulations while maintaining positive patient relations.

#### **(s) Income Taxes**

LifeBridge and its not-for-profit subsidiaries have been recognized by the Internal Revenue Service as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code.

LifeBridge's incorporated for-profit subsidiaries account for income taxes in accordance with FASB ASC Topic 740, *Income Taxes*. Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date. Any changes to the valuation allowance on the deferred tax asset are reflected in the year of the change. The Corporation accounts for uncertain tax positions in accordance with ASC Topic 740.

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#### **(t) Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **(u) Excess of Revenues over Expenses**

The accompanying consolidated statements of operations include a performance indicator, excess of revenue over expenses. Changes in unrestricted net assets that are excluded from excess of revenues over expenses, consistent with industry practice, include changes in the funded status of defined-benefit pension plans, permanent transfers of assets to and from affiliates for other than goods and services, and contributions received for additions of long-lived assets.

#### **(v) Employee Pension Plan**

Pension benefits are administered by the Corporation. The Corporation accounts for its defined-benefit pension plans within the framework of ASC Topic 958, *Not-for-Profit Entities, Section 715, Compensation-Retirement Benefits* (Topic 958, Section 715), which requires the recognition of the overfunded or underfunded status of a defined-benefit pension plan as an asset or liability. The plans are subject to annual actuarial evaluations, which involve various assumptions creating changes in elements of expense and liability measurement. Key assumptions include the discount rate, the expected rate of return on plan assets, retirement, mortality, and turnover. The Corporation evaluates these assumptions annually and modifies them as appropriate.

Additionally, ASC Topic 958, Section 715 requires the measurement date for plan assets and liabilities to coincide with the employer's year-end and requires the disclosure in the notes to the consolidated financial statements of additional information about certain effects on net periodic benefit cost for the next fiscal year that arise from delayed recognition of the gains or losses, prior service costs or credits, and transition asset or obligation. The Corporation reports the service cost component of pension cost in salaries and employee benefit expense and the other components of net benefit cost in other income, net.

#### **(w) Management's Assessment and Plans**

The Corporation adopted Accounting Standards Update (ASU) No. 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, (ASU 2014-15), which requires management to evaluate an entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or available to be issued, when applicable). Management determined that there were no conditions or events that raise substantial doubt about the Corporation's ability to continue as a going concern, and the Corporation will continue to meet its obligations through October 22, 2021.



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#### **(x) New Accounting Pronouncements**

The FASB issued ASU No. 2016-02, *Leases* (ASU 2016-02), which will require lessees to recognize most leases on balance sheet, increasing their reported assets and liabilities—sometimes very significantly. This update was developed to provide financial statement users with more information about an entity's leasing activities and will require changes in processes and internal controls. The FASB issued ASU No. 2020-05, *Leases – Effective Dates for Certain Entities*, which deferred the effective date for ASU 2016-02 for one year, which the Corporation has elected to utilize the deferral. The adoption of ASU 2016-02 is effective for fiscal year 2021. Companies can either apply this standard by either retrospectively applying the new guidance at the beginning of the earliest comparable period presented, or they can use a transition method to adopt the new lease requirements by allowing entities to initially apply the requirements recognizing a cumulative effect adjustment to the opening balance of unrestricted net assets in the period of adoption.

In August 2018, the FASB issued ASU No. 2018-15, *Intangibles – Goodwill and Other – Internal-Use Software, Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract*. This ASU aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. The ASU is effective for the Corporation for annual reporting periods beginning after December 15, 2020 and interim periods beginning after December 15, 2021 with early adoption permitted. The Corporation is currently assessing the impact that ASU No. 2018-15 will have on its consolidated financial statements and will adopt the provisions upon the effective date.

Effective July 1, 2019, the Corporation adopted ASU No. 2016-18, *Restricted Cash* (Topic 20), which requires that the statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, the amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The retrospective adoption of ASU No. 2016-18 did not have a material impact on the Corporation's consolidated financial statements.

From time to time, new accounting guidance is issued by the FASB or other standard-setting bodies that is adopted by the Corporation as of the effective date or, in some cases where early adoption is permitted, in advance of the effective date. The Corporation has assessed the recently issued guidance that is not yet effective and, unless otherwise indicated above, believes the new guidance will not have a material impact on its consolidated financial position, results of operations, or cash flows.

#### **(3) Acquisitions**

The Corporation became the sole corporate member of Grace Medical Center on November 1, 2019. Beginning on that date, the financial position and results of operations of Grace were consolidated into the Corporation. As part of the transaction, LifeBridge agreed to pay \$25,000, which is being paid over six years through 2026 and is included in long-term liabilities in the table below. The affiliation was accounted for under the guidance of ASC Topic 805, *Business Combinations*. As a result, the Corporation recorded an

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inherent contribution related to the transaction of \$6,716, which is included within other nonoperating income during the year ended June 30, 2020 in the accompanying consolidated statement of operations.

The following table summarizes the estimated fair value of assets acquired and liabilities assumed at November 1, 2019:

|                                  |                  |
|----------------------------------|------------------|
| Assets:                          |                  |
| Current assets                   | \$ 3,695         |
| Property and equipment           | 32,631           |
| Other long-term assets           | —                |
| Total assets                     | <u>\$ 36,326</u> |
| Liabilities:                     |                  |
| Current liabilities              | \$ —             |
| Long-term liabilities            | 29,610           |
| Total liabilities                | <u>29,610</u>    |
| Net assets:                      |                  |
| Unrestricted                     | <u>6,716</u>     |
| Total net assets                 | <u>6,716</u>     |
| Total liabilities and net assets | <u>\$ 36,326</u> |

The following table summarizes the Corporation's pro forma consolidated results as though the acquisition date occurred at July 1, 2018:

|                                       | <u>2020</u>      | <u>2019</u>      |
|---------------------------------------|------------------|------------------|
| Operating revenues                    | \$ 1,698,186     | 1,720,498        |
| Operating expenses                    | <u>1,656,224</u> | <u>1,657,300</u> |
| Net operating income                  | 41,962           | 63,198           |
| Nonoperating income                   | <u>41,562</u>    | <u>42,589</u>    |
| Excess of revenues over expenses      | <u>\$ 83,524</u> | <u>105,787</u>   |
| Changes in net assets:                |                  |                  |
| Net assets without donor restrictions | \$ 56,922        | 71,597           |
| Net assets with donor restrictions    | <u>2,120</u>     | <u>(763)</u>     |
| Total changes in net assets           | <u>\$ 59,042</u> | <u>70,834</u>    |

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

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#### (4) COVID-19

The CARES Act, which was enacted on March 27, 2020, authorizes \$100 billion in funding to hospitals and other healthcare providers to be distributed through the Public Health and Social Services Emergency Fund (the PHSSEF), which was subsequently increased to \$175 billion. Payments from the PHSSEF are intended to compensate healthcare providers for lost revenues and incremental expenses incurred in response to the COVID-19 pandemic and are not required to be repaid provided the recipients attest to and comply with certain terms and conditions, including limitations on balance billing and not using PHSSEF funds to reimburse expenses or losses that other sources are obligated to reimburse. The U.S. Department of Health and Human Services (the HHS) initially distributed \$30 billion of this funding based on each provider's share of total Medicare fee-for-service reimbursement in 2019, but announced that \$50 billion in CARES Act funding (including the \$30 billion already distributed) will be allocated proportional to providers' share of 2018 net patient revenue. HHS indicated that distributions of the remaining \$50 billion were targeted primarily to hospitals in COVID-19 high-impact areas, to rural providers, and to reimburse providers for COVID-19-related treatment of uninsured patients. The Corporation received approximately \$55,800 in payments from the initial PHSSEF payments of which \$48,400 were recognized as revenue and included within other operating revenue for the year ended June 30, 2020 in the accompanying consolidated statement of operations.

As a way to increase cash flow to Medicare providers impacted by the COVID-19 pandemic, the CARES Act expanded the Medicare Accelerated and Advance Payment Program. Inpatient acute care hospitals may request accelerated payments of up to 100% of the Medicare payment amount for a six-month period (not including Medicare Advantage payments). CMS based payment amounts for inpatient acute care hospitals on the provider's Medicare fee-for-service reimbursements in the last six months of 2019. Such accelerated payments are interest-free for inpatient acute care hospitals for 12 months, and the program initially required CMS to recoup the payments beginning 120 days after receipt by the provider, by withholding future Medicare fee-for-service payments for claims until the full accelerated payment has been recouped. On October 1, 2020, new legislation was signed that delayed the timing of the recoupments of these advances by CMS, which will now begin in April 2021. The payments are made for services a healthcare entity has provided or will provide to its Medicare patients who are the healthcare entity's customers. Therefore, they are accounted for under ASC Topic 606 as revenue. In April 2020, the Corporation received approximately \$196,100 of accelerated payments, which have been accrued on the consolidated balance sheet as of June 30, 2020 as a contract liability, in accordance with ASC Topic 606 and are included within advances from third-party payors on the accompanying consolidated balance sheets. This contract liability will be reduced over time as revenue is recognized for claims submitted for services provided.

Lastly, the CARES Act provides for deferred payment of the employer portion of social security taxes between March 27, 2020 and December 31, 2020, with 50% of the deferred amount due December 31, 2021 and the remaining 50% due December 31, 2022. The Corporation began deferring the employer portion of social security taxes in mid-April 2020. As of June 30, 2020, the Corporation deferred approximately \$7,000 in social security taxes.

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Due to the recent enactment of the CARES Act and the PPPHCE Act, there is still a high degree of uncertainty surrounding their implementation, and the public health emergency continues to evolve. In September and October 2020, HHS issued reporting requirements that provided information on how the Corporation should report how it used the funds received under these programs. The requirements changed the calculations to be based on unreimbursed healthcare-related expenses attributable to the coronavirus and the year-over-year change in net patient care revenues. The Corporation believes that such new guidance is a nonrecognized subsequent event as of June 30, 2020, and any changes will be accounted for during the year ending June 30, 2021. The Corporation continues to assess the potential impact of the CARES Act and the PPPHCE Act, the potential impact of future stimulus measures, if any, and the impact of other laws, regulations, and guidance related to COVID-19 on its business, results of operations, financial condition, and cash flows.

In July 2020, an additional \$38,100 was received by the Corporation related to a targeted allocation under PHSSEF. This funding is considered to be a nonrecognized subsequent event as of June 30, 2020, and the Corporation will evaluate the accounting for these funds during the year ended June 30, 2021.

#### (5) Investments

Investments, which consist of assets limited as to use, board-designated investments, donor-restricted investments, and long-term investments in the accompanying consolidated balance sheets, are stated at fair value or under the equity method, as appropriate, as of June 30, 2020 and 2019 and consist of the following:

|                           | <u>2020</u>   | <u>2019</u>   |
|---------------------------|---------------|---------------|
| Assets limited as to use: |               |               |
| Self-insurance fund:      |               |               |
| Mutual funds              | \$ 45,047     | 39,195        |
| Equity securities         | 20,634        | 17,829        |
| Alternative investments   | 3,062         | 2,931         |
| Self-insurance fund       | <u>68,743</u> | <u>59,955</u> |
| Debt service fund:        |               |               |
| Cash and cash equivalents | 16,210        | 14,197        |
| Government securities     | 723           | 3,036         |
| Debt service fund         | <u>16,933</u> | <u>17,233</u> |

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|                                                  | <u>2020</u>      | <u>2019</u>     |
|--------------------------------------------------|------------------|-----------------|
| Construction funds:                              |                  |                 |
| Cash and cash equivalents                        | \$ 64,413        | 17,535          |
| Government securities                            | —                | 4,965           |
|                                                  | <u>64,413</u>    | <u>22,500</u>   |
| Total assets limited as to use                   | 150,089          | 99,688          |
| Less current portion                             | <u>(81,346)</u>  | <u>(39,733)</u> |
| Assets limited as to use, net of current portion | <u>\$ 68,743</u> | <u>59,955</u>   |
| Beneficial interest in split-interest agreement  | \$ 4,792         | 4,997           |

There are other investments restricted by donors other than pledges receivable and beneficial interest that are included in long-term investments as of June 30, 2020 and 2019. As of June 30, 2020 and 2019 current, long-term, donor-restricted, and board-designated investments are as follows:

|                                                                         | <u>2020</u>       | <u>2019</u>      |
|-------------------------------------------------------------------------|-------------------|------------------|
| Current, long-term, donor-restricted, and board-designated investments: |                   |                  |
| Cash and cash equivalents                                               | \$ 35,063         | 29,226           |
| Mutual funds                                                            | 279,392           | 317,019          |
| Equity securities                                                       | 195,582           | 178,504          |
| Government securities                                                   | 193,281           | 9,458            |
| Fixed-income securities                                                 | 255,358           | 194,613          |
| Alternative investments                                                 | <u>159,968</u>    | <u>144,064</u>   |
| Current, long-term, donor-restricted, and board-designated investments  | 1,118,644         | 872,884          |
| Less current portion                                                    | <u>(470,176)</u>  | <u>(219,672)</u> |
| Long-term, donor-restricted, and board-designated investments           | <u>\$ 648,468</u> | <u>653,212</u>   |

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Investment income and gains and losses on long-term investments, board-designated investments, donor-restricted investments, and assets limited as to use comprise the following for the years ended June 30, 2020 and 2019:

|                                                                   | <u>2020</u>      | <u>2019</u>   |
|-------------------------------------------------------------------|------------------|---------------|
| Investment income:                                                |                  |               |
| Interest income and dividends                                     | \$ 18,175        | 20,340        |
| Unrealized (losses) gains on trading securities                   | (334)            | 3,181         |
| Realized gains on sale of securities                              | <u>19,974</u>    | <u>18,498</u> |
| Investment income                                                 | 37,815           | 42,019        |
| Other changes in net assets:                                      |                  |               |
| Changes in unrealized gains on net assets with donor restrictions | <u>476</u>       | <u>303</u>    |
| Total investment return                                           | <u>\$ 38,291</u> | <u>42,322</u> |

**(6) Liquidity and Availability**

Financial assets available for general expenditure within one year of June 30, 2020 and 2019 include the following (in thousands):

|                                                            | <u>2020</u>         | <u>2019</u>    |
|------------------------------------------------------------|---------------------|----------------|
| Cash and cash equivalents                                  | \$ 251,832          | 167,802        |
| Short-term investments                                     | 470,176             | 219,672        |
| Patient receivables                                        | 151,707             | 171,245        |
| Other receivables                                          | 10,253              | 21,216         |
| Pledges receivables, current                               | 3,386               | 2,841          |
| Long-term investments (excluding alternatives investments) | <u>238,362</u>      | <u>238,784</u> |
|                                                            | <u>\$ 1,125,716</u> | <u>821,560</u> |

The Corporation has certain board-designated assets whose use is limited, which are available for general expenditures within one year in the normal course of operations, pending board approval. These board-designated assets were \$191,964 and \$213,856 as of June 30, 2020 and 2019, respectively, and are not included in the table above.

The Corporation has assets limited to use held by trustees, set aside for the Corporation's captive insurance subsidiary, and held for donor-restricted purposes. These investments are not reflected in the amounts above.

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The Corporation invests in alternative investments to increase the investment portfolio's diversification. The asset allocation of the portfolio is broadly diversified across global equity and global fixed-income asset classes and alternative investment strategies and is designed to maximize the probability of achieving the Corporation's long-term investment objectives at an appropriate level of risk while maintaining a level of liquidity to meet the needs of ongoing portfolio management. The nature of alternative investments generally restricts the liquidity and availability of these investments to be available for the general expenditures of the Corporation within one year of the consolidated balance sheet. As such, these investments have been excluded from the amounts above.

As part of the Corporation's liquidity management plan, cash in excess of daily requirements for general expenditures is invested in long-term investments. The Corporation's long-term investment portfolio contains money market funds and other liquid investments that can be drawn upon, if necessary, to meet the liquidity needs of the Corporation.

The Corporation maintains a \$5 million revolving credit facility as discussed in note 12. As of June 30, 2020 and 2019, \$5 million was available under the credit facility.

**(7) Pledges Receivable**

Contributions and pledges to raise funds are recorded as temporarily restricted net assets until the donor-intended purpose is met and the cash is collected. Future pledges are discounted at the Treasury bill rate to reflect the time value of money, and an allowance for potentially uncollectible pledges has been established.

Sinai, Northwest, Carroll, and Levindale have recorded total pledges as of June 30, 2020 and 2019 as follows:

|                                      | <u>2020</u>      | <u>2019</u>    |
|--------------------------------------|------------------|----------------|
| Gross pledges receivable             | \$ 13,327        | 12,879         |
| Less:                                |                  |                |
| Discount for time value of money     | (569)            | (656)          |
| Allowance for uncollectible accounts | <u>(1,691)</u>   | <u>(1,815)</u> |
|                                      | <u>\$ 11,067</u> | <u>10,408</u>  |

The pledges are due as follows:

|                           |                  |
|---------------------------|------------------|
| Less than one year        | \$ 4,054         |
| One to five years         | 9,273            |
| Five years and thereafter | <u>—</u>         |
|                           | <u>\$ 13,327</u> |

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**(8) Property and Equipment**

As described in note 16, Sinai and Levindale leases from an affiliate of AJCF all land, land improvements, buildings, and fixed equipment located at those entities' primary locations; LifeBridge entities own the movable equipment. Property and equipment are classified as follows at June 30:

|                               | <b>Estimated<br/>useful life</b> | <b>2020</b>        | <b>2019</b>        |
|-------------------------------|----------------------------------|--------------------|--------------------|
| Land                          |                                  | \$ 23,736          | 22,250             |
| Land improvements             | 8–20 years                       | 40,683             | 37,234             |
| Building and improvements     | 10–40 years                      | 1,073,286          | 991,732            |
| Fixed equipment               | 8–20 years                       | 113,444            | 97,740             |
| Movable equipment             | 3–15 years                       | 642,463            | 587,592            |
|                               |                                  | <u>1,893,612</u>   | <u>1,736,548</u>   |
| Less accumulated depreciation |                                  | <u>(1,241,183)</u> | <u>(1,091,865)</u> |
|                               |                                  | 652,429            | 644,683            |
| Construction in progress      |                                  | <u>61,581</u>      | <u>27,808</u>      |
| Property and equipment, net   |                                  | <u>\$ 714,010</u>  | <u>672,491</u>     |

Depreciation and amortization were \$89,160 and \$86,949 for the years ended June 30, 2020 and 2019, respectively. Of this, depreciation expense was \$89,002 and \$83,053 for the years ended June 30, 2020 and 2019, respectively.

Included in property and equipment is building and equipment, net of accumulated amortization, of \$10,828 and \$12,662 for the years ended June 30, 2020 and 2019, respectively, financed with capital lease obligations. Accumulated amortization related to the building and equipment under capital leases was \$18,126 and \$16,174 at June 30, 2020 and 2019, respectively.



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**(9) Investments in Joint Ventures**

Investments in joint ventures and partnerships, accounted for under either the equity or cost method as appropriate, consist of the following at June 30, 2020 and 2019:

| Joint Venture                                    | Business purpose        | 2020                 |           | 2019                 |           |
|--------------------------------------------------|-------------------------|----------------------|-----------|----------------------|-----------|
|                                                  |                         | Percentage ownership | Balance   | Percentage ownership | Balance   |
| MNR Industries, LLC                              | Urgent Care Centers     | 40 %                 | \$ 19,390 | 40 %                 | \$ 21,662 |
| Baltimore County Radiology, LLC                  | Outpatient Radiology    | 25                   | 7,365     | 25                   | 7,905     |
| Mt. Airy Med-Services, LLC                       | Real Estate             | 50                   | 3,849     | 50                   | 4,129     |
| Future Care Old Court, LLC                       | Nursing Home            | 40                   | 2,658     | 40                   | 2,944     |
| Locheam Nursing Home, LLC                        | Nursing Home            | 10                   | 2,000     | 10                   | 2,000     |
| Mt. Airy Plaza, LLC                              | Real Estate             | 50                   | 48        | 50                   | 1,326     |
| LifeBridge Sports Medicine & Rehabilitation, LLC | Physical Therapy        | 50                   | 2,114     | 50                   | 2,158     |
| Advanced Health Collaborative, LLC               | Medicare Advantage Plan | 25                   | 210       | 25                   | 210       |
| Carroll Care Pharmacies, LLC                     | Pharmacies              | —                    | —         | 49                   | 1,054     |
| Other Joint Ventures                             | Miscellaneous           | 5-50                 | 3,816     | 5-50                 | 4,313     |
| Total                                            |                         |                      | \$ 41,450 |                      | \$ 47,701 |

For those joint ventures and partnerships accounted for using the equity method, the Corporation recorded equity in earnings of joint ventures and partnerships. For those joint ventures and partnerships accounted for using the cost method, the Corporation recorded dividend income. Such amounts are included in other operating revenue in the consolidated statements of operations.

**(10) Other Assets**

As of June 30, other assets comprise the following balances:

|                              | 2020      | 2019   |
|------------------------------|-----------|--------|
| Goodwill                     | \$ 38,061 | 34,924 |
| Investment in Premier        | 22,469    | 21,073 |
| Notes receivable             | 3,410     | 3,270  |
| Other intangible assets      | 9,499     | 10,170 |
| Pension asset (note 14(b))   | —         | 102    |
| Deferred compensation assets | 7,846     | 6,823  |
| Other                        | 1,531     | 1,099  |
| Other assets                 | \$ 82,816 | 77,461 |

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

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**(11) Long-Term Debt and Capital Lease Obligations**

As of June 30, long-term debt and capital lease obligations consist of the following:

|                                                                          | <b>2020</b> | <b>2019</b> |
|--------------------------------------------------------------------------|-------------|-------------|
| Maryland Health and Higher Educational Facilities Authority<br>(MHHEFA): |             |             |
| Revenue Bonds Series 2011                                                | \$ 2,145    | 3,140       |
| Revenue Bonds Series 2012A                                               | 5,420       | 51,045      |
| Revenue Bonds Series 2015                                                | 158,220     | 159,621     |
| Revenue Bonds Series 2016                                                | 119,435     | 119,670     |
| Revenue Bonds Series 2017                                                | 111,350     | 114,620     |
| Springwell Senior Living Issue Series 2019                               | 35,439      | —           |
| Other debt:                                                              |             |             |
| M&T Bank taxable loan                                                    | 27,084      | 31,946      |
| Bank of America note payable                                             | 50,000      | —           |
| BB&T promissory note                                                     | 48,350      | —           |
| Capital leases                                                           | 11,365      | 13,021      |
| Other                                                                    | 25,128      | 33,922      |
|                                                                          | 593,936     | 526,985     |
| Less current portion                                                     | (24,501)    | (14,957)    |
| Plus unamortized premium                                                 | 26,615      | 29,628      |
| Less deferred financing costs                                            | (3,839)     | (3,825)     |
| Long-term debt, net                                                      | \$ 592,211  | 537,831     |

A single obligated group (the Obligated Group), consisting of LifeBridge, Sinai, Northwest, Grace, Levindale, BJHF, CHSF, CCHS, Carroll, CCMS, CHG, CH, and CRCCP, has been formed with respect to certain bonds issued by the Maryland Health and Higher Educational Facilities Authority (MHHEFA) and certain other obligations. Members of the Obligated Group are jointly and severally liable for all of the outstanding bonds issued by MHHEFA on behalf of LifeBridge and CCHS and their respective affiliates, together with other obligations issued on parity with such bonds.

In March 2011, MHHEFA loaned \$50,695 from the proceeds of bonds (Series 2011 Bonds) to LifeBridge and certain of its subsidiaries. Portions of the Series 2011 Bonds are payable on July 1 of each year through 2041. The Series 2011 Bonds bear interest at a weighted fixed rate of 5.99%. Approximately \$46,040 of the Series 2011 Bonds were repaid as part of the Series 2016 Bond offering, which is further discussed below.

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In May 2012, MHHEFA loaned \$59,780 from the proceeds of bonds (Series 2012A Bonds) to CCHS and certain of its subsidiaries (the Series 2012 Bonds). The Series 2012 Bonds were issued in three series: \$26,995 of serial bonds maturing in 2013 through 2027 with interest rates ranging from 2% to 5%, \$7,505 of term bonds maturing in 2030 with an interest rate of 4%, and \$25,280 of term bonds maturing in 2037 (Series 2012A Bonds) with an interest rate of 5%. Approximately \$48,775 of the Series 2012A Bonds were repaid as part of the \$48,335 promissory note in 2020, which is discussed below. As a result of the refinancing, there was a loss of \$2,557, which is included within nonoperating income on the accompanying statement of operations.

On June 26, 2015, LifeBridge entered into a \$50,000 direct bank placement with M&T Bank (2015 M&T Bank Taxable Loan). The interest rates range from 1.57% to 3.28%, with maturity dates ranging from July 1, 2016 to July 1, 2025. The 2015 M&T Loan is secured on parity with the bonds.

On July 30, 2015, MHHEFA issued \$159,685 in bonds (Series 2015 Bonds) on behalf of LifeBridge. The proceeds of the Series 2015 Bonds have been and will be used to finance and refinance the cost of construction, renovation, and equipping of certain additional facilities for the Obligated Group, to refund prior years' bonds of debt obligations. \$33,130 of the bonds are serial bonds with maturity dates ranging from 2019 through 2030 and interest rates ranging from 2.0% to 5.0%. \$14,260, \$26,325, \$35,970, and \$50,000 of the bonds are term bonds that are due in 2035, 2040, 2047, and 2047, respectively, with interest rates of 4.0%, 5.0%, 4.1%, and 5.0%, respectively.

On October 25, 2016, MHHEFA issued \$120,695 in bonds (Series 2016 Bonds) on behalf of LifeBridge Health. The proceeds of the Series 2016 Bonds were used to refinance prior bonds. \$40,465 of the bonds are serial bonds with maturity dates ranging from 2017 through 2036 and interest rates ranging from 2% to 5%. \$40,640 of the bonds are term bonds that are due in 2041 with an interest rate of 4%. The remaining \$39,590 of the bonds are term bonds that are due in 2047 with an interest rate of 5%.

On October 31, 2017, MHHEFA issued \$118,120 in bonds (Series 2017 Bonds) on behalf of LifeBridge Health. The proceeds of the Series 2017 Bonds have been used to refund prior bonds. \$82,700 of the bonds are serial bonds with maturity dates ranging from 2019 through 2037 and interest rates ranging from 3% to 5%. \$24,220 of the bonds are term bonds that are due in 2042 with an interest rate of 4%. The remaining \$11,200 of the bonds are term bonds that are due in 2044 with an interest rate of 5%.

On July 1, 2019, the Maryland Health and Higher Educational Facilities Authority issued \$35,639 in bonds (Springwell Senior Living Issue Series 2019) on behalf of Springwell. The proceeds of the Series 2019 Bonds have been and will be used to finance and refinance the cost of construction renovation and equipping of certain facilities of Springwell and to refinance certain other outstanding indebtedness. All obligations related to this bond issuance are guaranteed by LifeBridge Health, Inc. Portions are payable on July 1 of each year starting 2025 through 2034. The bonds bear interest at a rate of 2.715% for the initial term rate period ending June 30, 2024. Following the initial term rate period, the bonds will enter the flexible mode rate period and will bear interest at different flexible rates.

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The Series 2011, 2012A, 2015, 2016, and 2017 Bonds are governed by a Master Loan Agreement. Under the Master Loan Agreement, MHHEFA maintains a security interest in the revenue of the obligors. In addition, the Master Loan Agreement requires Obligated Group members to adhere to limitations on mergers, disposition of assets, and additional indebtedness and certain financial covenants. The financial covenants include a rate covenant, which requires the Obligated Group to achieve a debt service coverage ratio of 1.10; a liquidity covenant, which requires the Obligated Group to maintain 45 days cash on hand; and a debt-to-capitalization covenant, which requires the Obligated Group to maintain a debt-to-capitalization ratio of not more than 65%, all measured as of June 30 in each fiscal year.

On April 1, 2020, Bank of America issued a \$50,000 note payable on behalf of Grace. The proceeds of the note payable have been used to finance the cost of demolition, construction, and renovation at Grace Medical Center, Sinai Hospital, and Northwest Hospital. The note payable has a maturity date of April 1, 2027 with an interest rate of 1.9%. A bond can be issued by MHHEFA at the request of Grace and will be issued for the outstanding principal amount of the note payable on that day.

On March 5, 2020, BB&T issued a \$48,350 promissory note on behalf of Carroll. The proceeds of the promissory note have been used to refinance the 2012A bonds discussed above. The promissory note will have an interest rate of 2.32% per year until it becomes a revenue bond issued by Maryland Health and Higher Educational Facilities, in which the rate will be 1.83% per year. The bond can be issued by MHHEFA upon request beginning July 1, 2022. The promissory note has a maturity date of July 2037.

In November 2019, the Corporation entered into an agreement with Bon Secours Baltimore Health Corporation (BSB) to acquire Grace Medical Center, an acute care hospital. Upon acquisition, the Corporation would pay \$25,000 payable over six years to an exempt affiliated foundation established by BSB that would fund future community services in West Baltimore. The note payable matures on October 2025, and the outstanding principal was \$25,000 at June 30, 2020.

In 2017, the Corporation acquired Springwell Partners, LLC (Springwell). Upon acquisition, the Corporation assumed the debt of Springwell. The debt consisted of two term notes that were amended in February 2017. The first term note of \$9,000 bore monthly interest of one-month LIBOR plus 1.6% which approximated 4.0% as of June 30, 2019. The second term note of \$6,000 bore monthly interest of 4.75%. Both term notes had maturity dates of February 5, 2022 and were secured by certain property and equipment. The outstanding principal of the two notes as of June 30, 2019 was \$13,007. The notes were paid off and the loan agreement terminated in July 2019, using proceeds from the bond issuance (see above). Additionally, there was a construction loan that had been drawn on in the amount of \$19,404 as of June 30, 2019. This loan had an interest rate of one-month LIBOR plus 1.6%, which approximated 4.0% as of June 30, 2019. The term loan was to mature in February 2022, but was terminated and paid off in July 2019 using proceeds from the bond issuance (see above). As a result of the refinancing, there was a loss of \$397, which is included within nonoperating income on the accompanying consolidated statements of operations.

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Deferred financing costs are amortized using the effective-interest method over the term of the related debt. Amortization expense was \$52 and \$73 for the years ended June 30, 2020 and 2019, respectively. Such amortization is included in interest expense in the accompanying consolidated statements of operations.

Deferred bond issuance costs are amortized using the effective-interest method over the term of the related debt. Amortization expense was \$10 for the years ended June 30, 2020. Such amortization is included in interest expense in the consolidated financial statements.

The Corporation is obligated under several noncancelable capital leases for hospital equipment and office building space.

The total future principal payments on long-term debt and capital lease payments are as follows:

|                       | <b><u>MHHEFA<br/>and other debt</u></b> | <b><u>Capital lease<br/>obligations</u></b> |
|-----------------------|-----------------------------------------|---------------------------------------------|
| Years ending June 30: |                                         |                                             |
| 2021                  | \$ 22,145                               | 2,356                                       |
| 2022                  | 23,118                                  | 2,403                                       |
| 2023                  | 28,333                                  | 2,451                                       |
| 2024                  | 26,934                                  | 2,499                                       |
| 2025                  | 27,915                                  | 2,522                                       |
| Thereafter            | <u>454,126</u>                          | <u>630</u>                                  |
|                       | <b>\$ <u>582,571</u></b>                | 12,861                                      |
| Less interest portion |                                         | <u>(1,496)</u>                              |
|                       |                                         | <b>\$ <u>11,365</u></b>                     |

**(12) M&T Bank Line of Credit**

Sinai maintains a \$5,000 line of credit with M&T Bank. As of June 30, 2020 and 2019, there were no balances outstanding on this line of credit.

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

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(Dollars in thousands)

**(13) Net Assets With Donor Restrictions**

Net assets without and with donor restrictions are available for the following purposes at June 30:

|                                 | <u>2020</u>         | <u>2019</u>      |
|---------------------------------|---------------------|------------------|
| Without donor restrictions:     |                     |                  |
| Designated by the board         | \$ 191,964          | 213,856          |
| Undesignated                    | 1,051,033           | 976,767          |
| With donor restrictions:        |                     |                  |
| Perpetual in nature             | 18,877              | 18,248           |
| Purpose restricted – capital    | 23,527              | 23,303           |
| Purpose restricted – operations | 16,258              | 14,957           |
| Time restricted                 | 15,371              | 15,405           |
| Net assets                      | <u>\$ 1,317,030</u> | <u>1,262,536</u> |

The net assets without donor restrictions that is designated by the Board of Directors represent funds that are to be used to pay for future capital expenditures at Carroll.

**(14) Employee Benefit Plans**

**(a) LifeBridge Health Pension Plans (Sinai and Levindale)**

The Corporation sponsors two noncontributory defined-benefit pension plans (the Sinai/Levindale Plans) covering full-time, nonunion and union employees of Sinai and Levindale. Annual contributions to the Sinai/Levindale Plans are made at a level equal to or greater than the funding requirement as determined by the Sinai/Levindale Plans' consulting actuary. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future.

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The following table sets forth the Sinai/Levindale Plans' funded status and amounts recognized in the accompanying consolidated financial statements as of June 30, 2020 and 2019:

|                                                | <u>2020</u>        | <u>2019</u>     |
|------------------------------------------------|--------------------|-----------------|
| Measurement date                               | June 30, 2020      | June 30, 2019   |
| Change in projected benefit obligation:        |                    |                 |
| Benefit obligation at beginning of year        | \$ 253,922         | 225,136         |
| Service cost                                   | 8,993              | 7,704           |
| Interest cost                                  | 9,054              | 9,372           |
| Actuarial loss                                 | 22,982             | 22,595          |
| Benefits paid                                  | (11,973)           | (10,030)        |
| Expenses paid from assets                      | <u>(905)</u>       | <u>(855)</u>    |
| Benefit obligation at end of year              | <u>282,073</u>     | <u>253,922</u>  |
| Change in plan assets:                         |                    |                 |
| Fair value of plan assets at beginning of year | 214,679            | 209,368         |
| Actual return on plan assets                   | 10,385             | 11,167          |
| Company contributions                          | 8,239              | 5,029           |
| Benefits paid                                  | (11,973)           | (10,030)        |
| Expenses paid from assets                      | <u>(905)</u>       | <u>(855)</u>    |
| Fair value of plan assets at end of year       | <u>220,425</u>     | <u>214,679</u>  |
| Funded status                                  | <u>\$ (61,648)</u> | <u>(39,243)</u> |

Amounts recognized in the consolidated financial statements consist of the following at June 30:

|                                                              | <u>2020</u>      | <u>2019</u>   |
|--------------------------------------------------------------|------------------|---------------|
| Amounts recognized in the consolidated balance sheets:       |                  |               |
| Other long-term liabilities                                  | \$ 61,648        | 39,243        |
| Amounts recognized in net assets without donor restrictions: |                  |               |
| Net actuarial loss                                           | <u>\$ 88,871</u> | <u>66,466</u> |
|                                                              | <u>\$ 88,871</u> | <u>66,466</u> |

The Corporation has estimated \$8,239 for its defined-benefit contributions to the Sinai/Levindale Plans for the fiscal year ended June 30, 2020. The accumulated benefit obligation for the Sinai/Levindale Plans is \$254,034 and \$228,163 at June 30, 2020 and 2019, respectively.

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Net periodic pension expense for the years ended June 30, 2020 and 2019 was as follows:

|                                | <u>2020</u>     | <u>2019</u>  |
|--------------------------------|-----------------|--------------|
| Pension costs:                 |                 |              |
| Service cost                   | \$ 8,993        | 7,704        |
| Interest cost                  | 9,054           | 9,372        |
| Expected return on plan assets | (14,665)        | (14,312)     |
| Amortization of net loss       | <u>4,857</u>    | <u>4,352</u> |
| Net periodic benefit cost      | <u>\$ 8,239</u> | <u>7,116</u> |

The estimated net actuarial loss and prior service cost to be amortized from unrestricted net assets into net periodic pension benefit cost over the next fiscal year are \$7,281 and \$4,858, respectively. The Corporation recorded \$8,993 and \$7,704 of the net periodic benefit cost in salary and employee benefit expense during the years ended June 30, 2020 and 2019, respectively, and recorded \$(754) and \$(588) in other income, net during the years ended June 30, 2020 and 2019, respectively.

Actuarial assumptions used were as follows:

|                                                        | <u>2020</u>     | <u>2019</u>     |
|--------------------------------------------------------|-----------------|-----------------|
| Assumptions used to determine annual pension expense:  |                 |                 |
| Discount rate                                          | 3.67 %          | 4.28 %          |
| Expected return on plan assets                         | 7.00            | 7.00            |
| Rate of compensation increase                          | 2.50            | 2.50            |
| Assumptions used to determine end-of-year liabilities: |                 |                 |
| Discount rate                                          | 3.06 %          | 3.67 %          |
| Expected return on plan assets                         | 7.00            | 7.00            |
| Rate of compensation increase                          | 2.50            | 2.50            |
| Plan asset allocation:                                 |                 |                 |
| Asset category:                                        |                 |                 |
| Fixed-income/debt securities                           | 25.00 %         | 25.00 %         |
| Equity securities/mutual funds                         | 54.00           | 54.00           |
| Alternative investments                                | <u>21.00</u>    | <u>21.00</u>    |
| Total                                                  | <u>100.00 %</u> | <u>100.00 %</u> |



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In selecting the expected long-term rate of return on plan assets, Sinai and Levindale considered the average rate of earnings on the funds invested or to be invested to provide for the benefits of these plans. This included considering the Sinai/Levindale Plans' asset allocation and the expected returns likely to be earned over the life of the plans. Target asset allocation is as follows:

|                              | <u>Target</u> |
|------------------------------|---------------|
| Target allocation on assets: |               |
| Equity securities            | 52 %          |
| Alternative investments      | 23            |
| Fixed-income/debt securities | 25            |

Following are the benefit payments expected to be disbursed from plan assets:

| Years ending June 30: |           |
|-----------------------|-----------|
| 2021                  | \$ 14,472 |
| 2022                  | 14,752    |
| 2023                  | 15,620    |
| 2024                  | 15,593    |
| 2025                  | 15,328    |
| 2026–2030             | 79,282    |

The fair values of assets of the Sinai/Levindale Plans held by PNC Institutional Investments by level at June 30, 2020 were as follows:

|                                    | <u>Pension benefits – Plan assets</u> |                |               | <u>Total</u>   |
|------------------------------------|---------------------------------------|----------------|---------------|----------------|
|                                    | <u>Level 1</u>                        | <u>Level 2</u> | <u>NAV</u>    |                |
| Assets:                            |                                       |                |               |                |
| Cash and cash equivalents          | \$ 7,235                              | —              | —             | 7,235          |
| Mutual funds and equity securities | 120,790                               | —              | —             | 120,790        |
| Fixed-income mutual funds          | 54,399                                | —              | —             | 54,399         |
| Alternative investments            | —                                     | —              | 38,001        | 38,001         |
| Total assets                       | <u>\$ 182,424</u>                     | <u>—</u>       | <u>38,001</u> | <u>220,425</u> |

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The fair values of assets of the Sinai/Levindale Plans held by PNC Institutional Investments by level at June 30, 2019 were as follows:

|                                    | Pension benefits – Plan assets |         |        | Total   |
|------------------------------------|--------------------------------|---------|--------|---------|
|                                    | Level 1                        | Level 2 | NAV    |         |
| Assets:                            |                                |         |        |         |
| Cash and cash equivalents          | \$ 7,359                       | —       | —      | 7,359   |
| Mutual funds and equity securities | 125,323                        | —       | —      | 125,323 |
| Fixed-income mutual funds          | 52,842                         | —       | —      | 52,842  |
| Alternative investments            | —                              | —       | 29,155 | 29,155  |
| Total assets                       | \$ 185,524                     | —       | 29,155 | 214,679 |

For the year ended June 30, 2020 or 2019, there were no significant transfers into or out of Levels 1, 2, or 3. Changes to the fair values based on the NAV are summarized as follows:

|                             | Total     |
|-----------------------------|-----------|
| Balance as of June 30, 2019 | \$ 29,155 |
| Additions:                  |           |
| Contributions/purchases     | 7,728     |
| Disbursements:              |           |
| Withdrawals/sales           | (1,060)   |
| Net change in value         | 2,178     |
| Balance as of June 30, 2020 | \$ 38,001 |

The following table summarizes redemption terms for the hedge fund-of-funds vehicles held as of June 30, 2020:

|                                        | Fund 1  | Fund 2   | Fund 3    | Fund 4    |
|----------------------------------------|---------|----------|-----------|-----------|
| Redemption timing:                     |         |          |           |           |
| Redemption frequency                   | Monthly | Annually | Quarterly | Quarterly |
| Required notice                        | 30 days | 90 days  | 30 days   | 60 days   |
| Audit reserve:                         |         |          |           |           |
| Percentage held back for audit reserve | -%      | 5%       | -%        | -%        |

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The Corporation's investment policies are established by LifeBridge Investment Committee, which comprises members of the Board of Directors, other community leaders, and management. Among its responsibilities, the Investment Committee is charged with establishing and reviewing asset allocation strategies, monitoring investment manager performance, and making decisions to retain and terminate investment managers. Assets of each of the Corporation's pension plans are managed in a similar fashion, as the Corporation's investments and assets whose use is limited, by the same group of investment managers. The Corporation has incorporated an Investment Policy Statement (IPS) into the investment program. The IPS, which has been formally adopted by the Corporation's Board of Directors, contains numerous standards designed to ensure adequate diversification by asset class and geography. The IPS also limits all investments by manager and position size and limits fixed-income position size based on credit ratings, which serves to further mitigate the risks associated with the investment program. As of June 30, 2020 and 2019, management believes that all investments were being managed in a manner consistent with the IPS.

Sinai and Levindale expect to contribute \$11,101 to the Sinai/Levindale Plan during the year ending June 30, 2021.

**(b) Carroll Plan**

CCHS sponsors a defined-benefit cash balance plan (the Carroll Plan) covering employees of Carroll, CCMS, and Carroll Foundation. CCHS's funding policy is to make contributions to the Carroll Plan based on actuarially determined amounts necessary to provide assets sufficient to meet benefits to be paid to plan participants and to meet the minimum funding requirements of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code, plus such amounts as CCHS may determine to be appropriate from time to time. Under the cash balance plan structure, the benefits under the Carroll Plan are determined based on employee tenure rather than age. CCHS elected to freeze benefit accruals and participation in the Carroll Plan on December 31, 2006.

The information below describes certain actions of CCHS for the years ended June 30, 2020 and 2019.

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The following table sets forth the changes in the projected benefit obligation, the changes in the Carroll Plan's assets, the Carroll Plan's funded status, the amounts recognized in the consolidated financial statements, and the Carroll Plan's net periodic pension cost as of June 30, 2020 and 2019:

|                                                   | <u>2020</u>       | <u>2019</u>    |
|---------------------------------------------------|-------------------|----------------|
| Measurement date                                  | June 30, 2020     | June 30, 2019  |
| Change in projected benefit obligation:           |                   |                |
| Projected benefit obligation at beginning of year | \$ 74,342         | 69,047         |
| Interest cost                                     | 2,670             | 2,890          |
| Actuarial gain                                    | 5,220             | 5,416          |
| Expenses paid                                     | (420)             | —              |
| Benefits paid                                     | <u>(3,033)</u>    | <u>(3,011)</u> |
| Benefit obligation at end of year                 | <u>78,779</u>     | <u>74,342</u>  |
| Change in plan assets:                            |                   |                |
| Fair value of plan assets at beginning of year    | 74,444            | 78,870         |
| Actual return on plan assets                      | 4,010             | (1,415)        |
| Employer contribution                             | 500               | —              |
| Expenses paid                                     | (420)             | —              |
| Benefits paid                                     | <u>(3,033)</u>    | <u>(3,011)</u> |
| Fair value of plan assets at end of year          | <u>75,501</u>     | <u>74,444</u>  |
| Funded status                                     | <u>\$ (3,278)</u> | <u>102</u>     |

The accumulated benefit obligation for the Carroll Plan was \$78,779 and \$74,342 at June 30, 2020 and 2019, respectively. The pension liability of \$(3,278) and the pension asset of \$102 as of June 30, 2020 and 2019, respectively, are included in other long-term liabilities and other assets, respectively, in the consolidated balance sheets.

Net periodic pension expense for the years ended June 30, 2020 and 2019 was as follows:

|                                             | <u>2020</u>     | <u>2019</u>    |
|---------------------------------------------|-----------------|----------------|
| Pension expense:                            |                 |                |
| Components of net periodic pension expense: |                 |                |
| Interest cost                               | \$ 2,670        | 2,890          |
| Expected return on plan assets              | (5,128)         | (5,414)        |
| Amortization of actuarial loss              | <u>2,318</u>    | <u>802</u>     |
| Net periodic pension expense                | <u>\$ (140)</u> | <u>(1,722)</u> |

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The estimated net actuarial loss to be amortized from unrestricted net assets into net periodic pension benefit cost over the next fiscal year is \$2,883 and \$2,318, respectively. The Corporation recorded \$(140) and \$(1,722) of the net periodic pension expense in other income, net during the years ended June 30, 2020 and 2019, respectively.

Assumptions to determine the benefit obligation as of June 30, 2020 and 2019 were as follows:

|               | <u>2020</u> | <u>2019</u> |
|---------------|-------------|-------------|
| Discount rate | 3.06 %      | 3.67 %      |

Assumptions used in the determination of net periodic pension expense for the years ended June 30, 2020 and 2019 were as follows:

|                                                  | <u>2020</u> | <u>2019</u> |
|--------------------------------------------------|-------------|-------------|
| Discount rate                                    | 3.67 %      | 4.28 %      |
| Expected long-term rate of return on plan assets | 7.00        | 7.00        |

Deferred pension costs, which have not yet been recognized in periodic pension expense but are accrued in net assets without donor restrictions, are \$30,913 and \$26,892 at June 30, 2020 and 2019, respectively. Deferred pension costs represent unrecognized actuarial losses or unexpected changes in the projected benefit obligation and plan assets over time primarily due to changes in assumed discount rates and investment experience.

CCHS's weighted average asset allocations for the plan assets for the years ended June 30, 2020 and 2019 were as follows:

|                                    | <u>2020</u>    | <u>2019</u>    |
|------------------------------------|----------------|----------------|
| Cash and cash equivalents          | 2.0 %          | 3.0 %          |
| Fixed-income/debt securities       | 29.0           | 28.0           |
| Mutual funds and equity securities | 56.0           | 58.0           |
| Alternative investments            | 13.0           | 11.0           |
|                                    | <u>100.0 %</u> | <u>100.0 %</u> |

Pension plan assets are invested in accordance with the CCHS's investment policy in an attempt to maximize return with reasonable and prudent levels of risk. This structure includes various assets classes, investment management styles, asset allocation, and acceptable ranges that, in total, are expected to produce a sufficient level of overall diversification and total investment return over the long term. CCHS periodically reviews performance to test progress toward attainment of longer-term targets, to compare results with appropriate indices and peer groups, and to assess overall investment risk levels.

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

The following table presents the Carroll Plan's assets measured at fair value at June 30, 2020:

|                           | Pension benefits – Plan assets |         |       | Total  |
|---------------------------|--------------------------------|---------|-------|--------|
|                           | Level 1                        | Level 2 | NAV   |        |
| Assets:                   |                                |         |       |        |
| Cash and cash equivalents | \$ 1,589                       | —       | —     | 1,589  |
| Mutual funds/equities     | 42,535                         | —       | —     | 42,535 |
| Fixed-income mutual funds | 21,652                         | —       | —     | 21,652 |
| Alternative investments   | —                              | —       | 9,725 | 9,725  |
| Total assets              | \$ 65,776                      | —       | 9,725 | 75,501 |

The following table presents the Carroll Plan's assets measured at fair value at June 30, 2019:

|                           | Pension benefits – Plan assets |         |       | Total  |
|---------------------------|--------------------------------|---------|-------|--------|
|                           | Level 1                        | Level 2 | NAV   |        |
| Assets:                   |                                |         |       |        |
| Cash and cash equivalents | \$ 2,086                       | —       | —     | 2,086  |
| Mutual funds/equities     | 42,831                         | —       | —     | 42,831 |
| Fixed-income mutual funds | 20,769                         | —       | —     | 20,769 |
| Alternative investments   | —                              | —       | 8,758 | 8,758  |
| Total assets              | \$ 65,686                      | —       | 8,758 | 74,444 |

For the year ended June 30, 2020 or 2019, there were no significant transfers into or out of Levels 1, 2, or 3. Changes to the fair values based on the NAV are summarized as follows:

|                             | Total    |
|-----------------------------|----------|
| Balance as of June 30, 2019 | \$ 8,758 |
| Additions:                  |          |
| Contributions/purchases     | 2,422    |
| Disbursements:              |          |
| Withdrawals/sales           | (3,209)  |
| Net change in value         | 1,754    |
| Balance as of June 30, 2020 | \$ 9,725 |

The Carroll Plan invests in alternative investments that are primarily hedge fund of funds.

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

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(Dollars in thousands)

The following table summarizes redemption terms for the hedge fund-of-funds vehicles held as of June 30, 2020:

|                                        | <u>Fund 1</u> | <u>Fund 2</u> | <u>Fund 3</u> | <u>Fund 4</u> |
|----------------------------------------|---------------|---------------|---------------|---------------|
| Redemption timing:                     |               |               |               |               |
| Redemption frequency                   | Monthly       | Annually      | Quarterly     | Quarterly     |
| Required notice                        | 30 days       | 90 days       | 30 days       | 60 days       |
| Audit reserve:                         |               |               |               |               |
| Percentage held back for audit reserve | -%            | 5%            | -%            | -%            |

CCHS expects to contribute \$360 to the Carroll Plan during the year ending June 30, 2021.

The following benefit payments, which reflect future services, as appropriate, are expected to be paid from the Carroll Plan's assets during the years ending June 30 of the indicated year:

|           |    |               |
|-----------|----|---------------|
| 2021      | \$ | 3,406         |
| 2022      |    | 3,655         |
| 2023      |    | 3,771         |
| 2024      |    | 3,888         |
| 2025      |    | 4,041         |
| 2026–2029 |    | 21,969        |
|           | \$ | <u>40,730</u> |

**(c) Contributory Plans**

Northwest has a qualified noncontributory defined-contribution pension plan (the NW Plan) covering substantially all employees who work at least 1,000 hours per year, who have completed 2 years of continuous service as of the beginning of the plan year, and who have attained the age of 21 as of the beginning of the plan year. Participants in the NW Plan are 100% vested. Northwest makes annual contributions to the NW Plan equivalent to 1.5% of the participants' salaries for employees who have been in the NW Plan from 1 to 5 years, 4.0% for those in the plan from 6 to 19 years, and 6.5% thereafter. It is Northwest's policy to fund plan costs as they accrue. Plan expense was approximately \$2,700 and \$2,200 for the years ended June 30, 2020 and 2019, respectively, and is included in salaries and employee benefits in the accompanying consolidated statements of operations.

Certain LifeBridge entities have supplemental 403(b) retirement plans for eligible employees. The entities may elect to match varying percentages of an employee's contribution up to a certain percentage of the employee's annual salary. The associated expense was approximately \$6,900 and \$6,500 for the years ended June 30, 2020 and 2019, respectively, and is included in salaries and employee benefits in the accompanying consolidated statements of operations.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

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(Dollars in thousands)

Certain companies under Community Physicians and Investments maintain a defined-contribution plan for employees meeting certain eligibility requirements. Eligible employees can also make contributions. Under the plan, the employer may elect to match a percentage of eligible employees' contributions each year. The related expense was approximately \$1,900 and \$1,800 for the years ended June 30, 2020 and 2019, respectively, and is included in salaries and employee benefits in the accompanying consolidated statements of operations.

Certain LifeBridge entities maintain a nonqualified deferred compensation plan for key employees and physicians. The Corporation establishes a separate deferral account on its books for each participant for each plan year. In general, participants are entitled to receive the deferred funds upon their death, attainment of the specified vesting date, or involuntary termination of their employment without cause, whichever occurs first. The related expense was approximately \$5,400 and \$2,600 for the years ended June 30, 2020 and 2019, respectively, and is included in salaries and employee benefits in the accompanying consolidated statements of operations.

#### **(d) Postretirement Plan Other than Pension**

Carroll sponsors a postretirement plan other than pension for employees. Carroll employees retired from active employment at 65 years of age or older or at 55 years of age after earning at least 10 years of vesting service are eligible for health and prescription drug benefits under Carroll's self-insured health plan. Effective January 1, 2009, individuals are no longer permitted to participate in this Plan once they are Medicare eligible. Plan participants contribute premiums to the Plan in amounts determined by Carroll for pre-Medicare and post-Medicare age retirees. At June 30, 2020 and 2019, Carroll has accrued a liability of \$949 and \$640 related to this plan, respectively.

#### **(15) Regulation and Reimbursement**

The Corporation and other healthcare providers in Maryland are subject to certain inherent risks, including the following:

- Dependence on revenues derived from reimbursement by the federal Medicare and state Medicaid programs;
- Regulation of hospital rates by the State of Maryland Health Services Cost Review Commission (HSCRC);
- Government regulation, government budgetary constraints, and proposed legislative and regulatory changes; and
- Lawsuits alleging malpractice and related claims.

Such inherent risks require the use of certain management estimates in the preparation of the Corporation's consolidated financial statements, and it is reasonably possible that a change in such estimates may occur.



## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

The Medicare and Medicaid programs represent a substantial portion of the Corporation's revenues, and the Corporation's operations are subject to a variety of other federal, state, and local regulatory requirements. Failure to maintain required regulatory approvals and licenses and/or changes in such regulatory requirements could have a significant adverse effect on the Corporation. Changes in federal and state reimbursement funding mechanisms and related government budgetary constraints could have a significant adverse effect on the Corporation.

The current rate of reimbursement for hospital services to patients under the Medicare and Medicaid programs is based on an agreement between the Centers for Medicaid and Medicare Services (CMS) and the State of Maryland. This agreement is based upon a waiver from Medicare prospective payment system reimbursement principles granted to the State of Maryland by CMS.

In January 2019, Maryland entered a newly negotiated phase of the waiver agreement with CMS. This subsequent phase is designed to last for 10 years, with two distinct 5 year periods, the first 5 year period ending December 31, 2023. While elements of the initial agreement pertaining to limits on hospital per capita growth and growth of total-cost-of-care per Medicare beneficiary of Maryland compared to the nation remain unchanged, the new agreement expands the scope of the waiver to focus more on a patient's total-cost-of-care. Most notably, Maryland will be required to generate annual Medicare total-cost-of-care savings of \$300 million per year by the end of 2023, with all Maryland hospitals demonstrating total-cost-of-care savings through care redesign initiatives. In addition, Maryland will continue to maintain patient quality methodologies focused on readmissions, hospital acquired conditions, and potentially avoidable utilization, but will also adopt statewide measures related to national measures such as falls prevention and opioid overdoses.

#### **(16) Related-Party Transactions**

##### *Land Leases*

Sinai and Levindale are constituent agencies of AJCF, a charitable corporation.

The legal title to substantially all land, land improvements, buildings, and fixed equipment included in Sinai's and Levindale's property and equipment is held by an affiliate of AJCF. Sinai and Levindale have entered into leases with the AJCF affiliate with respect to these assets. The leases allow Sinai and Levindale to conduct their business on the property as currently conducted. Rent under each lease is one dollar per year. The leases may not be terminated before December 31, 2050.

##### *Other*

In addition to its arrangement with AJCF, Sinai receives services from certain other constituent agencies of AJCF.

#### **(17) Income Taxes**

At June 30, 2020, Investments has approximately \$58,456 in net operating loss carryforwards for income tax purposes. The net operating loss carryforwards for tax purposes are available to reduce future taxable income and for net operating losses generated as of June 30, 2018, will expire in varying periods through 2038. For the net operating losses generated for the fiscal year June 30, 2019 and forward, the loss can be carry forward indefinitely.

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

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(Dollars in thousands)

The net operating loss carryforwards created a federal net deferred tax asset of approximately \$12,276 and \$11,811 as of June 30, 2020 and 2019, respectively, and a state deferred tax asset of approximately \$4,588 and \$4,602 as of June 30, 2020 and 2019, respectively. Management has determined that it is more likely than not that Investments will not be able to utilize the deferred tax assets; therefore, a full valuation allowance was recorded against the net deferred assets as of June 30, 2020 and 2019.

At June 30, 2020, Carroll has approximately \$107,902 in net operating loss carryforwards for federal income tax purposes. The net operating loss carryforwards for tax purposes are available to reduce future taxable income and for net operating losses generated as of June 30, 2018, will expire in varying periods through 2038. For the net operating losses generated for the fiscal year June 30, 2019 and forward, the loss can be carry forward indefinitely.

The net operating loss carryforwards created a federal net deferred tax asset of approximately \$22,659 and \$20,593 as of June 30, 2020 and 2019, respectively, and a state deferred tax asset of approximately \$6,995 and \$6,354 as of June 30, 2020 and 2019, respectively. Management has determined that it is more likely than not that Carroll will not be able to utilize the deferred tax assets; therefore, a full valuation allowance was recorded against the net deferred assets as of June 30, 2020 and 2019.

On March 27, 2020, the United States enacted The Coronavirus Aid, Relief and Economic Security (CARES) Act, which includes several significant business tax provisions that, among other things, would eliminate the taxable income limit for certain net operating losses (NOL) and allow businesses the option to carry back NOLs arising in 2018, 2019, and 2020 to the five prior tax years; accelerate refunds of previously generated corporate Alternative Minimum Tax (AMT) credits; generally loosen the business interest limitation under section 163(j) from 30 percent to 50 percent for years 2019 and 2020; and fix the “retail glitch” for qualified improvement property in the 2017 tax code overhaul known informally as the Tax Cuts and Jobs Act (TCJA, P.L. 115-97).

The provision for income taxes varies from the amount computed by applying the statutory federal income tax rate to income before income taxes primarily due to the impact of nondeductible expenses and changes in valuation allowance.

**(18) Other Long-Term Liabilities**

Other long-term liabilities at June 30, 2020 and 2019 are as follows:

|                                             | <u>2020</u>       | <u>2019</u>    |
|---------------------------------------------|-------------------|----------------|
| Professional/general liability (note 19(a)) | \$ 70,588         | 59,839         |
| Pension liability                           | 65,875            | 39,883         |
| Medical office building                     | 28,222            | 29,488         |
| Asset retirement obligation                 | 860               | 3,260          |
| Deferred compensation                       | 7,557             | 6,473          |
| Other                                       | 5,005             | 2,505          |
|                                             | <u>\$ 178,107</u> | <u>141,448</u> |

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

At June 30, 2020 and 2019, there was \$26,556 and \$24,322 included in other current liabilities related to professional liabilities, respectively.

#### **(19) Self-Insurance Programs**

##### **(a) Professional/General Liability**

The Corporation is self-insured, through LifeBridge Insurance, for most professional and general liability claims arising out of the operations of LifeBridge and its subsidiaries. Estimated liabilities have been recorded for both reported and incurred but not reported claims. See note 18.

LifeBridge Insurance purchases reinsurance coverage from other highly rated insurance carriers to cover their liabilities in excess of various retentions. The amounts that LifeBridge subsidiaries must transfer to LifeBridge Insurance to fund professional and general liability claims are actuarially determined and are sufficient to cover expected liabilities. Management's estimate of the liability for professional and general liability claims, including incurred but not reported claims, is principally based on actuarial estimates performed by an independent third-party actuary. Professional liability coverage for certain employed physicians is provided by commercial insurance carriers. The receivable for the expected reinsurance receivable is recorded on the consolidated balance sheets. Amounts in excess of the self-insured limits are insured by highly rated commercial insurance companies.

##### **(b) Workers' Compensation**

Sinai, Northwest, Levindale, Grace Medical Center, LAA, and CCMS and its subsidiaries are insured for workers' compensation liability through a combination of self-insurance and excess insurance policies. Losses for asserted and unasserted claims are accrued based on estimates derived from past experiences, as well as other considerations including the nature of each claim or incident, relevant trend factors, and estimates of incurred but not reported amounts.

LifeBridge has accrued a liability for known and incurred but not reported claims of \$7,026 and \$7,422 at June 30, 2020 and 2019, respectively. These amounts are included in accounts payable and accrued liabilities in the accompanying consolidated balance sheets. Management believes these accruals are adequate to provide for all workers' compensation claims that have been incurred through June 30, 2020.

All other entities have occurrence-based commercial insurance coverage. There are no material insurance recoveries related to workers' compensation claims under those policies as of June 30, 2020 or 2019.

LifeBridge maintains stop-loss policies on workers' compensation claims. The Corporation is insured for individual claims exceeding \$450.

##### **(c) Health Insurance**

LifeBridge is self-insured for employee health claims. LifeBridge has accrued a liability of \$5,656 and \$6,332 at June 30, 2020 and 2019, respectively, for known claims and incurred but not reported claims. These amounts are included in accounts payable and accrued liabilities in the accompanying consolidated balance sheets.

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

**(20) Net Patient Service Revenue and Patient Receivables**

The Corporation grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at June 30, 2020 and 2019 is as follows:

|                      | <u>2020</u>  | <u>2019</u>  |
|----------------------|--------------|--------------|
| Medicare             | 28 %         | 31 %         |
| Medicaid             | 12           | 9            |
| BlueCross            | 9            | 10           |
| Commercial and other | 44           | 42           |
| Self-pay             | 7            | 8            |
|                      | <u>100 %</u> | <u>100 %</u> |

The mix of net patient service revenue for the Corporation for the years ended June 30, 2020 and 2019 is as follows:

|                      | <u>2020</u>  | <u>2019</u>  |
|----------------------|--------------|--------------|
| Medicare             | 44 %         | 44 %         |
| Medicaid             | 8            | 5            |
| BlueCross            | 12           | 12           |
| Commercial and other | 33           | 35           |
| Self-pay             | 3            | 4            |
|                      | <u>100 %</u> | <u>100 %</u> |

**(21) Commitments and Contingencies**

**(a) *Litigation***

The Corporation is subject to numerous laws and regulations of federal, state, and local governments. The Corporation's compliance with these laws and regulations can be subject to periodic governmental review and interpretation, which can result in regulatory action unknown or unasserted at this time. Management is aware of certain asserted and unasserted legal claims and regulatory matters arising in the ordinary course of business. After consultation with legal counsel, it is management's opinion that the ultimate resolution of these claims will not have a material adverse effect on the Corporation's financial position.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

### **(b) Letters of Credit**

M&T Bank has established an open letter of credit for Sinai of \$211 (which has not been drawn upon) to guarantee Sinai's obligation for liabilities assumed as a member of a risk retention group during the period 1988 to 1994. Additionally, M&T Bank has established a standby letter of credit of \$2,662 to serve as collateral as required by the Maryland Office of Unemployment Insurance. M&T Bank has established a standby letter of credit for Levindale of \$441 as required by the State of Maryland Department of Labor, Licensing, and Regulation. M&T Bank has established a standby letter of credit for LifeBridge Health & Fitness of \$200 as required by the State of Maryland Office of the Attorney General. M&T Bank has established a standby letter of credit of \$84 to serve as collateral as required by the City of Baltimore for the completion of certain construction work at Sinai. M&T has established standby letters of credit of \$94, \$76, and \$42 to serve as collateral as required by Baltimore County for the completion of certain construction work at Northwest. M&T Bank has established a surety bond of \$102 for the LifeBridge Health AC as required by the Centers for Medicare and Medicaid Services (CMS).

### **(c) Operating Leases**

The Corporation has entered into operating lease agreements for hospital equipment and office space, which expire on various dates through year 2030. Total rental expense for the years ended June 30, 2020 and 2019 for all operating leases was approximately \$30,548 and \$31,205, respectively. Future minimum lease payments under all noncancelable operating leases are as follows:

| Years ending June 30: |                  |
|-----------------------|------------------|
| 2021                  | \$ 13,758        |
| 2022                  | 12,092           |
| 2023                  | 10,426           |
| 2024                  | 9,728            |
| 2025                  | 8,880            |
| Thereafter            | <u>23,178</u>    |
|                       | <u>\$ 78,062</u> |

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

**(22) Noncontrolling Interest**

The reconciliation of a noncontrolling interest reported in unrestricted net assets is as follows:

|                                                            | <b>LifeBridge<br/>Health, Inc.</b> | <b>Noncontrolling<br/>interest</b> | <b>Unrestricted<br/>net assets</b> |
|------------------------------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Balance at June 30, 2018                                   | \$ 1,106,696                       | 18,396                             | 1,125,092                          |
| Operating income                                           | 47,111                             | 10,021                             | 57,132                             |
| Nonoperating income                                        | 44,056                             | —                                  | 44,056                             |
| Excess of revenues over expenses                           | 91,167                             | 10,021                             | 101,188                            |
| Change in funded status of pension plan                    | (32,548)                           | —                                  | (32,548)                           |
| Net assets released for purchase of property and equipment | 3,533                              | —                                  | 3,533                              |
| Other                                                      | 1,990                              | (8,632)                            | (6,642)                            |
| Change in net assets                                       | 64,142                             | 1,389                              | 65,531                             |
| Balance at June 30, 2019                                   | 1,170,838                          | 19,785                             | 1,190,623                          |
| Operating income                                           | 36,922                             | 509                                | 37,431                             |
| Nonoperating income                                        | 41,545                             | —                                  | 41,545                             |
| Excess of revenues over expenses                           | 78,467                             | 509                                | 78,976                             |
| Change in funded status of pension plan                    | (26,795)                           | —                                  | (26,795)                           |
| Net assets released for purchase of property and equipment | 1,647                              | —                                  | 1,647                              |
| Other                                                      | (1,361)                            | (93)                               | (1,454)                            |
| Change in net assets                                       | 51,958                             | 416                                | 52,374                             |
| Balance at June 30, 2020                                   | \$ 1,222,796                       | 20,201                             | 1,242,997                          |

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

**(23) Functional Expenses**

The Corporation provides general healthcare services to patients. Expenses for the years ended June 30, 2020 and 2019 related to providing these services are as follows:

|                                                                | <b>2020</b>                    |                           |                                       |                  |
|----------------------------------------------------------------|--------------------------------|---------------------------|---------------------------------------|------------------|
|                                                                | <b>Healthcare<br/>services</b> | <b>Other<br/>services</b> | <b>General and<br/>administrative</b> | <b>Total</b>     |
| Salaries and benefits                                          | \$ 656,603                     | 2,777                     | 268,995                               | 928,375          |
| Supplies                                                       | 186,773                        | 304                       | 76,376                                | 263,453          |
| Purchased services                                             | 202,072                        | 1,618                     | 83,006                                | 286,696          |
| Depreciation, amortization, and<br>gain/loss on sale of assets | 61,612                         | 1,847                     | 25,701                                | 89,160           |
| Repairs and maintenance                                        | 22,013                         | 509                       | 9,138                                 | 31,660           |
| Interest                                                       | 18,055                         | —                         | 7,375                                 | 25,430           |
|                                                                | <u>\$ 1,147,128</u>            | <u>7,055</u>              | <u>470,591</u>                        | <u>1,624,774</u> |
|                                                                | <b>2019</b>                    |                           |                                       |                  |
|                                                                | <b>Healthcare<br/>services</b> | <b>Other<br/>services</b> | <b>General and<br/>administrative</b> | <b>Total</b>     |
| Salaries and benefits                                          | \$ 623,266                     | 2,081                     | 243,190                               | 868,537          |
| Supplies                                                       | 192,397                        | 332                       | 74,950                                | 267,679          |
| Purchased services                                             | 197,305                        | 1,658                     | 77,375                                | 276,338          |
| Depreciation, amortization, and<br>gain/loss on sale of assets | 61,789                         | 814                       | 24,346                                | 86,949           |
| Repairs and maintenance                                        | 19,247                         | 516                       | 7,685                                 | 27,448           |
| Interest                                                       | 18,945                         | —                         | 7,367                                 | 26,312           |
|                                                                | <u>\$ 1,112,949</u>            | <u>5,401</u>              | <u>434,913</u>                        | <u>1,553,263</u> |

The consolidated financial statements report certain categories of expenses that are attributable to more than one function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, wages, and benefits, which include allocations on the basis of estimates of time and effort.

**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

**(24) Fair Value of Financial Instruments**

The following methods and assumptions were used by the Corporation in estimating the fair value of its financial instruments:

**(a) Assets and Liabilities**

*Cash and cash equivalents, patient service receivables, other receivables, inventory, prepaid expenses, pledges receivable, accounts payable and accrued liabilities, advances to third-party payors, and other current liabilities* – The carrying amounts reported in the consolidated balance sheet approximate the related fair values.

*Investments (donor-restricted, assets limited as to use, and long-term), and beneficial interest in split-interest agreements* – Fair values are based on quoted market prices of individual securities or investments if available, or are estimated using quoted market prices for similar securities or investment managers' best estimate of underlying fair value.

*Investment in unconsolidated affiliates* – Investments in unconsolidated affiliates are not readily marketable. Therefore, it is not practicable to estimate their fair value, and such investments are recorded in accordance with the equity method or at cost.

**(b) Fair Value Hierarchy**

The following table presents assets that are measured at fair value on a recurring basis as of June 30, 2020:

|                                                 | <u>Level 1</u>    | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>     |
|-------------------------------------------------|-------------------|----------------|----------------|------------------|
| Assets:                                         |                   |                |                |                  |
| Cash and cash equivalents                       | \$ 115,686        | —              | —              | 115,686          |
| Equity securities and mutual funds              | 540,655           | —              | —              | 540,655          |
| Government securities                           | —                 | 194,004        | —              | 194,004          |
| Fixed-income securities                         | —                 | 255,358        | —              | 255,358          |
| Beneficial interest in split-interest agreement | —                 | 4,792          | —              | 4,792            |
| Total assets                                    | <u>\$ 656,341</u> | <u>454,154</u> | <u>—</u>       | <u>1,110,495</u> |



**LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

June 30, 2020 and 2019

(Dollars in thousands)

The following table presents assets that are measured at fair value on a recurring basis as of June 30, 2019:

|                                                 | <u>Level 1</u>    | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>   |
|-------------------------------------------------|-------------------|----------------|----------------|----------------|
| Assets:                                         |                   |                |                |                |
| Cash and cash equivalents                       | \$ 60,958         | —              | —              | 60,958         |
| Equity securities and mutual funds              | 552,547           | —              | —              | 552,547        |
| Government securities                           | —                 | 17,458         | —              | 17,458         |
| Fixed-income securities                         | —                 | 194,614        | —              | 194,614        |
| Beneficial interest in split-interest agreement | —                 | 4,997          | —              | 4,997          |
| Total assets                                    | <u>\$ 613,505</u> | <u>217,069</u> | <u>—</u>       | <u>830,574</u> |

See note 2(e) for information on the Corporation's alternative investments that are recorded under the equity method and are not reported above.

For the years ended June 30, 2020 or 2019, there were no significant transfers into or out of Levels 1, 2, or 3.

**(25) Subsequent Events**

Management evaluated all events and transactions that occurred after June 30, 2020 and through October 22, 2020, the date the consolidated financial statements were issued. Other than described in note 4, the Corporation did not have any material recognizable subsequent events during the period.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

## Consolidating Balance Sheet Information

June 30, 2020

(Dollars in thousands)

| Assets                                           | Sinai<br>Hospital<br>Consolidated | Northwest<br>Hospital | Carroll<br>Hospital | Levindale<br>Hebrew<br>Geriatric Ctr<br>& Hospital | Grace<br>Medical<br>Center | Other<br>LifeBridge<br>Entities | Eliminations | LifeBridge<br>Health<br>Consolidated |
|--------------------------------------------------|-----------------------------------|-----------------------|---------------------|----------------------------------------------------|----------------------------|---------------------------------|--------------|--------------------------------------|
| Current assets:                                  |                                   |                       |                     |                                                    |                            |                                 |              |                                      |
| Cash and cash equivalents                        | \$ 60,220                         | 60,667                | 42,564              | 15,617                                             | 18,146                     | 54,618                          | —            | 251,832                              |
| Investments                                      | 14,491                            | 3,437                 | —                   | 276                                                | —                          | 451,972                         | —            | 470,176                              |
| Assets limited as to use, current portion        | 14,301                            | 4,867                 | 2,331               | 215                                                | 49,791                     | 9,841                           | —            | 81,346                               |
| Patient service receivables                      | 80,688                            | 23,337                | 21,207              | 8,060                                              | 4,917                      | 13,498                          | —            | 151,707                              |
| Other receivables                                | 111,372                           | 75,930                | 67,171              | 25,007                                             | 8,939                      | 30,456                          | (308,622)    | 10,253                               |
| Inventory                                        | 29,558                            | 7,651                 | 5,003               | 348                                                | 1,227                      | 233                             | —            | 44,020                               |
| Prepaid expenses                                 | 7,293                             | 1,454                 | 1,598               | 104                                                | 241                        | 11,993                          | —            | 22,683                               |
| Pledges receivable, current portion              | 1,915                             | 264                   | 1,034               | 43                                                 | —                          | 130                             | —            | 3,386                                |
| Total current assets                             | 319,838                           | 177,607               | 140,908             | 49,670                                             | 83,261                     | 572,741                         | (308,622)    | 1,035,403                            |
| Board-designated investments                     | —                                 | —                     | —                   | —                                                  | —                          | 191,964                         | —            | 191,964                              |
| Long-term investments                            | 64,120                            | 574                   | 83,196              | —                                                  | —                          | 250,440                         | —            | 398,330                              |
| Donor-restricted investments                     | 14,491                            | —                     | 4,188               | —                                                  | —                          | 39,495                          | —            | 58,174                               |
| Reinsurance recovery receivable                  | —                                 | —                     | —                   | —                                                  | —                          | 11,138                          | —            | 11,138                               |
| Assets limited as to use, net of current portion | —                                 | —                     | —                   | —                                                  | —                          | 68,743                          | —            | 68,743                               |
| Pledges receivable, net of current portion       | 3,143                             | 57                    | 4,142               | 78                                                 | —                          | 261                             | —            | 7,681                                |
| Property and equipment, net                      | 208,864                           | 97,025                | 142,790             | 40,404                                             | 30,623                     | 194,304                         | —            | 714,010                              |
| Beneficial interest in split-interest agreement  | 4,792                             | —                     | —                   | —                                                  | —                          | —                               | —            | 4,792                                |
| Investment in unconsolidated affiliates          | —                                 | —                     | 864                 | —                                                  | —                          | 195,523                         | (154,937)    | 41,450                               |
| Other assets, net of accumulated amortization    | 19,148                            | 3,793                 | 16,045              | 68                                                 | 360                        | 43,402                          | —            | 82,816                               |
| Total assets                                     | \$ 634,396                        | 279,056               | 392,133             | 90,220                                             | 114,244                    | 1,568,011                       | (463,559)    | 2,614,501                            |

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

## Consolidating Balance Sheet Information

June 30, 2020

(Dollars in thousands)

| Liabilities and Net Assets                                              | Sinai<br>Hospital<br>Consolidated | Northwest<br>Hospital | Carroll<br>Hospital | Levindale<br>Hebrew<br>Geriatric Ctr<br>& Hospital | Grace<br>Medical<br>Center | Other<br>LifeBridge<br>Entities | Eliminations | LifeBridge<br>Health<br>Consolidated |
|-------------------------------------------------------------------------|-----------------------------------|-----------------------|---------------------|----------------------------------------------------|----------------------------|---------------------------------|--------------|--------------------------------------|
| Current liabilities:                                                    |                                   |                       |                     |                                                    |                            |                                 |              |                                      |
| Accounts payable and accrued liabilities                                | \$ 63,878                         | 21,215                | 15,064              | 6,266                                              | 21,269                     | 296,011                         | (308,621)    | 115,082                              |
| Accrued salaries, wages, and benefits                                   | 41,510                            | 8,404                 | 13,237              | 3,551                                              | 4,243                      | 39,908                          | —            | 110,853                              |
| Advances from third-party payors                                        | 95,242                            | 53,819                | 48,608              | 24,719                                             | 11,312                     | 1,888                           | —            | 235,588                              |
| Current portion of long-term debt and capital lease obligations,<br>net | 3,836                             | 1,238                 | 1,188               | 206                                                | 9,643                      | 8,390                           | —            | 24,501                               |
| Other current liabilities                                               | 2,205                             | 644                   | 266                 | —                                                  | 8,006                      | 30,008                          | —            | 41,129                               |
| Total current liabilities                                               | 206,671                           | 85,320                | 78,363              | 34,742                                             | 54,473                     | 376,205                         | (308,621)    | 527,153                              |
| Other long-term liabilities                                             | 74,622                            | 9,635                 | 19,109              | 6,891                                              | 2,000                      | 65,850                          | —            | 178,107                              |
| Long-term debt and capital lease obligations, net                       | 244,329                           | 79,865                | 128,109             | 9,474                                              | 65,158                     | 65,276                          | —            | 592,211                              |
| Total liabilities                                                       | 525,622                           | 174,820               | 225,581             | 51,107                                             | 121,631                    | 507,331                         | (308,621)    | 1,297,471                            |
| Net assets:                                                             |                                   |                       |                     |                                                    |                            |                                 |              |                                      |
| Net assets without donor restrictions                                   | 59,979                            | 96,101                | 102,437             | 38,602                                             | (7,426)                    | 1,043,677                       | (110,574)    | 1,222,796                            |
| Noncontrolling interest in consolidated subsidiaries                    | —                                 | —                     | 5,032               | —                                                  | —                          | 9,533                           | 5,636        | 20,201                               |
| Total net assets without donor restrictions                             | 59,979                            | 96,101                | 107,469             | 38,602                                             | (7,426)                    | 1,053,210                       | (104,938)    | 1,242,997                            |
| Net assets with donor restrictions                                      | 48,795                            | 8,135                 | 59,083              | 511                                                | 39                         | 7,470                           | (50,000)     | 74,033                               |
| Total net assets                                                        | 108,774                           | 104,236               | 166,552             | 39,113                                             | (7,387)                    | 1,060,680                       | (154,938)    | 1,317,030                            |
| Total liabilities and net assets                                        | \$ 634,396                        | 279,056               | 392,133             | 90,220                                             | 114,244                    | 1,568,011                       | (463,559)    | 2,614,501                            |

See accompanying independent auditors' report.

## LIFEBRIDGE HEALTH, INC. AND SUBSIDIARIES

## Consolidating Statement of Operations Information

Year ended June 30, 2020

(Dollars in thousands)

|                                                           | Sinai<br>Hospital<br>Consolidated | Northwest<br>Hospital | Carroll<br>Hospital | Levindale<br>Hebrew<br>Geriatric Ctr<br>& Hospital | Grace<br>Medical<br>Center | Other<br>LifeBridge<br>Entities | Eliminations | LifeBridge<br>Health<br>Consolidated |
|-----------------------------------------------------------|-----------------------------------|-----------------------|---------------------|----------------------------------------------------|----------------------------|---------------------------------|--------------|--------------------------------------|
| Unrestricted revenues, gains, and other support:          |                                   |                       |                     |                                                    |                            |                                 |              |                                      |
| Patient service revenue                                   | \$ 773,091                        | 249,417               | 231,624             | 78,286                                             | 31,512                     | 168,678                         | —            | 1,532,608                            |
| Net assets released from restrictions used for operations | 3,508                             | —                     | 48                  | 69                                                 | —                          | 330                             | —            | 3,955                                |
| Other operating revenue                                   | 50,415                            | 10,674                | 18,745              | 5,704                                              | 5,534                      | 68,271                          | (33,701)     | 125,642                              |
| Total operating revenues                                  | 827,014                           | 260,091               | 250,417             | 84,059                                             | 37,046                     | 237,279                         | (33,701)     | 1,662,205                            |
| Expenses:                                                 |                                   |                       |                     |                                                    |                            |                                 |              |                                      |
| Salaries and employee benefits                            | 430,137                           | 135,903               | 128,190             | 51,860                                             | 28,753                     | 153,131                         | 401          | 928,375                              |
| Supplies                                                  | 163,810                           | 48,062                | 20,940              | 5,995                                              | 3,746                      | 20,900                          | —            | 263,453                              |
| Purchased services                                        | 149,124                           | 46,346                | 58,283              | 17,740                                             | 15,235                     | 34,070                          | (34,102)     | 286,696                              |
| Depreciation and amortization                             | 30,619                            | 12,707                | 12,555              | 3,159                                              | 2,153                      | 27,967                          | —            | 89,160                               |
| Repairs and maintenance                                   | 16,850                            | 5,671                 | 4,959               | 1,427                                              | 998                        | 1,755                           | —            | 31,660                               |
| Interest                                                  | 1,028                             | 984                   | 4,588               | 16                                                 | 187                        | 18,627                          | —            | 25,430                               |
| Total expenses                                            | 791,568                           | 249,673               | 229,515             | 80,197                                             | 51,072                     | 256,450                         | (33,701)     | 1,624,774                            |
| Operating income (loss)                                   | 35,446                            | 10,418                | 20,902              | 3,862                                              | (14,026)                   | (19,171)                        | —            | 37,431                               |
| Other income (loss), net:                                 |                                   |                       |                     |                                                    |                            |                                 |              |                                      |
| Investment income                                         | 18,826                            | 4,581                 | 9,026               | 1,209                                              | —                          | 4,173                           | —            | 37,815                               |
| Other                                                     | 991                               | (30)                  | (2,062)             | (238)                                              | 6,602                      | 1,421                           | —            | 6,684                                |
| Loss on refinancing of debt                               | —                                 | —                     | (2,557)             | —                                                  | —                          | (397)                           | —            | (2,954)                              |
| Total other income, net                                   | 19,817                            | 4,551                 | 4,407               | 971                                                | 6,602                      | 5,197                           | —            | 41,545                               |
| Excess (deficit) of revenues over expenses                | \$ 55,263                         | 14,969                | 25,309              | 4,833                                              | (7,424)                    | (13,974)                        | —            | 78,976                               |

See accompanying independent auditors' report.