

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

**2013**

Department of the Treasury  
Internal Revenue Service

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

Open to Public Inspection

**A For the 2013 calendar year, or tax year beginning JUL 1, 2013 and ending JUN 30, 2014**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C Name of organization</b>		<b>D Employer identification number</b>
	CARROLL HOSPITAL CENTER, INC.		52-1452024
	Doing Business As		
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	<b>E Telephone number</b>
200 MEMORIAL AVENUE			
City or town, state or province, country, and ZIP or foreign postal code		<b>G Gross receipts \$</b> 229,300,755.	
WESTMINSTER, MD 21157		<b>H(a) Is this a group return for subordinates?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>F Name and address of principal officer:</b> LESLIE SIMMONS		<b>H(b) Are all subordinates included?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	
200 MEMORIAL AVE, WESTMINSTER, MD 21774		If "No," attach a list. (see instructions)	
<b>I Tax-exempt status:</b> <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>H(c) Group exemption number</b> ▶	
<b>J Website:</b> WWW.CARROLLHOSPITALCENTER.ORG			
<b>K Form of organization:</b> <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L Year of formation:</b> 1957 <b>M State of legal domicile:</b> MD	

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <u>OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT, COMPASSIONATE CARE, AND EXPERT</u>		
	<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>	15
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	12
	<b>5</b> Total number of individuals employed in calendar year 2013 (Part V, line 2a)	<b>5</b>	2044
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	365
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	2,906,388.
	<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	0.
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	3,719,011.	3,054,000.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	223,774,228.	222,597,736.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	9,982,049.	3,094,568.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	292,795.	533,617.
		237,768,083.	229,279,921.
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	155,000.	105,000.
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	111,629,729.	104,572,998.
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	98,249,996.	106,936,658.
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	210,034,725.	211,614,656.	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	27,733,358.	17,665,265.	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	<b>21</b> Total liabilities (Part X, line 26)	364,271,504.	369,751,968.
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	227,307,898.	220,555,142.
	136,963,606.	149,196,826.	

**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
	KEVIN KELBLY, CFO		
Type or print name and title			
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date
	AARON COHEN		05/13/15
Firm's name ▶ DIXON HUGHES GOODMAN LLP		Check <input type="checkbox"/> if self-employed	PTIN
Firm's address ▶ 111 ROCKVILLE PIKE, 6TH FLOOR		Firm's EIN ▶ 56-0747981	P01782580
ROCKVILLE, MD 20850		Phone no. 240-403-3700	

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. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 174,456,920. including grants of \$ 105,000. ) (Revenue \$ 219,759,299. ) CARROLL HOSPITAL CENTER, A 189 LICENSED BED ACUTE CARE FACILITY LOCATED IN WESTMINSTER, MARYLAND OFFERS THE LATEST IN MEDICAL TECHNOLOGY AND SERVICES, COMBINED WITH A STATE-OF-THE-ART FACILITY AND TOP-NOTCH, SKILLED MEDICAL PROFESSIONALS, CARING FOR PATIENTS WITH COMPASSION. CURRENTLY, THERE ARE MORE THAN 450 PHYSICIANS REPRESENTING 38 SPECIALTIES ON OUR MEDICAL STAFF IN ADDITION TO OVER 2,038 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 53,206 PATIENT

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

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

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

4e Total program service expenses 174,456,920.

**Part IV Checklist of Required Schedules**

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

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

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....	X	
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....		X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....	X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....	X	
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....		X
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....		X
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....		X
<b>25a Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> .....		X
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....		X
<b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II .....		X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> .....		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....	X	
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....	X	
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> .....	X	
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> .....		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....	X	
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....	X	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....	X	
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....	X	
<b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> .....		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? .....	X	

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Main form body containing questions 1a through 14b with input fields and Yes/No columns.

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

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

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
	15		
<b>b</b>	Enter the number of voting members included in line 1a, above, who are independent		
	12		
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b>	Did the organization have members or stockholders?		X
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
<b>b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b>	The governing body?	X	
<b>b</b>	Each committee with authority to act on behalf of the governing body?	X	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

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

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

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed **CA, MD**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website     Another's website     Upon request     Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **DAVID MCCORMICK - 410-871-6859**  
**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.

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CHARLES O FISHER JR MEMBER AT LARGE	1.00 1.00	X					0.	0.	0.	
(2) MIRIAM BECK SECRETARY	1.00 1.00	X		X			0.	0.	0.	
(3) ETHAN SEIDEL PHD CHAIRMAN	1.00 1.00	X		X			0.	0.	0.	
(4) JOHN SERNULKA PRESIDENT/EX-OFFICIO	35.00 5.00	X		X			3,367,700.	0.	319,603.	
(5) MARCUS PRIMM BOARD MEMBER	1.00 2.00	X					0.	0.	0.	
(6) KIMBERLY JOHNSTON MD DIRECTOR	1.00 1.00	X					0.	0.	0.	
(7) HAROLD WALSH MEMBER AT LARGE	1.00 1.00	X					0.	0.	0.	
(8) HELEN W WHITEHEAD VICE CHAIR	1.00 1.00	X		X			0.	0.	0.	
(9) SYED HOSAIN MD EX-OFFICIO/PRES MEDICAL ST	0.00 1.00	X					0.	0.	0.	
(10) THOMAS WELIVER DIRECTOR	1.00 1.00	X					0.	0.	0.	
(11) JEFFREY A WOTHERS BOARD MEMBER	1.00 1.00	X					0.	0.	0.	
(12) W DENNIS THOMAS BOARD MEMBER	0.00 1.00	X					0.	0.	0.	
(13) GERALD LEE STURGILL EX-OFFICIO	1.00 2.00	X					0.	0.	0.	
(14) LARRY VAN SANT SR BOARD MEMBER	1.00 0.00	X					0.	0.	0.	
(15) JOHN STEERS MD BOARD MEMBER	1.00 1.00	X					0.	0.	0.	
(16) MARTIN HILL DIRECTOR	0.00 1.00	X					0.	0.	0.	
(17) LESLIE SIMMONS CHIEF EXECUTIVE OFFICER	38.00 2.00			X			459,893.	0.	46,462.	

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) KEVIN KELBLY SR VP FINANCE CFO	34.00 6.00			X				398,430.	0.	58,188.
(19) STEPHANIE REID VICE PRESIDENT	40.00 0.00			X				205,355.	0.	15,845.
(20) JED ROSEN CHIEF MEDICAL INFO OFFICER	40.00 0.00				X			405,239.	0.	17,247.
(21) M ELLEN FINNERTY MYERS CHIEF DEVELOPMENT OFFICER	20.00 20.00				X			248,953.	0.	26,998.
(22) JOYCE ROMANS VICE PRESIDENT	40.00 0.00				X			253,244.	0.	40,853.
(23) TRACEY ELLISON VICE PRESIDENT	40.00 0.00				X			230,109.	0.	47,386.
(24) DAVID LOUDER VICE PRESIDENT	39.00 1.00				X			362,170.	0.	31,145.
(25) ROBERT WHITE VICE PRESIDENT	40.00 0.00				X			208,592.	0.	19,046.
(26) CRIS COLEMAN VICE PRESIDENT	40.00 0.00				X			217,502.	0.	50,578.
<b>1b Sub-total</b>								6,357,187.	0.	673,351.
<b>c Total from continuation sheets to Part VII, Section A</b>								3,131,015.	0.	270,429.
<b>d Total (add lines 1b and 1c)</b>								9,488,202.	0.	943,780.

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 **132**

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
CENTRAL MD REHABILITATION 4259 HARNEY RD, TANEYTOWN, MD 21787	REHABILITATION SERVICES	3,350,225.
CARROLL CO ANESTHESIA ASSOC PA PO BOX 75193, BALTIMORE, MD 21275	ANESTHESIA SERVICES	1,800,197.
BRENDA RAY CCS 674 LAKE SANTEE DR, NORTH AUGUSTA, SC 29841	TRANSCRIPTION/CODING	959,670.
DUANE MURRAY BOSWELL 858 STEVENSON RD, SERVERN, MD 21144	CONSTRUCTION	776,882.
CARROLL COUNTY RADIOLOGY LLC 7253 AMBASSADOR RD, BALTIMORE, MD 21244	RADIOLOGY SERVICES	727,090.

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 **29**

SEE PART VII, SECTION A CONTINUATION SHEETS



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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(27) BOB EDMONDSON VICE PRESIDENT	40.00 0.00				X			242,968.	0.	36,815.
(28) SHARON GOMEZ-SANDERS AVP	40.00 0.00				X			169,578.	0.	30,894.
(29) JANICE NAPIERLSKI AVP	40.00 0.00				X			183,456.	0.	18,687.
(30) FLAVIO KRUTER PHYSICIAN	39.00 1.00					X		1,020,523.	0.	62,408.
(31) JOHANNA DIMENTO PHYSICIAN	40.00 0.00					X		350,785.	0.	27,077.
(32) DAVID SALINGER PHYSICIAN	39.00 1.00					X		747,581.	0.	56,525.
(33) CYNTHIA ROLDAN PHYSICIAN	40.00 0.00					X		223,403.	0.	11,863.
(34) AMANDEEP SINGH PHYSICIAN	40.00 0.00					X		192,721.	0.	26,160.
Total to Part VII, Section A, line 1c								3,131,015.		270,429.

332201 05-01-13

**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	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<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>	3,014,000.			
	<b>e</b> Government grants (contributions)	<b>1e</b>				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	40,000.			
	<b>g</b> Noncash contributions included in lines 1a-1f: \$					
	<b>h Total.</b> Add lines 1a-1f		3,054,000.			
	<b>Program Service Revenue</b>	<b>2 a</b> NET PATIENT SERVICE REVENUE	<b>Business Code</b>	217,438,313.	217,438,313.	
<b>b</b> NONPATIENT LAB		621500	2,838,437.	2,838,437.		
<b>c</b> OTHER OPERATING REVENUE			1,404,236.	1,404,236.		
<b>d</b> CAFETERIA/VENDING			916,750.	916,750.		
<b>e</b>						
<b>f</b> All other program service revenue						
<b>g Total.</b> Add lines 2a-2f			222,597,736.			
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts)		2,758,586.	-43,478.	2,802,064.	
	<b>4</b> Income from investment of tax-exempt bond proceeds					
	<b>5</b> Royalties					
	<b>6 a</b> Gross rents	(i) Real	424,749.			
		(ii) Personal	0.			
		<b>b</b> Less: rental expenses	0.			
		<b>c</b> Rental income or (loss)	424,749.			
	<b>d</b> Net rental income or (loss)		424,749.	21,429.	403,320.	
	<b>7 a</b> Gross amount from sales of assets other than inventory	(i) Securities	356,816.			
		(ii) Other				
		<b>b</b> Less: cost or other basis and sales expenses	0.	20,834.		
		<b>c</b> Gain or (loss)	356,816.	-20,834.		
	<b>d</b> Net gain or (loss)		335,982.		335,982.	
	<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	<b>a</b>				
		<b>b</b> Less: direct expenses				
<b>c</b> Net income or (loss) from fundraising events						
<b>9 a</b> Gross income from gaming activities. See Part IV, line 19	<b>a</b>					
	<b>b</b> Less: direct expenses					
	<b>c</b> Net income or (loss) from gaming activities					
<b>10 a</b> Gross sales of inventory, less returns and allowances	<b>a</b>					
	<b>b</b> Less: cost of goods sold					
	<b>c</b> Net income or (loss) from sales of inventory					
<b>Miscellaneous Revenue</b>		<b>Business Code</b>				
<b>11 a</b> CARROLL COUNTY MED SERVICES MGMT		541610	90,000.	90,000.		
	<b>b</b> OTHER REVENUE		18,868.	18,868.		
	<b>c</b>					
	<b>d</b> All other revenue					
	<b>e Total.</b> Add lines 11a-11d			108,868.		
<b>12 Total revenue.</b> See instructions.			229,279,921.	219,778,167.	2,906,388.	
					3,541,366.	

**Part IX Statement of Functional Expenses**

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	105,000.	105,000.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,747,091.		4,747,091.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	84,937,237.	75,899,355.	9,037,882.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,807,593.	1,528,918.	278,675.	
9 Other employee benefits	6,779,381.	5,738,874.	1,040,507.	
10 Payroll taxes	6,301,696.	5,334,505.	967,191.	
11 Fees for services (non-employees):				
a Management				
b Legal	19,984.		19,984.	
c Accounting	232,440.		232,440.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	237,345.		237,345.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	23,476,768.	18,386,526.	5,090,242.	
12 Advertising and promotion	742,231.	695,413.	46,818.	
13 Office expenses	1,118,692.	1,046,952.	71,740.	
14 Information technology	129,713.	85,037.	44,676.	
15 Royalties				
16 Occupancy	4,119,164.	2,564,458.	1,554,706.	
17 Travel	446,708.	177,039.	269,669.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	71,999.	37,768.	34,231.	
20 Interest	5,970,125.	4,666,616.	1,303,509.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	14,889,597.	14,264,234.	625,363.	
23 Insurance	1,605,841.	992,234.	613,607.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <b>MEDICAL SUPPLIES</b>	32,355,849.	32,350,888.	4,961.	
b <b>CONTRACTED SERVICES</b>	10,566,518.	3,760,363.	6,806,155.	
c <b>DUES BOOKS AND SUBSCRIP</b>	2,897,158.	400,212.	2,496,946.	
d <b>OTHER PURCHASED SERVICE</b>	1,624,442.	1,377,428.	247,014.	
e All other expenses	6,432,084.	5,045,100.	1,386,984.	
25 <b>Total functional expenses.</b> Add lines 1 through 24e	211,614,656.	174,456,920.	37,157,736.	0.
26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here  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	
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	2,300.	<b>1</b>	10,340.	
	<b>2</b> Savings and temporary cash investments .....	34,529,645.	<b>2</b>	22,314,068.	
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>		
	<b>4</b> Accounts receivable, net .....	20,469,869.	<b>4</b>	23,389,282.	
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....		<b>5</b>		
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L .....		<b>6</b>		
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>		
	<b>8</b> Inventories for sale or use .....	2,928,385.	<b>8</b>	3,041,830.	
	<b>9</b> Prepaid expenses and deferred charges .....	6,323,699.	<b>9</b>	5,660,075.	
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 315,514,603.			
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 164,338,712.			
	<b>11</b> Investments - publicly traded securities .....	49,965,895.	<b>11</b>	53,795,622.	
	<b>12</b> Investments - other securities. See Part IV, line 11 .....	32,307,643.	<b>12</b>	33,614,935.	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....	40,470,225.	<b>13</b>	42,701,587.	
	<b>14</b> Intangible assets .....	3,500,000.	<b>14</b>	3,050,000.	
	<b>15</b> Other assets. See Part IV, line 11 .....	31,439,686.	<b>15</b>	30,998,338.	
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) .....	364,271,504.	<b>16</b>	369,751,968.		
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	33,022,250.	<b>17</b>	28,868,635.	
	<b>18</b> Grants payable .....		<b>18</b>		
	<b>19</b> Deferred revenue .....	543,645.	<b>19</b>	303,287.	
	<b>20</b> Tax-exempt bond liabilities .....	139,062,704.	<b>20</b>	139,094,739.	
	<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 current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....		<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 .....	54,679,299.	<b>25</b>	52,288,481.	
	<b>26 Total liabilities.</b> Add lines 17 through 25 .....	227,307,898.	<b>26</b>	220,555,142.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>				
	<b>27</b> Unrestricted net assets .....	125,365,463.	<b>27</b>	137,821,978.	
	<b>28</b> Temporarily restricted net assets .....	10,425,379.	<b>28</b>	10,202,084.	
	<b>29</b> Permanently restricted net assets .....	1,172,764.	<b>29</b>	1,172,764.	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>				
	<b>30</b> Capital stock or trust principal, or current funds .....		<b>30</b>		
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>31</b>		
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>32</b>		
<b>33</b> Total net assets or fund balances .....	136,963,606.	<b>33</b>	149,196,826.		
<b>34</b> Total liabilities and net assets/fund balances .....	364,271,504.	<b>34</b>	369,751,968.		

**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	229,279,921.
2	Total expenses (must equal Part IX, column (A), line 25)	2	211,614,656.
3	Revenue less expenses. Subtract line 2 from line 1	3	17,665,265.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	136,963,606.
5	Net unrealized gains (losses) on investments	5	4,151,416.
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 in Schedule O)	9	-9,583,461.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	149,196,826.

**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			
2b	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			
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Form 990 (2013)

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

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**  
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.  
▶ Attach to Form 990 or Form 990-EZ.

OMB No. 1545-0047

**2013**

**Open to Public Inspection**

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

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

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

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

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

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? .....	11g(i)	
(ii) A family member of a person described in (i) above? .....	11g(ii)	
(iii) A 35% controlled entity of a person described in (i) or (ii) above? .....	11g(iii)	
- h Provide the following information about the supported organization(s).

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2013

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

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 IV.) .....						
<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 2013 (line 6, column (f) divided by line 11, column (f)) .....	14	%
<b>15</b> Public support percentage from 2012 Schedule A, Part II, line 14 .....	15	%
<b>16a 33 1/3% support test - 2013.</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 - 2012.</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 - 2013.</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 IV 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 - 2012.</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 IV 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 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 IV.) .....						
<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 2013 (line 8, column (f) divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2012 Schedule A, Part III, line 15 .....	<b>16</b>	%

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

<b>17</b> Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2012 Schedule A, Part III, line 17 .....	<b>18</b>	%

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

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

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





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

Department of the Treasury  
Internal Revenue Service

**Political Campaign and Lobbying Activities**

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

- ▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
- ▶ **See separate instructions.** ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No. 1545-0047

**2013**

**Open to Public Inspection**

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

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

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

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

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

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

Name of organization <b>CARROLL HOSPITAL CENTER, INC.</b>	Employer identification number <b>52-1452024</b>
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

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

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

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

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

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2013

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

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

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

**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 to 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		14,874.
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? .....		X	
<b>i</b> Other activities? .....		X	
<b>j</b> Total. Add lines 1c through 1i .....			14,874.
<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 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, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

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SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No. 1545-0047

2013

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" to Form 990, Part IV, line 6.

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor advisement.

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

Form for Part II Conservation Easements. Includes checkboxes for purposes of easements, a table for held at the end of the tax year (lines 2a-2d), and questions about monitoring and reporting.

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

Form for Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Includes questions about reporting works of art and assets.

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

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

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b If "Yes," explain the arrangement in Part 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?  Yes  No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	12,400,252.	10,859,176.	10,086,170.	7,900,509.	7,009,809.
b Contributions	192,482.	405,024.	735,458.	690,978.	251,338.
c Net investment earnings, gains, and losses	1,322,825.	1,147,052.	48,548.	1,503,183.	639,362.
d Grants or scholarships	20,688.	11,000.	11,000.	8,500.	
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	13,894,871.	12,400,252.	10,859,176.	10,086,170.	7,900,509.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment  86.00 %
  - b Permanent endowment  9.00 %
  - c Temporarily restricted endowment  5.00 %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- |   | Yes | No |
|---|-----|----|
| (i) unrelated organizations   |     | X  |
| (ii) related organizations  | X   |    |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 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" to 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		126,718,859.	44,508,430.	82,210,429.
c Leasehold improvements		9,494,934.	9,494,934.	0.
d Equipment		130,828,568.	100,943,434.	29,885,134.
e Other		46,488,269.	9,391,914.	37,096,355.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				151,175,891.

**Part VII Investments - Other Securities.**

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) SHORT TERM INVESTMENT	14,799,973.	END-OF-YEAR MARKET VALUE
(B) LONG-TERM INVESTMENTS	18,427,641.	END-OF-YEAR MARKET VALUE
(C) L-T INVESTMENTS IN EXEC		
(D) OPTION PLAN	387,321.	END-OF-YEAR MARKET VALUE
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.)	<b>33,614,935.</b>	

**Part VIII Investments - Program Related.**

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

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) INVESTMENTS IN FOUNDATION	22,828,444.	END-OF-YEAR MARKET VALUE
(2) INVESTMENT IN PREMIER	294,374.	END-OF-YEAR MARKET VALUE
(3) INVESTMENT IN MT AIRY		
(4) HEALTH SERVICE	46,522.	END-OF-YEAR MARKET VALUE
(5) INVESTMENT IN COLONIAL	27,924.	END-OF-YEAR MARKET VALUE
(6) INVESTMENT IN CMOA	1,020,632.	END-OF-YEAR MARKET VALUE
(7) INVESTMENT IN HOSPICE	8,554,364.	END-OF-YEAR MARKET VALUE
(8) INVESTMENT IN CARROLL		
(9) COUNTY RADIOLOGY	5,806,312.	END-OF-YEAR MARKET VALUE
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.)	<b>42,701,587.</b>	

**Part IX Other Assets.**

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

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES	12,357,655.
(2) UNAMORTIZED BOND ISSUANCE COST	1,887,274.
(3) OTHER RECEIVABLES	530,669.
(4) FUNDS HELD BY TRUSTEE	16,222,740.
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.)	<b>30,998,338.</b>

**Part X Other Liabilities.**

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) ADVANCES FROM THIRD PARTY	6,504,681.
(3) ACCRUED PENSION	7,808,261.
(4) CAPITAL LEASE	992,021.
(5) MOB DEBT	17,192,397.
(6) DEFERRED COMPENSATION	387,321.
(7) DUE TO CENMAR	10,128,937.
(8) MERRILL LYNCH SWAP RATE LIABILITY	9,274,863.
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.)	<b>52,288,481.</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 FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

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

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

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

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

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

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

**Part XIII Supplemental Information.**

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

**PART X, LINE 2:**

**EXPLANATION: THE HEALTH SYSTEM AND ITS SUBSIDIARIES, EXCEPT FOR CCMS, CCR AND CEN-MAR, HAVE BEEN RECOGNIZED BY THE INTERNAL REVENUE SERVICES (IRS) AS TAX-EXEMPT UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND ARE EXEMPT FROM INCOME TAXES ON RELATED INCOME. CCMS IS ORGANIZED AS A FOR-PROFIT ENTITY AND, THEREFORE, IS SUBJECT TO FEDERAL AND STATE INCOME TAXES, WHICH 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**



**Part XIII** Supplemental Information (continued)

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 INOCME IN  
THE PERIOD THAT INCLUDES THE ENACTMENT DATE.

Multiple horizontal lines for supplemental information.



**SCHEDULE F  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Statement of Activities Outside the United States**

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

▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2013**

Open to Public Inspection

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

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
CENTRAL AMERICA AND THE CARIBBEAN			INVESTMENTS		17,598,641.
<b>3 a</b> Sub-total .....	0	0			17,598,641.
<b>b</b> Total from continuation sheets to Part I .....	0	0			0.
<b>c Totals</b> (add lines 3a and 3b) .....	0	0			17,598,641.

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

<b>1</b> <b>(a)</b> Name of organization	<b>(b)</b> IRS code section and EIN (if applicable)	<b>(c)</b> Region	<b>(d)</b> Purpose of grant	<b>(e)</b> Amount of cash grant	<b>(f)</b> Manner of cash disbursement	<b>(g)</b> Amount of non-cash assistance	<b>(h)</b> Description of non-cash assistance	<b>(i)</b> Method of valuation (book, FMV, appraisal, other)

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

**3** Enter total number of other organizations or entities ..... ▶ \_\_\_\_\_

**Part III Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

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

**Part IV Foreign Forms**

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

Schedule F (Form 990) 2013



**SCHEDULE H  
(Form 990)**

**Hospitals**

OMB No. 1545-0047

**2013**

Department of the Treasury  
Internal Revenue Service

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**  
▶ **Attach to Form 990.** ▶ **See separate instructions.**  
▶ **Information about Schedule H (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

**Open to Public  
Inspection**

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 .....	<input checked="" type="checkbox"/>	
<b>b</b> If "Yes," was it a written policy? .....	<input checked="" type="checkbox"/>	
<b>2</b> If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
<b>3</b> Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
<b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: .....	<input checked="" type="checkbox"/>	
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>300</u> %		
<b>b</b> Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: .....	<input checked="" type="checkbox"/>	
<input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>375</u> %		
<b>c</b> If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
<b>4</b> Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? .....	<input checked="" type="checkbox"/>	
<b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? .....	<input checked="" type="checkbox"/>	
<b>b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? .....		<input checked="" type="checkbox"/>
<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? .....		
<b>6a</b> Did the organization prepare a community benefit report during the tax year? .....	<input checked="" type="checkbox"/>	
<b>b</b> If "Yes," did the organization make it available to the public? .....	<input checked="" type="checkbox"/>	

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

<b>7 Financial Assistance and Certain Other Community Benefits at Cost</b>						
<b>Financial Assistance and Means-Tested Government Programs</b>	<b>(a)</b> Number of activities or programs (optional)	<b>(b)</b> Persons served (optional)	<b>(c)</b> Total community benefit expense	<b>(d)</b> Direct offsetting revenue	<b>(e)</b> Net community benefit expense	<b>(f)</b> Percent of total expense
<b>a</b> Financial Assistance at cost (from Worksheet 1) .....			2,463,070.		2,463,070.	1.16%
<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 .....			2,463,070.		2,463,070.	1.16%
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) .....			2,381,825.	1,595.	2,380,230.	1.12%
<b>f</b> Health professions education (from Worksheet 5) .....			644,410.		644,410.	.30%
<b>g</b> Subsidized health services (from Worksheet 6) .....			6,587,679.	317,000.	6,270,679.	2.96%
<b>h</b> Research (from Worksheet 7) .....						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8) .....			276,169.		276,169.	.13%
<b>j Total.</b> Other Benefits .....			9,890,083.	318,595.	9,571,488.	4.51%
<b>k Total.</b> Add lines 7d and 7j .....			12,353,153.	318,595.	12,034,558.	5.67%



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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy			384,612.		384,612.	.18%
8 Workforce development						
9 Other						
10 Total			384,612.		384,612.	.18%

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

**Section A. Bad Debt Expense**

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

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME) .....	5	92,262,237.
6 Enter Medicare allowable costs of care relating to payments on line 5 .....	6	75,463,561.
7 Subtract line 6 from line 5. This is the surplus (or shortfall) .....	7	16,798,676.
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

**Section C. Collection Practices**

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

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 CARROLL COUNTY RADIOLOGY LLC	IMAGING CENTER	60.00%		40.00%

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

1 CARROLL HOSPITAL CENTER
200 MEMORIAL AVE
WESTMINSTER, MD 21157

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 contains '1 CARROLL HOSPITAL CENTER' and '200 MEMORIAL AVE WESTMINSTER, MD 21157' with an 'X' in the 'Licensed hospital' column.

**Part V Facility Information** (continued)

**Section B. Facility Policies and Practices**

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

Name of hospital facility or facility reporting group CARROLL HOSPITAL CENTER

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 1

	Yes	No
<b>Community Health Needs Assessment</b> (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
<b>1</b> During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	<b>X</b>	
If "Yes," indicate what the CHNA report describes (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
<b>b</b> <input checked="" type="checkbox"/> Demographics of the community		
<b>c</b> <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
<b>d</b> <input checked="" type="checkbox"/> How data was obtained		
<b>e</b> <input checked="" type="checkbox"/> The health needs of the community		
<b>f</b> <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
<b>g</b> <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
<b>h</b> <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
<b>i</b> <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
<b>j</b> <input type="checkbox"/> Other (describe in Section C)		
<b>2</b> Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>12</u>		
<b>3</b> 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	<b>X</b>	
<b>4</b> Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		<b>X</b>
<b>5</b> Did the hospital facility make its CHNA report widely available to the public?	<b>X</b>	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
<b>a</b> <input checked="" type="checkbox"/> Hospital facility's website (list url): _____		
<b>b</b> <input type="checkbox"/> Other website (list url): _____		
<b>c</b> <input checked="" type="checkbox"/> Available upon request from the hospital facility		
<b>d</b> <input checked="" type="checkbox"/> Other (describe in Section C)		
<b>6</b> If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year):		
<b>a</b> <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
<b>b</b> <input checked="" type="checkbox"/> Execution of the implementation strategy		
<b>c</b> <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
<b>d</b> <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
<b>e</b> <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
<b>f</b> <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
<b>g</b> <input checked="" type="checkbox"/> Prioritization of health needs in its community		
<b>h</b> <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
<b>i</b> <input type="checkbox"/> Other (describe in Section C)		
<b>7</b> Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs		<b>X</b>
<b>8a</b> Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		<b>X</b>
<b>8b</b> If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
<b>c</b> If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

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

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? .....	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? .....	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: <u>300</u> %			
If "No," explain in Section C the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing <i>discounted</i> care? .....	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>375</u> %			
If "No," explain in Section C the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients? .....	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	<input checked="" type="checkbox"/> Income level		
b	<input checked="" type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input checked="" type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Section C)		
13	Explained the method for applying for financial assistance? .....	X	
14	Included measures to publicize the policy within the community served by the hospital facility? .....	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available on request		
g	<input type="checkbox"/> Other (describe in Section C)		

Billing and Collections		Yes	No
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment? .....	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? .....		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

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

- 18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):
- a  Notified individuals of the financial assistance policy on admission
  - b  Notified individuals of the financial assistance policy prior to discharge
  - c  Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
  - d  Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
  - e  Other (describe in Section C)

**Policy Relating to Emergency Medical Care**

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

	Yes	No
<b>19</b>	<b>X</b>	

If "No," indicate why:

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

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

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

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

<b>21</b>		<b>X</b>
<b>22</b>		<b>X</b>

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

If "Yes," explain in Section C.

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

If "Yes," explain in Section C.

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

CARROLL HOSPITAL CENTER:

PART V, SECTION B, LINE 3: THE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) TOOK INTO ACCOUNT INPUT FROM REPRESENTATIVES OF THE COMMUNITY SERVED BY THE HOSPITAL FACILITY, INCLUDING PERSONS WITH SPECIAL KNOWLEDGE OF OR EXPERTISE IN PUBLIC HEALTH, AS WELL AS LEADERS AND REPRESENTATIVES OF MEDICALLY UNDERSERVED, LOW-INCOME, AND MINORITY POPULATIONS. THE CHNA WRITTEN REPORT INCORPORATED EXPERTISE AND PARTICIPATION FROM SUCH COMMUNITY LEADERS AND REPRESENTATIVES, AS WELL AS LEADERS IN PUBLIC HEALTH, INCLUDING REPRESENTATIVES FROM THE CARROLL COUNTY HEALTH DEPARTMENT. AS PART OF THE CHNA, A KEY INFORMANT SURVEY OF 54 COMMUNITY LEADERS FROM A BROAD RANGE OF ACADEMIC, BUSINESS, GOVERNMENT, NON-PROFIT, PUBLIC HEALTH AND HEALTH CARE FIELDS WAS UNDERTAKEN. AMONG THE INDIVIDUALS WHO COMPLETED THE KEY INFORMANT SURVEY WERE REPRESENTATIVES FROM SUCH COMMUNITY ORGANIZATIONS AS THE ARC CARROLL COUNTY, CHANGE, INC., Y OF CENTRAL MARYLAND, AND THE WOMEN'S PLACE, AS WELL AS PUBLIC HEALTH EXPERTS INCLUDING A WIDE RANGE OF PHYSICIANS AND NUMEROUS MEMBERS OF THE CARROLL COUNTY HEALTH DEPARTMENT. IN ADDITION, THE CHNA INCLUDES FINDINGS FROM THE MARYLAND STATE HEALTH IMPROVEMENT PROCESS (SHIP), CARROLL COUNTY SHIP PROFILE AND CARROLL COUNTY LOCAL HEALTH IMPROVEMENT PLAN. FURTHERMORE, LEADERS FROM 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.

CARROLL HOSPITAL CENTER:

PART V, SECTION B, LINE 6I: DURING THE 2012 TAX YEAR, CARROLL HOSPITAL

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

CENTER ADOPTED AN IMPLEMENTATION STRATEGY THAT ADDRESSED THE COMMUNITY HEALTH NEEDS THAT WERE IDENTIFIED IN THE CHNA WRITTEN REPORT. CARROLL HOSPITAL CENTER CONTINUED TO EXECUTE THE IMPLEMENTATION STRATEGY DURING 2013, INCLUDING BY UNDERTAKING THE FOLLOWING ACTIONS:

IDENTIFIED NEED EXAMPLE 1: REDUCE THE MELANOMA INCIDENCE RATE FOR CARROLL COUNTY

PRIMARY OBJECTIVE: TO REDUCE THE MELANOMA INCIDENCE RATE TO 24.8 CASES/100,000 POPULATION OR LOWER, BY PROVIDING EDUCATION ON PREVENTION, PROTECTIVE MEASURES, AND EARLY DETECTION THROUGH SKIN CANCER SCREENINGS AND AWARENESS EDUCATION.

ACTIVITIES UNDERTAKEN DURING FY 2014 TO MEET THE IDENTIFIED HEALTH NEED:

- IN FY 2014, SKIN CANCER SCREENINGS WERE EXPANDED TO OTHER PARTS OF THE COMMUNITY SUCH AS TANEYTOWN, AN AREA IDENTIFIED AS A TARGETED POPULATION DUE TO LOW-INCOME RESIDENTS WHO DON'T ALWAYS HAVE ACCESS TO SPECIALISTS.
- THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY'S FUN IN THE SUN & SAFER IN THE SHADE (SUN AWARENESS): 220 STUDENTS, CHILDREN, AND FAMILIES.
- SKIN CANCER AWARENESS EDUCATION OF THE USE OF PROTECTIVE MEASURES WHEN IN THE SUN: 2,410 PEOPLE, INCLUDES NO-TANNING PLEDGE/SKIN CANCER EDUCATION AT HIGH SCHOOLS 215 STUDENTS - 104% INCREASE OVER PRIOR YEAR.
- SKIN CANCER SCREENINGS: 109 PARTICIPANTS (21% INCREASE IN PARTICIPATION AND OFFERINGS; 60 REFERRED FOR FOLLOW-UP; 37 QUESTIONNAIRES RETURNS; 1 SQUAMOS CELL; 1 BASAL CELL; 10 PRE-CANCEROUS AREAS FROZEN OR REMOVED

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

TOTAL ESTIMATED COST OF INITIATIVE DURING THE FISCAL YEAR: \$60,000

IDENTIFIED NEED EXAMPLE 2: REDUCE THE PERCENTAGE OF ADULTS IN CARROLL COUNTY WHO ARE UNABLE TO AFFORD TO SEE A DOCTOR

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

ACTIVITIES UNDERTAKEN DURING FY 2014 TO MEET THE IDENTIFIED HEALTH NEED:

- OPENED EXPANDED FACILITY WITH DENTAL SERVICES. NEW PATIENTS: 844, TOTAL ENCOUNTERS: 8,256

- EXPANDED CARE COORDINATION SERVICES, INCLUDING:

\* SSI/SSDI APPLICATIONS

\* HOMELESSNESS SERVICES (SOAR)

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

MANAGEMENT

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

\* TRANSPORTATION SERVICES

- TOTAL ACCESS CARROLL ENCOUNTERS: 12,066 - UP 22% OVER PRIOR YEARS

- CARROLL HOSPITAL CENTER REFERRED 524 SELF PAY PATIENTS TO ACCESS CARROLL FOR PRIMARY CARE FOLLOW-UP AFTER AN EMERGENCY DEPARTMENT VISIT FROM 2/25/2014 TO 6/30/2014

TOTAL ESTIMATED COST OF INITIATIVE DURING THE FISCAL YEAR: \$496,159



**Part V** Facility Information (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

IDENTIFIED NEED EXAMPLE 3: REDUCE THE RATE OF BEHAVIORAL HEALTH EMERGENCY DEPARTMENT (ED) VISITS AND ADMISSIONS

PRIMARY OBJECTIVE: TO REDUCE THE NUMBER OF INDIVIDUALS WITH 10 OR MORE ED VISITS RELATED TO BEHAVIORAL HEALTH AND REDUCE THE NUMBER OF INDIVIDUALS WITH 3 OR MORE ADMISSIONS TO BEHAVIORAL HEALTH UNIT.

ACTIVITIES UNDERTAKEN DURING FY 2014 TO MEET THE IDENTIFIED HEALTH NEED:

- CONNECTED PATIENTS WITH THE APPROPRIATE COMMUNITY AND HEALTH CARE RESOURCES

- CASE MANAGEMENT SERVICES AT THE ED

CARROLL HOSPITAL CENTER:

PART V, SECTION B, LINE 7: PURSUANT TO THE CHNA UNDERTAKEN BY CARROLL HOSPITAL CENTER, 20 COMMUNITY HEALTH NEEDS WERE IDENTIFIED. THEN, WORKING COLLABORATIVELY, HOSPITAL AND COMMUNITY PUBLIC HEALTH LEADERS, AS WELL AS THE HOSPITAL'S COMMUNITY BENEFIT PLANNING COMMITTEE, BEGAN PRIORITIZING THE FOCUS FOR ACTION IN THE NEXT THREE YEARS. IN PARTICULAR, A JOINT STRATEGIES MEETING WAS CONVENED TO HELP DETERMINE THE PRIORITIZATION OF THE IDENTIFIED COMMUNITY HEALTH NEEDS.

DURING THE JOINT STRATEGY MEETING, EACH OF THE 20 IDENTIFIED COMMUNITY HEALTH NEEDS WAS ADDRESSED. TAKING INTO CONSIDERATION THE LIMITED FINANCIAL RESOURCES AVAILABLE TO THE HOSPITAL, THE 20 IDENTIFIED NEEDS WERE PRIORITIZED BY HOSPITAL AND COMMUNITY PUBLIC HEALTH LEADERS ON THE

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

FOLLOWING CRITERIA: COMMUNITY IMPACT, URGENCY, SIZE, SEVERITY, ALIGNMENT WITH CARROLL HOSPITAL CENTER/ THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY AND RETURN ON INVESTMENT. FINAL CRITERIA SELECTION WAS DETERMINED BY THE EXECUTIVE COUNCIL MEMBERS OF CARROLL HOSPITAL CENTER, IN COLLABORATION WITH THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY BOARD.

PURSUANT TO THIS PRIORITIZATION PROCESS, IT WAS DETERMINED THAT THE NEEDS THE CARROLL HOSPITAL CENTER HOSPITAL FACILITY WOULD ATTEMPT TO ADDRESS WOULD BE NARROWED DOWN TO SEVEN (7) KEY COMMUNITY BENEFIT ISSUES, SO AS TO MAXIMIZE THE HOSPITAL'S RESOURCES TO ADDRESS NEEDS THE HOSPITAL FELT IT WAS IN THE BEST POSITION TO ATTEMPT TO MEET. AMONG THOSE NEEDS THAT THE HOSPITAL FACILITY DETERMINED IT WOULD NOT SPECIFICALLY FOCUS UPON ADDRESSING WERE: HEALTH CARE TRANSPORTATION, MOTOR VEHICLE DEATHS, AGE DISCRIMINATION, ARTHRITIS, ASTHMA, FLU, AND ORAL HEALTH CARE.

CARROLL HOSPITAL CENTER:

PART V, SECTION B, LINE 18E: THE HOSPITAL FACILITY OR AN AUTHORIZED THIRD PARTY DID NOT UNDERTAKE ANY OF THE COLLECTION ACTIONS NOTED IN PART V, SECTION B, LINE 17 BEFORE MAKING REASONABLE EFFORTS TO DETERMINE ANY PATIENTS ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY. IN ORDER TO HELP DETERMINE PATIENTS' ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY, THE HOSPITAL UNDERTAKES A NUMBER OF ACTIONS, INCLUDING NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY ON ADMISSION, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY PRIOR TO DISCHARGE, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY IN COMMUNICATIONS WITH THE PATIENTS' BILLS, AND DOCUMENTING ITS

**Part V** Facility Information (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

**DETERMINATION OF WHETHER PATIENTS WERE EILIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY.**

CARROLL HOSPITAL CENTER:

PART V, SECTION B, LINE 20D: THE HOSPITAL FACILITY PROVIDES A DISCOUNT OF AT LEAST 25% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO ANY INDIVIDUAL THAT IS ELIGIBLE FOR DISCOUNTED CARE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY AND AT LEAST 15% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO ANY INDIVIDUAL THAT QUALIFIES UNDER THE MEDICAL HARDSHIP PROVISIONS OF THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY. PURSUANT TO THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) ALL-PAYOR SYSTEM FOR HOSPITALS IN THE STATE OF MARYLAND, THE GREATEST DISCOUNT OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE PERMITTED TO ANY COMMERCIAL INSURER OR MEDICARE IS ONLY 6% AS A RESULT, THE HOSPITAL FACILITY WAS ABLE TO DETERMINE THAT THE MAXIMUM AMOUNT CHARGED TO INDIVIDUALS THAT WERE ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY WAS NOT GREATER THAN THE AMOUNT GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE.

CARROLL HOSPITAL CENTER:

PART V, SECTION B, LINE 22: THE HOSPITAL FACILITY DOES NOT CHARGE ANY INDIVIDUALS THAT IT KNOWS ARE ELIGIBLE FOR FINANCIAL ASSISTANCE AN AMOUNT

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 1j, 3, 4, 5d, 6i, 7, 10, 11, 12i, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22. If applicable, provide separate descriptions for each facility in a facility reporting group, designated by "Facility A," "Facility B," etc.

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

**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 7253 AMBASSADOR ROAD BALTIMORE, MD 21244	IMAGING CENTER
2 CARROLL COUNTY RADIOLOGY 1430 PROGRESS WAY, STE 108 ELDERSBURG, MD 21784	IMAGING CENTER
3 CARROLL COUNTY RADIOLOGY 193 STONER AVE, STE 200 WESTMINSTER, MD 21157	IMAGING CENTER
4 CARROLL COUNTY RADIOLOGY 1 VILLAGE SQUARE WESTMINSTER, MD 21157	IMAGING CENTER
5 CARROLL COUNTY RADIOLOGY 844 WASHINGTON ROAD, STE 102 WESTMINSTER, MD 21157	IMAGING CENTER

**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:**

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

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

**Part VI** Supplemental Information (Continuation)

TO PROVIDE PRESUMPTIVE FINANCIAL ASSISTANCE DISCOUNTS FROM PATIENTS AND OTHER SOURCES, SUCH AS PHYSICIANS, COMMUNITY OR RELIGIOUS GROUPS, INTERNAL OR EXTERNAL SOCIAL SERVICES OR FINANCIAL COUNSELING PERSONNEL.

THE FOLLOWING ARE EXAMPLES OF PATIENT SITUATIONS THAT MAY REASONABLY ASSIST IN THE DETERMINATION OF PRESUMPTIVE ELIGIBILITY FOR FINANCIAL ASSISTANCE: (1) PATIENT HAS RECEIVED CARE FROM AND/OR HAS PARTICIPATED IN WOMEN'S, INFANTS AND CHILDREN (WIC) PROGRAMS, (2) PATIENT IS HOMELESS AND/OR HAS RECEIVED CARE FROM A HOMELESS CLINIC, (3) PATIENT'S FAMILY IS ELIGIBLE FOR AND IS RECEIVING FOOD STAMPS, (4) PATIENT'S FAMILY IS ELIGIBLE FOR AND IS PARTICIPATING IN SUBSIDIZED SCHOOL LUNCH PROGRAMS, (5) PATIENT QUALIFIES FOR OTHER STATE OR LOCAL ASSISTANCE PROGRAMS THAT ARE UNFOUNDED OR THE PATIENT'S ELIGIBILITY HAS BEEN DISMISSED DUE TO A TECHNICALITY (I.E. MEDICAID SPEND-DOWN), (6) FAMILY OR FRIENDS OF A PATIENT HAVE PROVIDED INFORMATION ESTABLISHING THE PATIENT'S INABILITY TO PAY, (7) THE PATIENT'S STREET ADDRESS AND DOCUMENTATION EVIDENCING STATUS IN AN AFFORDABLE OR SUBSIDIZED HOUSING DEVELOPMENT, (8) 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:

EXPLANATION: EFFECTIVE JANUARY 1, 2014, MEDICAID ELIGIBILITY WAS EXPANDED IN THE STATE OF MARYLAND TO COVER MORE ADULTS BETWEEN THE AGES OF 19-64 AND THE AFFORDABLE CARE ACT HEALTH EXCHANGES BECAME OPERATIONAL. AS A RESULT, THE NUMBER OF UNINSURED AND UNDERINSURED RESIDENTS IN THE HOSPITAL'S COMMUNITY THAT SEEK HOSPITAL SERVICES HAS BEEN REDUCED. THIS IS EVIDENCED BY A SHIFT OF HOSPITAL PATIENTS PREVIOUSLY UNINSURED TO NOW RECEIVING BENEFITS THROUGH MEDICAID AND MEDICAID MCO'S. DURING ITS 2013 TAX YEAR, THE HOSPITAL'S PERCENTAGE OF NET PATIENT SERVICE REVENUE

**Part VI** Supplemental Information (Continuation)

STEMMING FROM MEDICAID PATIENTS INCREASED 33% (10.6% OF PATIENT REVENUE PRE-EXPANSION TO 14.3% POST EXPANSION). THIS INCREASE IN MEDICAID UTILIZATION CORRESPONDS WITH A DECREASE OF SIMILAR MAGNITUDE IN UNINSURED PATIENTS SEEN BY THE HOSPITAL DURING THIS SAME TIME PERIOD (3.8% OF NET PATIENT REVENUE PRE-EXPANSION TO 1.4% POST-EXPANSION). AS ANTICIPATED, THIS HAS RESULTED IN LESS PATIENTS REQUIRING FINANCIAL ASSISTANCE FOR HOSPITAL SERVICES, THEREBY LEADING TO A REDUCTION IN THE PROVISION OF FINANCIAL ASSISTANCE BY THE HOSPITAL (\$2.46 MILLION IN TAX YEAR 2013 VS. \$4.51 MILLION IN TAX YEAR 2012).

PART I, LINE 7G:

EXPLANATION: CARROLL HOSPITAL CENTER INCURRED \$6.3 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 AND PEDIATRIC, PSYCHIATRIC, OBSTETRICAL AND CRITICAL AND GENERAL MEDICAL CARE HAVE THE ACCESS THEY NEED ONCE ADMITTED TO THE HOSPITAL, INCLUDING 24/7 COVERAGE. CARROLL HOSPITAL CENTER HAS HOSPITALIST PROGRAMS IN EACH OF THESE AREAS AND ALLOCATES A SIGNIFICANT AMOUNT OF RESOURCES SUSTAINING THE PROGRAMS. IN FY13, APPROXIMATELY \$6.4 MILLION WAS SPENT IN ENSURING CARE FOR ALL PATIENTS AND RECRUITING AND RETAINING PHYSICIANS, OF WHICH \$4.8 MILLION HAS BEEN REPORTED AS SUBSIDIZED HEALTH SERVICES.

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



**Part VI** Supplemental Information (Continuation)

FOR THE UNINSURED, BUT ALSO FOR ALL PATIENTS IN OUR GROWING COMMUNITY. TO ENSURE OUR COMMUNITY HAS ACCESS TO QUALITY PHYSICIANS, CARROLL HOSPITAL CENTER CONTINUALLY MONITORS STATISTICALLY CALCULATED NEED BY DEVELOPING A COMPREHENSIVE MEDICAL STAFF DEVELOPMENT PLAN BASED ON THE HEALTH CARE NEEDS OF OUR MEDICAL SERVICE AREA. THE REPORT INCLUDES BOTH AN ANALYSIS OF THE HOSPITAL'S SERVICE AREA AND SPECIFIC RECOMMENDATIONS REGARDING APPROPRIATE STAFFING LEVELS IN A VARIETY OF MEDICAL SPECIALTIES. THE PHYSICIAN NEEDS ASSESSMENT METHODOLOGY USED IS BASED ON A QUALITATIVE STANDARD ESTABLISHED BY THE INTERNAL REVENUE SERVICE (IRS). THE REPORT GUIDES THE HOSPITAL'S RECRUITING STRATEGY, HELPS US TO PRIORITIZE RECRUITING EFFORTS AND ALLOWS THE HOSPITAL TO PLACE CONTINGENCIES ON RECRUITED PHYSICIANS TO ENSURE THEY SEE MEDICALLY UNDERSERVED, UNINSURED, MEDICARE AND MEDICAID PATIENTS.

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

THE LIKELIHOOD THAT PATIENTS PRESENT MORE ACUTELY IN THE UNINSURED

**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, ORTHOPAEDICS, OTOLARYNGOLOGY (ENT), GENERAL SURGERY AND PLASTIC SURGERY. THERE ALSO HAS BEEN INCREASING RELUCTANCE FROM OTHER SPECIALTIES WITH SIGNIFICANT ED VOLUMES, INCLUDING VASCULAR SURGERY, NEUROSURGERY AND NEUROLOGY.

TO HELP EASE THE EFFECTS OF UNCOMPENSATED CARE ON PHYSICIANS AND ADDRESS THE GAP IN CARE FOR OUR PATIENTS, CARROLL HOSPITAL CENTER HAS CONTINUED TWO MAJOR, COSTLY INITIATIVES TO ADDRESS THE GAP PROACTIVELY. FIRST, THE HOSPITAL CONTRACTS WITH 10 MEDICAL SPECIALTIES TO ENSURE 24/7 COVERAGE IN THE ED. IMPLEMENTED IN 2006, THOSE SPECIALTIES INCLUDE NEUROSURGERY; GENERAL, PLASTIC, VASCULAR AND ORAL SURGERY; ORTHOPAEDICS; UROLOGY; PODIATRY; OPHTHALMOLOGY AND ENT. ADDITIONALLY, THE GROWING VOLUMES OF UNINSURED PATIENTS HAS CAUSED THE HOSPITAL TO RECENTLY INSTITUTE AN ADDITIONAL POLICY WHICH ALLOWS PHYSICIANS WHO SEE PATIENTS WITHOUT A PAYMENT SOURCE IN THE ED TO BE REIMBURSED FOR PHYSICIAN SERVICES BY THE HOSPITAL AT CURRENT MEDICARE RATES. WHILE PAYMENT FOR ED CALL MAY HELP WITH THE GAPS IN COVERAGE FOR THE UNINSURED, IT BEARS A SIGNIFICANT FINANCIAL TOLL ON THE HOSPITAL. THE EXPENSE TO PAY PHYSICIANS FOR ED CALL HAS COST THE HOSPITAL \$621,744 IN FY12.

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

**Part VI** Supplemental Information (Continuation)

THESE COMPREHENSIVE SERVICES IN THE AREAS THAT THE HOSPITAL DOES.

## PART I, LINE 5A

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

## PART I, LINE 6A

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

## PART I, LINE 7A

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

**Part VI** Supplemental Information (Continuation)

PART I, LINE 7A, COLUMN C

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

PART I, LINE 7B

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

MARYLAND'S UNIQUE ALL-PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYOR'S RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE. COMMUNITY BENEFIT EXPENSES ARE EQUAL TO MEDICAID REVENUES IN MARYLAND, AS SUCH, THE NET EFFECT IS ZERO. THE EXCEPTION TO THIS IS THE IMPACT ON THE HOSPITAL FOR ITS SHARE OF MEDICAID ASSESSMENT. IN RECENT YEARS THE STATE OF MARYLAND HAS CLOSED FISCAL GAPS IN THE STATE MEDICAID BUDGET BY ASSESSING HOSPITALS THROUGH THE RATE-SETTING SYSTEM. FOR TAX YEAR 2012 CARROLL HOSPITAL CENTER'S MEDICAID BUDGET DEFICIT UNFUNDED ASSESSMENT AMOUNTED TO \$929,190

PART I LINE 7F

EXPLANATION: 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

**Part VI** Supplemental Information (Continuation)

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

## PART III, LINE 4:

EXPLANATION: CARROLL HOSPITAL CENTER INCURRED \$7,994,500 BAD DEBT EXPENSE  
 DURING THE TAX YEAR 2013. THIS REFLECTS THE AMOUNT OF GROSS PATIENT  
 CHARGES UNCOLLECTED FROM PATIENTS THAT DID NOT QUALIFY FOR FINANCIAL  
 ASSISTANCE. PER AUDIT REPORT (1N "PROVISION FOR BAD DEBTS"): "PATIENT  
 ACCOUNTS RECEIVABLE ARE REDUCED BY PROVISION FOR BAD DEBTS. IN EVALUATING  
 THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, THE HEALTH SYSTEM ANALYZES  
 HISTORICAL COLLECTIONS AND WRITE-OFFS AND IDENTIFIES TRENDS FOR EACH OF  
 ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE PROVISION  
 FOR BAD DEBTS AND PROVISION FOR UNCOLLECTIBLE ACCOUNTS. MANAGEMENT  
 REGULARLY REVIEWS ITS ESTIMATE AND EVALUATES THE SUFFICIENCY OF THE  
 ALLOWANCE FOR BAD DEBTS. THE HEALTH SYSTEM ANALYZES CONTRACTUAL AMOUNTS  
 DUE FROM PATIENTS WHO HAVE THIRD PARTY COVERAGE AND PROVIDES AN ALLOWANCE  
 FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR BAD DEBTS. FOR PATIENT ACCOUNTS  
 RECEIVABLE ASSOCIATED WITH SELF-PAY PATIENTS, WHICH INCLUDES THOSE  
 PATIENTS WITHOUT INSURANCE COVERAGE EXISTS FOR A PORTION OF THE BILL, THE  
 HEALTH SYSTEM RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS FOR PATIENTS  
 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.

**Part VI** Supplemental Information (Continuation)

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

CARROLL HOSPITAL CENTER INC. DETERMINES ELIGIBILITY FOR FINANCIAL 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 \$587,000 AT COST (10%) MAY BE ATTRIBUTABLE TO PATIENTS ELIGIBLE FOR FINANCIAL ASSISTANCE/CHARITY CARE.

PART III, LINE 8:

EXPLANATION: CARROLL HOSPITAL CENTER'S TAX YEAR 2013 (FISCAL YEAR 2014) MEDICARE COST REPORT SUBMISSION WAS UTILIZED AS THE SOURCE DOCUMENT TO REPORT MEDICARE TOTAL REVENUE AND ALLOWABLE COSTS.

PART III, LINE 9B:

EXPLANATION: 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

**Part VI** Supplemental Information (Continuation)

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:

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

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

**Part VI** Supplemental Information (Continuation)

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 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 LOCAL TEAM, WHICH INCLUDED THE HOSPITAL, PRODUCED A LOCAL HEALTH IMPROVEMENT PLAN (L.H.I.P.) ADDRESSING FIVE PRIORITY NEED AREAS. THE S.H.I.P. AND L.H.I.P. PROVIDE ANOTHER IMPORTANT SET OF VERY USEFUL INFORMATION AND IS BEING FULLY INTEGRATED WITHIN THE HOSPITAL'S FIRST IRS COMPLIANT COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) AND COMMUNITY BENEFIT PLANNING PROCESSES. THE HOSPITAL AND THE PARTNERSHIP HAVE CONDUCTED MULTIPLE PREVIOUS NEEDS



**Part VI** Supplemental Information (Continuation)

ASSESSMENTS, HAVE MADE REAL PROGRESS TOWARDS COMMUNITY ENGAGEMENT IN THESE PROCESSES AND HAVE INTEGRATED ANNUAL MEASUREMENT SYSTEMS INTO THE HEALTH IMPROVEMENT WORK KNOWN AS "HEALTHY CARROLL VITAL SIGNS (HCVS)." THESE MEASURES BUILD ON NATIONAL BENCHMARKS AND IMPROVEMENT TARGETS SUCH AS HP 2020. FUTURE EDITIONS OF HEALTHY CARROLL VITAL SIGNS WILL ALSO INTEGRATE S.H.I.P. 2014 BENCHMARKS AND IMPROVMENT TARGETS.

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

## PART VI, LINE 3:

EXPLANATION: CARROLL HOSPITAL CENTER (CHC) HAS A NUMBER OF PROGRAMS TO ASSIST PATIENTS WITH THEIR PAYMENT OBLIGATIONS. FIRST, WE PROVIDE A MEDICAID ENROLLMENT SERVICE TO PATIENTS WHO QUALIFY FOR MEDICAL ASSISTANCE. THIS SERVICE ASSISTS PATIENTS WITH PAPERWORK AND WILL EVEN PROVIDE TRANSPORTATION IF NEEDED. THIS PAST YEAR, CHC ASSISTED 310 PATIENTS IN APPLYING FO THE STATE'S MEDICAL ASSISTANCE PROGRAM. IN ADDITION, THE HOSPITAL HELD A, FREE ENROLLMENT SESSION FOR "COVER THE UNINSURED DAY' FOR UNINSURED COMMUNITY MEMBERS TO COME IN TO SEE IF THEY QUALIFIED FOR MEDICAL OR FNINANCIAL ASSISTANCE. FOR PATIENTS WHO DO NOT QUALIFY FOR MEDICAID COVERAGE, CHC HAS AN IN-HOUSE FINANCIAL ASSISTANCE PROGRAM.

**Part VI** Supplemental Information (Continuation)

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

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

PART VI, LINE 4:

EXPLANATION: 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:

**Part VI** Supplemental Information (Continuation)

## POPULATION

TOTAL POPULATION 2012: 167,217

POPULATION PERCENT CHANGE 2011 TO 2012: 0%

PERSONS UNDER 5 YEARS PERCENT 2011: 4.9%

PERSONS UNDER 18 YEARS PERCENT 2011: 23.3%

PERSONS 65 YEARS AND OVER PERCENT 2011: 14.3%

FEMALE PERSONS, PERCENT 2012: 50.6%

RACE WHITE PERSONS: 93.3%

BLACK PERSONS: 3.4%

AMERICAN INDIAN AND ALASKA NATIVE PERSONS: 0.2%

ASIAN PERSONS: 1.6%

NATIVE AMERICAN AND OTHER PACIFIC ISLANDER: 0

PERSONS REPORTING TWO OR MORE RACES: 1.5%

PERSONS OF HISPANIC OR LATINO ORIGIN: 2.8%

WHITE PERSONS NOT HISPANIC: 90.8%

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

## FAMILY

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

AVERAGE HOUSEHOLD SIZE (2007-2011): 2.75 PERSONS

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

## ECONOMICS

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

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

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

**Part VI** Supplemental Information (Continuation)

OTHER SIGNIFICANT DEMOGRAPHIC CHARACTERISTICS

ACCORDING TO AMREICAN COMMUNITY SURVEY (2011) THE PERCENTAGE OF UNINSURED PATIENTS IN CARROLL COUNTY IS 6.8%. IN TY 2012, OF THE CARROLL COUNTY RESIDENTS THAT WERE HOSPITALIZED (EITHER AT CHC OR OTHER HOSPITALS), 10.3% WERE ENROLLED IN MEDICAL ASSISTANCE PROGRAMS IN CARROLL COUNTY, WHICH INCLUDES MCHIP, PAC, AND MEDICAL ASSISTANCE. THE AVERAGE LIFE EXPECTANCY WITH CARROLL COUNTY WAS 79.5.

PART VI, LINE 5:

EXPLANATION: CARROLL HOSPITAL CENTER, FOUNDED IN 1961, IS THE SOLE HOSPITAL SERVING THE JURISDICTION OF CARROLL COUNTY, MARYLAND WITH A FY 2013 POPULATION ESTIMATED AT MORE THAN 168,000 PERSONS. CARROLL HOSPITAL CENTER IS THE SECOND -LARGEST EMPLOYER IN CARROLL COUNTY WITH OVER 1,750 ASSOCIATES IN FY 2012. CARROLL HOSPITAL CENTER IS ACCREDITED WITH COMMENDATION BY THE JOINT COMMISSION.

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

WE ARE A NOT-FOR-PROFIT ORGANIZATION WITH DIVERSE SERVICE LINES INCLUDING COMPREHENSIVE ACUTE CARE SUCH AS MEDICAL, SURGICAL, PERI-NATAL, PEDIATRICS, PSYCHIATRY, MEDICAL AND RADIATION ONCOLOGY, ADULT INTENSIVE CARE AND CARDIOVASCULAR SERVICES, INCLUDING EMERGENCY PERCUTANEOUS INTERVENTIONAL HEART SURGERY. BOTH HOME-BASED AND INPATIENT HOSPICE CARE IS PROVIDED THROUGH OUR AFFILIATED AGENCY, CARROLL HOSPICE INC. DIVERSE

**Part VI** Supplemental Information (Continuation)

DIAGNOSTIC SERVICES ARE PROVIDED AT MULTIPLE LOCATIONS AND INCLUDE BOTH LABORATORY AND RADIOLOGIC CAPABILITIES. WE PARTICIPATE IN MEDICARE AND MEDICAID PROGRAMS.

THERE ARE MORE THAN 400 PHYSICIANS REPRESENTING 38 SPECIALTIES ON OUR MEDICAL STAFF WHOSE MEMBERSHIP IS OPEN TO ALL QUALIFIED AREA PHYSICIANS. WE OPERATE AN EMERGENCY DEPARTMENT (ED) SERVING ALL PERSONS REGARDLESS OF ABILITY TO PAY.

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

THE PARTNERSHIP WAS ESTABLISHED TO:

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

**Part VI** Supplemental Information (Continuation)

THIS STRATEGY HAS ALLOWED CARROLL HOSPITAL CENTER TO REMAIN CONTINUALLY WELL-CONNECTED TO THE COMMUNITY, TO LEVERAGE OUR RESOURCES IN ACTION ALONGSIDE THOSE OF OTHER KEY ORGANIZATIONS AND AGENCIES (PARTICULARLY, THE CARROLL COUNTY HEALTH DEPARTMENT) AND TO ASSURE MEASURABLE RESULTS.

MONITORING THE HEALTH STATUS OF THE COMMUNITY IS AN ONGOING AND INTERACTIVE PROCESS ENGAGED IN BY CARROLL HOSPITAL CENTER AND THE PARTNERSHIP. CARROLL HOSPITAL CENTER AND THE PARTNERSHIP PURSUE IMPROVEMENT IN THE CORE HEALTH IMPROVEMENT AREAS (CHIAS) VIA LEADERSHIP TEAMS COMPRISED OF DIVERSE INDIVIDUALS AND ORGANIZATIONS WHO SHARE EXPERTISE AND INTEREST IN THE CHIA. THOSE LEADERS DEVELOP AND IMPLEMENT ACTION PLANS SPECIFICALLY INTENDED TO ACCOMPLISH TARGETED RESULTS.

"HEALTHY CARROLL VITAL SIGNS" ARE THEN AFFIRMED, ARE SPECIFIC TO EACH CHIA LEADERSHIP TEAM AND SERVE AS ONE OF THE PRIMARY TOOLS FOR RESULTS REPORTING. WWW.HEALTHYCARROLL.ORG IS THE PARTNERSHIP'S WEBSITE WHERE CURRENT SECONDARY DATA, NATIONAL BENCHMARKS, IMPROVEMENT TARGETS AND BEST PRACTICE REFERENCES ARE EASILY AVAILABLE, ARE AS CURRENT AS AVAILABLE AND ARE AVAILABLE TO ANYONE AT NO COST.

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

IN FY 2012 WE EXPANDED ON AN INTEGRATED APPROACH TO POPULATION HEALTH; SEEKING TO ASSURE ACCESS TO EXCELLENT HEALTH CARE AND DISEASE MANAGEMENT ASSISTANCE. OUR INTEGRATED APPROACH RECOGNIZES AND STRIVES TO ELIMINATE BARRIERS SUCH AS TRANSPORTATION CHALLENGES OR LIMITED ABILITIES TO

**Part VI** Supplemental Information (Continuation)

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

CARROLL HOSPITAL CENTER CONTRIBUTED \$272,897 TO ACCESS CARROLL IN FY13 TO  
COVER SALARY AND BENEFIT EXPENSES FOR THE EXECUTIVE DIRECTOR, ONE FULL  
TIME RN CASE MANAGER AND TWO PART-TIME POSITIONS (AIDE  
AND DEVELOPMENT SPECIALIST), AS WELL AS ADDITIONAL FUNDS TOWARD THEIR  
FACILITY MOVE AND EXPANSION. THE HOSPITAL ALSO PROVIDES LABORATORY AND  
DIAGNOSTIC IMAGING SERVICES TO ACCESS CARROLL CAPTURED UNDER CHARITY  
CARE. MANY CARROLL HOSPITAL CENTER AFFILIATED PHYSICIANS AND SPECIALISTS  
DONATE THEIR TIME TO AND ACCEPT REFERRALS FROM ACCESS CARROLL.

THESE HEALTH PROMOTION EFFORTS ARE IN ADDITION TO PROGRAMS AND SERVICES  
THAT SEEK TO ALSO HELP PEOPLE CHANGE THEIR LIFESTYLES TO MOVE TOWARD A

**Part VI** Supplemental Information (Continuation)

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.

THE HOSPITAL'S COMMUNITY EDUCATION AND WELLNESS EFFORTS ARE LED BY COMMUNITY EDUCATORS IN THE WOMEN'S PLACE AND THE LEARNING CENTER DEPARTMENTS, IN COORDINATION WITH THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY, SO AS TO MAXIMIZE STRATEGIES AND PROGRAMS IN ADDRESSING COMMUNITY HEALTH NEEDS.

CARROLL HOSPITAL CENTER 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:

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



**Part VI** Supplemental Information (Continuation)

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

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

MD

**SCHEDULE I  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

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

OMB No. 1545-0047

**2013**

**Open to Public  
Inspection**

▶ **Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)**

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

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

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

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

<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 non-cash assistance	<b>(h)</b> Purpose of grant or assistance
PARTNERSHIP FOR HEALTHIER CARROLL COUNTY - 535 OLD WESTMINSTER PIKE, STE 102 - WESTMINSTER, MD 21157-5799	52-2156892	501(C)(3)	105,000.	0.			TO SUPPORT THE OPERATIONS OF PARTNERSHIP.

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

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

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

**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:**

EXPLANATION: THE 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.

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Compensation Information**

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

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
- ▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No. 1545-0047

**2013**

Open to Public  
Inspection

Name of the organization

**CARROLL HOSPITAL CENTER, INC.**

Employer identification number

**52-1452024**

**Part I Questions Regarding Compensation**

		Yes	No								
<p><b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input checked="" type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input checked="" type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input checked="" type="checkbox"/> Tax indemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)			
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use										
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence										
<input checked="" type="checkbox"/> Tax indemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees										
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)										
<p><b>b</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 .....</p>	<b>1b</b>	X									
<p><b>2</b> 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 in line 1a? .....</p>	<b>2</b>	X									
<p><b>3</b> Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.</p> <table style="width: 100%; border: none;"> <tr> <td><input checked="" type="checkbox"/> Compensation committee</td> <td><input checked="" type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input checked="" type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract	<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee					
<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract										
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study										
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee										
<p><b>4</b> During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:</p>											
<p><b>a</b> Receive a severance payment or change-of-control payment? .....</p>	<b>4a</b>		X								
<p><b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan? .....</p>	<b>4b</b>	X									
<p><b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement? .....</p> <p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p>	<b>4c</b>		X								
<p><b>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.</b></p>											
<p><b>5</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:</p>											
<p><b>a</b> The organization? .....</p>	<b>5a</b>		X								
<p><b>b</b> Any related organization? .....</p> <p>If "Yes" to line 5a or 5b, describe in Part III.</p>	<b>5b</b>		X								
<p><b>6</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:</p>											
<p><b>a</b> The organization? .....</p>	<b>6a</b>		X								
<p><b>b</b> Any related organization? .....</p> <p>If "Yes" to line 6a or 6b, describe in Part III.</p>	<b>6b</b>		X								
<p><b>7</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III .....</p>	<b>7</b>		X								
<p><b>8</b> Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III .....</p>	<b>8</b>		X								
<p><b>9</b> If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? .....</p>	<b>9</b>										

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

Schedule J (Form 990) 2013

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) JOHN SERNULKA PRESIDENT/EX-OFFICIO	(i)	271,514.	159,528.	2,936,658.	303,116.	16,487.	3,687,303.	2,780,000.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) LESLIE SIMMONS CHIEF EXECUTIVE OFFICER	(i)	332,634.	84,344.	42,915.	31,665.	14,797.	506,355.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) KEVIN KELBLY SR VP FINANCE CFO	(i)	293,887.	74,127.	30,416.	36,299.	21,889.	456,618.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) STEPHANIE REID VICE PRESIDENT	(i)	164,769.	30,016.	10,570.	14,356.	1,489.	221,200.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) JED ROSEN CHIEF MEDICAL INFO OFFICER	(i)	383,740.	20,720.	779.	2,450.	14,797.	422,486.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) M ELLEN FINNERTY MYERS CHIEF DEVELOPMENT OFFICER	(i)	199,462.	37,320.	12,171.	24,941.	2,057.	275,951.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) JOYCE ROMANS VICE PRESIDENT	(i)	193,444.	46,761.	13,039.	24,859.	15,994.	294,097.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) TRACEY ELLISON VICE PRESIDENT	(i)	183,542.	34,987.	11,580.	21,374.	26,012.	277,495.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) DAVID LOUDER VICE PRESIDENT	(i)	288,615.	53,566.	19,989.	26,904.	4,241.	393,315.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) ROBERT WHITE VICE PRESIDENT	(i)	165,012.	32,199.	11,381.	9,775.	9,271.	227,638.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(11) CRIS COLEMAN VICE PRESIDENT	(i)	174,110.	32,524.	10,868.	26,390.	24,188.	268,080.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(12) BOB EDMONDSON VICE PRESIDENT	(i)	193,728.	36,826.	12,414.	12,756.	24,059.	279,783.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(13) SHARON GOMEZ-SANDERS AVP	(i)	139,499.	22,891.	7,188.	4,256.	26,638.	200,472.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(14) JANICE NAPIERALSKI AVP	(i)	151,371.	24,351.	7,734.	11,450.	7,237.	202,143.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(15) FLAVIO KRUTER PHYSICIAN	(i)	624,998.	205,190.	190,335.	37,379.	25,029.	1,082,931.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(16) JOHANNA DIMENTO PHYSICIAN	(i)	333,997.	8,304.	8,484.	26,519.	558.	377,862.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(17) DAVID SALINGER PHYSICIAN	(i)	494,091.	225,921.	27,569.	31,431.	25,094.	804,106.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(18) CYNTHIA ROLDAN PHYSICIAN	(i)	202,817.	20,424.	162.	10,081.	1,782.	235,266.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(19) AMANDEEP SINGH PHYSICIAN	(i)	167,149.	25,474.	98.	12,622.	13,538.	218,881.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
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	(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 1A:**

**EXPLANATION:** THE HOSPITAL HAS TAKEN THE POSITION THAT IT WILL INCLUDE IN TAXABLE W-2 WAGES FOR THE PRESIDENT CERTAIN BUSINESS EXPENSES THAT THE IRS MAY QUESTION AS NOT BEING TAX DEDUCTIBLE, SO LONG AS SUCH EXPENSES HAVE A DIRECT CONNECTION TO THE PROMOTION OF THE HOSPITAL'S HEALTH CARE SERVICES. FOR 2013, THESE EXPENSES WERE LESS THAN \$3,400 IN AGGREGATE, FOR THE PRESIDENT. HEALTH OR SOCIAL CLUB DUES OR INITIATION FEES FOR THE PRESIDENT WERE REIMBURSED BY THE HOSPITAL AND INCLUDED ON THE PRESIDENT'S W-2. THE AMOUNT OF THE REIMBURSED FEES WAS CONSIDERED IN THE PROCESS FOR DETERMINING THE PRESIDENT'S COMPENSATION.

**PART I, LINE 4B:**

**EXPLANATION:** THE FOLLOWING EMPLOYEE PARTICIPATED IN THE ORGANIZATION'S 457(F) DEFERRED COMPENSATION PLANS AND WERE PAID AND/OR CREDITED WITH THE FOLLOWING AMOUNTS: JOHN SERNULKA - 266,858

DURING THE 2014 FISCAL YEAR, THE PRESIDENT/CEO OF CARROLL HOSPITAL CENTER, JOHN SERNULKA, RECEIVED A DISTRIBUTION OF ALL THE PROCEEDS IN A SECTION 457(F) NONQUALIFIED DEFERRED COMPENSATION PLAN (\$2,908,371). THE

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.

PRESIDENT/CEO RETIRED AS OF JULY 1, 2013 AFTER 26 YEARS WITH THE ORGANIZATION.

THE SECTION 457(F) NONQUALIFIED DEFERRED COMPENSATION PLAN WAS COMMENCED IN 1993. CONTRIBUTIONS TO THE PLAN (INCLUDING SALARY DEFERRALS) WERE MADE TO THE PLAN OVER A 20 YEAR PERIOD (FROM 1993-2012). ALL OF THE CONTRIBUTIONS AND SALARY DEFERRALS TO THE SECTION 457(F) PLAN THROUGHOUT THE 20 YEAR PERIOD WERE REGULARLY APPROVED BY THE BOARD OF DIRECTORS OF CARROLL HOSPITAL CENTER AND DIRECTLY TAKEN INTO ACCOUNT BY THE BOARD IN DETERMINING THAT THE PRESIDENT/CEO'S COMPENSATION WAS REASONABLE.

THE CONTRIBUTIONS (INCLUDING SALARY DEFERRALS) TO THE SECTION 457(F) NONQUALIFIED DEFERRED COMPENSATION PLAN HAVE BEEN REPORTED ON PRIOR YEARS' FORMS 990 AS "RETIREMENT AND OTHER DEFERRED COMPENSATION" IN PART VII AND SCHEDULE J.



**Supplemental Information on Tax-Exempt Bonds**

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

▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule K (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

Name of the organization

**CARROLL HOSPITAL CENTER, INC.**

**Employer identification number**  
**52-1452024**

<b>Part I Bond Issues</b>												
<b>SEE PART VI FOR COLUMNS (A) AND (F) CONTINUATIONS</b>												
	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
<b>A</b>	MARYLAND HEALTH AND HIGHER EDUCATION FAC AUT	52-0936091	574217B53	12/07/06	36,179,115.	HOSPITAL RENOVATIONS AND E		X		X		X
<b>B</b>	MARYLAND HEALTH AND HIGHER EDUCATION FAC AUT	52-0936091	NONE	06/30/10	15,000,000.	HOSPITAL RENOVATIONS AND E		X		X		X
<b>C</b>	MARYLAND HEALTH AND HIGHER EDUCATION FAC AUT	52-0936091	574218HJ5	05/31/12	93,596,537.	REFUND 2002 BONDS, FAC ACQ, RENOVA		X		X		X
<b>D</b>												

<b>Part II Proceeds</b>									
	<b>A</b>		<b>B</b>		<b>C</b>		<b>D</b>		
<b>1</b> Amount of bonds retired			1,385,160.		3,899,584.				
<b>2</b> Amount of bonds legally defeased									
<b>3</b> Total proceeds of issue	38,921,738.		15,000,000.		93,596,537.				
<b>4</b> Gross proceeds in reserve funds	3,225,920.								
<b>5</b> Capitalized interest from proceeds									
<b>6</b> Proceeds in refunding escrows									
<b>7</b> Issuance costs from proceeds	683,750.		255,500.		100,764.				
<b>8</b> Credit enhancement from proceeds									
<b>9</b> Working capital expenditures from proceeds									
<b>10</b> Capital expenditures from proceeds	35,012,068.		14,744,500.		14,899,236.				
<b>11</b> Other spent proceeds					78,596,537.				
<b>12</b> Other unspent proceeds									
<b>13</b> Year of substantial completion	2009		2010		2012				
	Yes	No	Yes	No	Yes	No	Yes	No	
<b>14</b> Were the bonds issued as part of a current refunding issue?		X		X	X				
<b>15</b> Were the bonds issued as part of an advance refunding issue?		X		X		X			
<b>16</b> Has the final allocation of proceeds been made?	X		X		X				
<b>17</b> Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X				

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

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

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

**Part IV Arbitrage**

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

**Part IV Arbitrage** (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
<b>5a</b> Were gross proceeds invested in a guaranteed investment contract (GIC)? .....		X		X		X		
<b>b</b> Name of provider .....								
<b>c</b> Term of GIC .....								
<b>d</b> Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
<b>6</b> Were any gross proceeds invested beyond an available temporary period? .....		X		X		X		
<b>7</b> Has the organization established written procedures to monitor the requirements of section 148? .....	X		X		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 is not available under applicable regulations? .....	X		X		X			

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

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

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

(F) DESCRIPTION OF PURPOSE: HOSPITAL RENOVATIONS AND EQUIPMENT PURCHASE

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

(F) DESCRIPTION OF PURPOSE: HOSPITAL RENOVATIONS AND EQUIPMENT PURCHASE

(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: 08/10/2011

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

DATE THE REBATE COMPUTATION WAS PERFORMED: 10/06/2014

SCHEDULE L

(Form 990 or 990-EZ)

Transactions With Interested Persons

OMB No. 1545-0047

2013

Department of the Treasury Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b. Attach to Form 990 or Form 990-EZ. See separate instructions. Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Open To Public Inspection

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

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

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

Table with 4 main columns: (a) Name of disqualified person, (b) Relationship between disqualified person and organization, (c) Description of transaction, (d) Corrected? (Yes/No)

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

Part II Loans to and/or From Interested Persons.

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

Table with 9 main columns: (a) Name of interested person, (b) Relationship with organization, (c) Purpose of loan, (d) Loan to or from the organization? (To/From), (e) Original principal amount, (f) Balance due, (g) In default? (Yes/No), (h) Approved by board or committee? (Yes/No), (i) Written agreement? (Yes/No)

Total \$

Part III Grants or Assistance Benefiting Interested Persons.

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

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of assistance, (d) Type of assistance, (e) Purpose of assistance

**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	DAUGHTER OF AN OFFI	66,259.	EMPLOYEE OF		X
CHELSEA BEAUVAIS	DAUGHTER OF AN OFFI	52,021.	EMPLOYEE OF		X
ROBERT J. BEAUVAIS	SON-IN-LAW OF AN OF	58,666.	EMPLOYEE OF		X
RANDY C GREEN JR	SON-IN-LAW OF AN OF	79,954.	EMPLOYEE OF		X
SOMMER SANDERS	STEP DAUGHTER OF A	25,842.	EMPLOYEE OF		X
JOHN A STEERS MD PA	BUSINESS OWNED BY A	584,655.	INDEPENDENT		X
JOHN A STEERS	BOARD MEMBER	83,820.	RENT OF SUI		X
JOHN A STEERS MD PA	BUSINESS OWNED BY A	24,600.	MEDICAL DIR		X
JOHN A STEERS MD PA	BUSINESS OWNED BY A	46,400.	ED ON CALL		X
JOYCE VANSANT	SPOUSE OF A BOARD M	13,228.	EMPLOYEE OF		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:

DAUGHTER OF AN OFFICER LESLIE SIMMONS

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF THE HOSPITAL

(A) NAME OF PERSON: CHELSEA BEAUVAIS

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

DAUGHTER OF AN OFFICER LESLIE SIMMONS

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF THE HOSPITAL

(A) NAME OF PERSON: ROBERT J. BEAUVAIS

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

SON-IN-LAW OF AN OFFICER LESLIE SIMMONS

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF THE HOSPITAL

(A) NAME OF PERSON: RANDY C GREEN JR

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

SON-IN-LAW OF AN OFFICER LESLIE SIMMONS

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF THE HOSPITAL

**Part V** Supplemental Information

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

(A) NAME OF PERSON: SOMMER SANDERS

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

STEP DAUGHTER OF A KEY EMPLOYEE SHARON GOMEZ-SANDERS

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF THE HOSPITAL

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

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

BUSINESS OWNED BY A BOARD MEMBER JOHN STEERS

(D) DESCRIPTION OF TRANSACTION: INDEPENDENT CONTRACTOR WITH CARROLL HEALTH GROUP

(A) NAME OF PERSON: JOHN A STEERS

(D) DESCRIPTION OF TRANSACTION: RENT OF SUITE

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

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

BUSINESS OWNED BY A BOARD MEMBER JOHN STEERS

(D) DESCRIPTION OF TRANSACTION: MEDICAL DIRECTOR FEES - HOSPITAL

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

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

BUSINESS OWNED BY A BOARD MEMBER JOHN STEERS

(D) DESCRIPTION OF TRANSACTION: ED ON CALL - HOSPITAL

(A) NAME OF PERSON: JOYCE VANSANT

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

SPOUSE OF A BOARD MEMBER LARRY VAN SANT SR

**Part V Supplemental Information**

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

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF THE HOSPITAL

(A) NAME OF PERSON: AMANDA VETTER

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

DAUGHTER OF A BOARD MEMBER JOHN STEERS

(C) AMOUNT OF TRANSACTION \$ 46,862.

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF HOSPITAL/FOUNDATION

(E) SHARING OF ORGANIZATION REVENUES? = NO

**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.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No. 1545-0047

**2013**

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:

VISITS LAST YEAR. THE HOSPITAL PARTICIPATES IN MEDICARE AND MEDICAID PROGRAMS, HAS A GOVERNING BODY COMPRISED OF INDEPENDENT PERSONS REPRESENTATIVE OF THE COMMUNITY, ALL FINANCIAL SURPLUSES THE HOSPITAL GENERATES ARE USED EXCLUSIVELY TO FURTHER THE CHARITABLE PURPOSES OF THE ORGANIZATION AND ITS MEDICAL STAFF IS OPEN TO ALL QUALIFIED PHYSICIANS IN THE AREA. AS THE ONLY HOSPITAL IN CARROLL COUNTY, WE OFFER OUR COMMUNITY A FULL ARRAY OF SERVICES INCLUDING, EMERGENCY SERVICES, COMPREHENSIVE CANCER CARE, PEDIATRICS, MATERNITY, GERIATRICS, THE LATEST MINIMALLY INVASIVE SURGICAL PROCEDURES AND ADVANCED TOTAL AND PARTIAL JOINT REPLACEMENT PROCEDURES. IN THE YEAR ENDING JUNE 2014, CARROLL HOSPITAL CENTER RECORDED 14,743 INPATIENT ADMISSIONS AND OBSERVATION STAY CASES, 1,088 BIRTHS AND 8,601 SURGICAL PROCEDURES, ALL CONTRIBUTING TO A TOTAL OF 179,635 PATIENT ENCOUNTERS FOR THE PERIOD. IN LINE WITH OUR MISSION-"OUR COMMUNITIES EXPECT AND DESERVE SUPERIOR MEDICAL TREATMENT, COMPASSIONATE CARE, AND EXPERT GUIDANCE IN



Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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MAINTAINING THEIR HEALTH AND WELL-BEING. AT CARROLL HOSPITAL CENTER, WE OFFER AN UNCOMPROMISING COMMITMENT TO THE HIGHEST QUALITY HEALTH CARE EXPERIENCE FOR PEOPLE IN ALL STAGES OF LIFE. WE ARE THE HEART OF HEALTH CARE IN OUR COMMUNITIES." - THE HOSPITAL ALSO PROVIDES PLANNED COMMUNITY BENEFIT ACTIVITIES TO IMPROVE ACCESS TO HEALTH CARE AND IMPROVE THE OVERALL HEALTH OF OUR COMMUNITY. OUR MISSION IS PURSUED IN COLLABORATION WITH OUR RELATED ORGANIZATIONS: CARROLL COUNTY HEALTH SERVICES, CARROLL HOSPICE, THE PARTNERSHIP FOR A HEALTHIER CARROLL COUNTY (OUR COMMUNITY ADVOCACY ARM), AND THE CARROLL HOSPITAL CENTER FOUNDATION (ALSO LISTED IN PART VI) FOR MORE INFORMATION ON THESE SUBSIDIARIES, PLEASE SEE THEIR INDIVIDUAL FORMS 990.

FORM 990, PART VI, SECTION A, LINE 2:

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

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

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

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

EXPLANATION: THE CONFLICT OF INTEREST POLICY APPLIES TO CARROLL HOSPITAL

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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CENTER AND ITS DIRECT AND INDIRECT SUBSIDIARIES AND PARENT ORGANIZATION. REVIEW OF DISCLOSURE STATEMENTS/REPORT TO THE BOARD. THE CHIEF EXECUTIVE OFFICER OF THE HOSPITAL ORGANIZATION, THE GOVERNANCE COMMITTEE AND THE CORPORATE COMPLIANCE OFFICER SHALL REVIEW THE MATTERS DISCLOSED IN THE DISCLOSURE STATEMENTS AND SHALL SUBMIT TO THE HOSPITAL ORGANIZATION'S BOARD OF DIRECTORS AN ANNUAL SUMMARY OR SPREADSHEET OF THE DISCLOSURES AND HIS OR HER RECOMMENDATION FOR THE RESOLUTION OF ANY CONFLICTS DISCLOSED. IN FORMULATING RECOMMENDATIONS, THE CHIEF EXECUTIVE OFFICER SHALL CONSULT WITH APPROPRIATE OFFICERS OF THE HOSPITAL ORGANIZATION AND COUNSEL AS NECESSARY. THE BOARD OF DIRECTORS OF THE HOSPITAL ORGANIZATION, ACTING IN THE BEST INTERESTS OF THE HOSPITAL ORGANIZATION, SHALL HAVE SOLE DISCRETION TO MAKE ALL FINAL DECISIONS REGARDING CONFLICTS OF INTEREST, OTHER THAN THOSE REGARDING GIFTS TO HOSPITAL ORGANIZATION EMPLOYEES WHICH SHALL BE RESOLVED BY THE APPROPRIATE SUPERVISORY EXECUTIVE.

HOWEVER, NO PERSON SHALL BE INVOLVED IN CONSIDERING THE EXISTENCE OF AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST, IN THE MANAGEMENT AND OVERSIGHT OF A CONFLICT RELATIONSHIP, OR IN THE DETERMINATION OF DISCIPLINE FOR VIOLATIONS OF THIS POLICY, IF THAT PERSON IS A PARTY OR POTENTIAL PARTY TO THAT CONFLICT.

ALL FINAL DECISIONS REGARDING CONFLICTS OF INTEREST SHALL BE REFLECTED IN A REVISED ANNUAL SUMMARY OR SPREADSHEET OF CONFLICT DISCLOSURES WHICH WILL BE SHARED WITH EACH DIRECTOR. THE CHAIR AND VICE-CHAIR OF THE BOARD, AND ALL BOARD COMMITTEE CHAIRS, SHALL HAVE THIS REVISED SUMMARY OR SPREADSHEET AVAILABLE AT THE TIME OF ALL BOARD AND BOARD COMMITTEE MEETINGS IN CASE A MATTER INVOLVING A POTENTIAL CONFLICT ARISES. CONFLICT OF INTEREST RECUSAL PROCEDURE FOR BOARD MEETINGS WHENEVER A HOSPITAL ORGANIZATIONS' BOARD OR

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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BOARD COMMITTEE IS TO CONSIDER A TRANSACTION OR AN ARRANGEMENT WITH ANOTHER ORGANIZATION, ENTITY OR INDIVIDUAL IN WHICH OR WITH WHOM A PERSON COVERED BY THIS POLICY HAS A RELATIONSHIP CREATING AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST, THE FOLLOWING PROCEDURES SHALL BE EMPLOYED:

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

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

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

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

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

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

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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E. THE MINUTES SHOULD INCLUDE: (1) THE NAME OF THE PERSON DISCLOSING THE CONFLICT OF INTEREST AND A DESCRIPTION OF THE CONFLICT; (2) THE BOARD'S DETERMINATION OF WHETHER THERE IS A CONFLICT; (3) THE NAMES AND VOTES OF PERSONS PRESENT FOR THE DISCUSSIONS AND VOTES RELATING TO THE TRANSACTION OR ARRANGEMENT; AND (4) THE CONTENT OF THOSE DISCUSSIONS INCLUDING THE BOARD'S DETERMINATION OF WHETHER OR NOT THE TRANSACTION OR ARRANGEMENT IS IN THE HOSPITAL ORGANIZATION'S BEST INTEREST, FAIR AND REASONABLE, AND THE BEST REASONABLY AVAILABLE ALTERNATIVE ONGOING DUTY TO DISCLOSE ONE'S OWN OR OTHERS' CONFLICTS OF INTEREST. AS AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST CAN ARISE AT ANY TIME, ANY ACTUAL OR POTENTIAL CONFLICT MUST BE DISCLOSED PROMPTLY IN WRITING BY USE OF A SUPPLEMENTAL DISCLOSURE STATEMENT, AS SOON AS ITS EXISTENCE IS OR SHOULD BE KNOWN. IF A PERSON IS IN DOUBT ABOUT A SITUATION, THE PERSON SHOULD CONSULT WITH THE CHIEF EXECUTIVE OFFICER, BOARD CHAIRMAN OR THE HOSPITAL ORGANIZATION'S COMPLIANCE OFFICER. PERSONS SHOULD ERR ON THE SIDE OF DISCLOSURE SO THAT A CONFLICT OF INTEREST ASSESSMENT CAN BE MADE. THE POTENTIAL CONFLICT WILL BE REFERRED TO THE GOVERNANCE COMMITTEE FOR REVIEW AND A RESPONSE WILL BE PROVIDED WITHIN 14 DAYS. NONCOMPLIANCE WITH THE POLICY: THE ORGANIZATION'S BOARD OF DIRECTORS RETAINS BROAD POWER AND SOLE DISCRETION UNDER THIS POLICY TO: (1) DETERMINE THE EXISTENCE OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST; (2) SUBJECT CONFLICT OF INTEREST RELATIONSHIPS TO APPROPRIATE OVERSIGHT, MANAGEMENT, CONDITIONS, RESTRICTIONS AND PROHIBITIONS; AND (3) IMPOSE APPROPRIATE SANCTIONS. A BREACH OF THIS POLICY CAN BECOME GROUNDS FOR DISCIPLINE, UP TO AND INCLUDING REMOVAL FROM OFFICE OR, FOR MANAGEMENT PERSONNEL, TERMINATION OF EMPLOYMENT. IT MAY ALSO RESULT IN CESSATION OF BUSINESS WITH A VENDOR AND IN LIABILITY FOR DAMAGES. GROUNDS FOR DISCIPLINE INCLUDE, BUT ARE NOT LIMITED TO:

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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A. WILLFUL FAILURE TO SIGN AND RETURN THE CONFLICT OF INTEREST DISCLOSURE STATEMENT IN ACCORD WITH THIS POLICY;

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

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

D. WILLFUL PARTICIPATION IN A VOTE OR DECISION INVOLVING A TRANSACTION WHICH RAISES AN UNDISCLOSED CONFLICT OF INTEREST; OR

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

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

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

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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THE COMPENSATION OF THE SENIOR EXECUTIVES AND ENSURES THAT ALL FORMS OF EXECUTIVE COMPENSATION ARE REASONABLE, APPROPRIATE AND CONSISTENT WITH ITS COMPENSATION PHILOSOPHY.

CARROLL HOSPITAL CENTER HAS A WRITTEN POLICY REGARDING THE REVIEW OF PHYSICIAN COMPENSATION TO ENSURE THE PAYMENTS BETWEEN THE HOSPITAL AND THE PHYSICIAN ARE BOTH COMMERCIALY REASONABLE AND NOT GREATER THAN FAIR MARKET VALUE FOR THE SERVICES RENDERED. THE POLICY APPLIES TO CARROLL HOSPITAL CENTER AND EACH OF ITS SUBSIDIARIES/AFFILIATES. PURSUANT TO THE POLICY, CARROLL HOSPITAL CENTER, IN ORDER TO ENSURE THE PAYMENTS TO PHYSICIANS ARE COMMERCIALY REASONABLE AND CONSISTENT WITH FAIR MARKET VALUE, UNDERTAKES A NUMBER OF REVIEW ACTIVITIES, INCLUDING REVIEWING COMPENSATION INFORMATION FROM COMPENSATION SURVEYS AND RELIABLE DATA SUCH AS RECENT EARNINGS AND THIRD PARTY VALUATIONS.

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

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

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

PHYSICIAN FEES:

PROGRAM SERVICE EXPENSES	12,599,991.
MANAGEMENT AND GENERAL EXPENSES	10,480.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	12,610,471.

CONSULTING:

332212  
09-04-13

Name of the organization CARROLL HOSPITAL CENTER, INC.	Employer identification number 52-1452024
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PROGRAM SERVICE EXPENSES	165,640.
MANAGEMENT AND GENERAL EXPENSES	1,849,271.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	2,014,911.

## OTHER FEES:

PROGRAM SERVICE EXPENSES	4,396,262.
MANAGEMENT AND GENERAL EXPENSES	44,296.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	4,440,558.

## PROFESSIONAL FEES:

PROGRAM SERVICE EXPENSES	1,224,633.
MANAGEMENT AND GENERAL EXPENSES	3,186,195.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	4,410,828.
TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A	23,476,768.

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

UNREALIZED LOSS FROM INTEREST RATE HEDGE	-803,880.
INVESTMENT IN FOUNDATION	1,912,491.
CONTRIBUTION	-40,000.
CHANGE IN MINIMUM PENSION LIABILITY	-1,311,793.
INVESTMENT IN CARROLL COUNTY MED SERVICES	-12,550,000.
INVESTMENT IN DIXON	2,052,054.
INVESTMENT IN HOSPICE	-485,830.
INVESTMENT IN CENMAR	1,643,410.
ROUNDING	87.

Name of the organization  
CARROLL HOSPITAL CENTER, INC.

Employer identification number  
52-1452024

TOTAL TO FORM 990, PART XI, LINE 9 -9,583,461.

PART VIII, LINE 6

EXPLANATION: CARROLL HOSPITAL CENTER (CHC) HAS A LEASE WITH AN UNRELATED THIRD PARTY FOR THE USE OF SPACE IN THE FISHER BUILDING. CHC SUBLEASES SPACE IN THE FISHER BUILDING TO SUBTENANTS AT ITS LEASE COST.



**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. ▶ See separate instructions.

▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

OMB No. 1545-0047

**2013**

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) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
CARROLL HOSPITAL CENTER MOB INVEST LLC - 27-1528335, 200 MEMORIAL AVE, WESTMINSTER, MD 21157	INVESTMENTS	MARYLAND	0.	1,020,632.	CHC
CARROLL REGIONAL CANCER CTR PHYSICIANS - 45-2463175, 200 MEMORIAL AVE, WESTMINSTER, MD 21157	HEALTHCARE	MARYLAND	1,090,959.	543,498.	CHC

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

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

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

Schedule R (Form 990) 2013

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
CARROLL COUNTY RADIOLOGY LLC - 52-2190849, 7253 AMBASSADOR RD, BALTIMORE, MD 21244	RADIOLOGY	MD	CHC		2,609,620.	6,934,405.		X	N/A		X	60.00%
CARROLL CARE PHARMACIES LLC - 20-1141106, 95 CARROLL ST STE 104, WESTMINSTER, MD 21157	PHARMACY	MD	CCMS					X	N/A		X	
CARROLL OCCUPATIONAL HEALTH LLC - 20-2769332, 7001 CORPORATE CENTER CT, WESTMINSTER, MD 21157	OCCUPATIONAL	MD	CCMS					X	N/A		X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
CARROLL COUNTY MED SERVICES INC - 52-1891102 200 MEMORIAL AVE WESTMINSTER, MD 21157	MEDICAL SERVICES	MD	CCHS	C CORP					X
CEN-MAR ASSURANCE CO - 98-6011607 PO BOX 1085 GRAND CAYMAN, CAYMAN ISLANDS KY1-1102	INSURANCE	CAYMAN ISLANDS	CHC	C CORP	1,643,410.	16,023,370.	100.00%	X	
CARROLL HEALTH GROUP, LLC - 27-1956453 200 MEMORIAL AVE WESTMINSTER, MD 21157	HEALTH CARE	MD	CCMS	C CORP					X
CARROLL URGENT CARE LLC - 46-5739154 200 MEMORIAL AVE WESTMINSTER, MD 21157	HEALTH CARE	MD	CCMS	C CORP					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) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) CARROLL HOSPITAL FOUNDATION	C	3,014,000.	CASH
(2) CARROLL HOSPICE	Q	3,825,000.	FMV
(3) CARROLL HOSPICE	L	75,000.	FMV
(4) CEN-MAR ASSURANCE CO	Q	265,480.	FMV
(5)			
(6)			



