

APPENDIX F-2

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public Inspection

A For the **2018** calendar year, or tax year beginning **OCT 1, 2018** and ending **SEP 30, 2019**

B Check if applicable:

- ☒ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization

Upper Connecticut Valley Hospital

Doing business as

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
181 Corliss Lane

City or town, state or province, country, and ZIP or foreign postal code
Colebrook, NH 03576

F Name and address of principal officer: **Scott Colby**
same as C above

D Employer identification number

02-0276210

E Telephone number

603-237-4971

G Gross receipts \$ **24,218,913.**

H(a) Is this a group return for subordinates? ☐ Yes ☒ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c)() (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ **www.ucvh.org**

K Form of organization: ☐ Corporation ☐ Trust ☒ Association ☐ Other ▶

L Year of formation: **1969** **M** State of legal domicile: **NH**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: To provide high quality and efficient health care services		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	8
	5 Total number of individuals employed in calendar year 2018 (Part V, line 2a)	5	149
	6 Total number of volunteers (estimate if necessary)	6	28
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 38	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	455,556.	86,257.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	17,409,225.	17,947,010.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	760,903.	896,312.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0.	0.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	18,625,684.	18,929,579.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	139,331.	448,089.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	8,209,906.	9,959,813.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	9,130,688.	8,328,071.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	17,479,925.	18,735,973.
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	1,145,759.	193,606.
	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	29,801,477.	32,221,458.
	22 Net assets or fund balances. Subtract line 21 from line 20	10,469,202.	12,546,565.
		19,332,275.	19,674,893.

Part II Signature Block

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

Sign Here ▶ Signature of officer **Celeste Pitts, CFO** Date **03/17/20**
Type or print name and title

Paid Preparer Use Only
Print/Type preparer's name **Joseph R. Byrne, CPA** Preparer's signature **Joseph R. Byrne, CPA** Date **03/17/20** Check ☐ if self-employed PTIN **P01289281**
Firm's name ▶ **Berry Dunn McNeil & Parker, LLC** Firm's EIN ▶ **01-0523282**
Firm's address ▶ **P.O. Box 1100** Phone no. (207) **775-2387**
Portland, ME 04104-1100

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

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐

- 1 Briefly describe the organization's mission:
Upper Connecticut Valley Hospital strives to improve the well-being of
the rural communities it serves by promoting health and assuring
access to quality 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 ☒ No
 If "Yes," describe these new services on Schedule O.
- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
 If "Yes," describe these changes on Schedule O.
- 4 Describe the 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 \$ 15,398,052. including grants of \$ 448,089.) (Revenue \$ 17,947,010.)
Upper Connecticut Valley Hospital provided hospital care and inpatient
and outpatient services on a region-wide basis. The net charity care
provided by the Hospital for the year-ended September 30, 2019 was
\$223,000.
- 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 15,398,052.

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)? If "Yes," complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4 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? If "Yes," complete Schedule C, Part III	5	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? If "Yes," complete Schedule D, Part I	6	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? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	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? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10 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? If "Yes," complete Schedule D, Part VI	11a 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? If "Yes," complete Schedule D, Part VII	11b	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? If "Yes," complete Schedule D, Part VIII	11c	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? If "Yes," complete Schedule D, Part IX	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e 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)? If "Yes," complete Schedule D, Part X	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	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? If "Yes," complete Schedule F, Parts I and IV	14b	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? If "Yes," complete Schedule F, Parts II and IV	15	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? If "Yes," complete Schedule F, Parts III and IV	16	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? If "Yes," complete Schedule G, Part I	17	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? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21 X	

Part IV Checklist of Required Schedules (continued)

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

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

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

		Yes	No
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 149		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		X
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	15		X
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16		X

Form 990 (2018)

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

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

☒ X**Section A. Governing Body and Management**

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

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

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

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NH**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain 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, address, and telephone number of the person who possesses the organization's books and records **Celeste Pitts - (603)-237-4971**
181 Corliss Lane, Colebrook, NH 03576

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck 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) Greg E. Placy Chairman	2.00 1.00	X		X				0.	0.	0.
(2) Odette Crawford Vice Chair	1.00 1.00	X		X				0.	0.	0.
(3) Palmer Lewis Treasurer	1.00 1.00	X		X				0.	0.	0.
(4) E. Harlan Connary Secretary	1.00 1.00	X		X				0.	0.	0.
(5) Lynn Brewer Director, Pharmacist	2.00 0.00	X						3,016.	0.	0.
(6) Avis Brosseau Director	1.00 0.00	X						0.	0.	0.
(7) Kevin Kelley Director	1.00 0.00	X						0.	0.	0.
(8) Edward Laverty, PA-C Chief Medical Officer	62.00 0.00	X						277,523.	0.	42,951.
(9) Ann Morgan Wade Director	1.00 0.00	X						0.	0.	0.
(10) Eric Stohl Director	1.00 0.00	X						0.	0.	0.
(11) James Wells Director	1.00 0.00	X						0.	0.	0.
(12) Scott Colby President	38.00 2.00	X		X				256,708.	0.	42,399.
(13) Robert Soucy, DO Past Medical Staff President	1.00 0.00	X						0.	0.	0.
(14) Celeste Pitts Chief Financial Officer	16.00 24.00			X				70,387.	105,581.	20,558.
(15) Albert Arnold ER Physician	46.00 0.00					X		213,660.	0.	10,589.
(16) Alexis Cochran Physician	17.50 0.00					X		118,170.	0.	0.
(17) Thomas Cochran ER Physician	37.00 0.00					X		291,076.	0.	34,856.

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	25,165.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	61,092.				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f			86,257.			
Program Service Revenue	2 a Patient Service Revenue	Business Code	621400	31,682,779.	31,682,779.		
	b Miscellaneous Revenue		624100	257,720.	206,732.		50,988.
	c Meaningful Use Revenue		621400	25,688.	25,688.		
	d Provision for Bad debts		621400	-822,036.	-822,036.		
	e Contractual/Char. Adj.		621400	-13,197,141.	-13,197,141.		
	f All other program service revenue						
	g Total. Add lines 2a-2f			17,947,010.			
	Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)			228,761.		
4 Income from investment of tax-exempt bond proceeds							
5 Royalties							
6 a Gross rents		(i) Real	(ii) Personal				
b Less: rental expenses							
c Rental income or (loss)							
d Net rental income or (loss)							
7 a Gross amount from sales of assets other than inventory		(i) Securities	(ii) Other				
b Less: cost or other basis and sales expenses							
c Gain or (loss)							
d Net gain or (loss)					667,551.		667,551.
8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18		a					
b Less: direct expenses		b					
c Net income or (loss) from fundraising events							
9 a Gross income from gaming activities. See Part IV, line 19		a					
b Less: direct expenses		b					
c Net income or (loss) from gaming activities							
10 a Gross sales of inventory, less returns and allowances		a					
b Less: cost of goods sold	b						
c Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code				
11 a							
b							
c							
d All other revenue							
e Total. Add lines 11a-11d							
12 Total revenue. See instructions				18,929,579.	17,896,022.	0.	947,300.

Part IX Statement of Functional Expenses

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

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

☒ X

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	448,089.	448,089.		
2	Grants and other assistance to domestic individuals. See Part IV, line 22				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	622,597.	323,490.	299,107.	
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	7,410,276.	6,566,594.	843,682.	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	152,077.	133,006.	19,071.	
9	Other employee benefits	1,313,357.	1,126,759.	186,598.	
10	Payroll taxes	461,506.	388,724.	72,782.	
11	Fees for services (non-employees):				
a	Management	78,610.		78,610.	
b	Legal	45,240.		45,240.	
c	Accounting	60,000.		60,000.	
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees	102,990.		102,990.	
g	Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	3,063,544.	2,327,732.	735,812.	
12	Advertising and promotion	16,075.		16,075.	
13	Office expenses	85,220.		85,220.	
14	Information technology	217,057.	115,614.	101,443.	
15	Royalties				
16	Occupancy	249,132.	249,132.		
17	Travel	117,105.	62,777.	54,328.	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	1,056,539.	1,043,172.	13,367.	
23	Insurance	130,848.		130,848.	
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	Supplies Expense	1,727,079.	1,644,874.	82,205.	
b	Medicaid Enhancement Ta	905,512.	905,512.		
c	Miscellaneous	473,120.	62,577.	410,543.	
d					
e	All other expenses				
25	Total functional expenses. Add lines 1 through 24e	18,735,973.	15,398,052.	3,337,921.	0.
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here ☐ 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

☒ X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	660,049.	1	2,819,482.
	2 Savings and temporary cash investments	4,113,247.	2	2,855,131.
	3 Pledges and grants receivable, net	308,099.	3	4,754.
	4 Accounts receivable, net	1,917,872.	4	2,436,094.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	342,333.	8	307,581.
	9 Prepaid expenses and deferred charges	267,574.	9	245,261.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 17,467,598.		
	b Less: accumulated depreciation	10b 9,847,722.		
		7,494,327.	10c	7,619,876.
	11 Investments - publicly traded securities	14,371,334.	11	15,606,270.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	326,642.	15	327,009.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	29,801,477.	16	32,221,458.	
Liabilities	17 Accounts payable and accrued expenses	1,771,499.	17	1,946,113.
	18 Grants payable		18	
	19 Deferred revenue	146,954.	19	10,754.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	8,550,749.	25	10,589,698.
	26 Total liabilities. Add lines 17 through 25	10,469,202.	26	12,546,565.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> X and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	18,806,252.	27	19,431,172.
	28 Temporarily restricted net assets	352,953.	28	70,651.
	29 Permanently restricted net assets	173,070.	29	173,070.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	19,332,275.	33	19,674,893.
	34 Total liabilities and net assets/fund balances	29,801,477.	34	32,221,458.

Form 990 (2018)

Part XI Reconciliation of Net AssetsCheck 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	18,929,579.
2	Total expenses (must equal Part IX, column (A), line 25)	2	18,735,973.
3	Revenue less expenses. Subtract line 2 from line 1	3	193,606.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	19,332,275.
5	Net unrealized gains (losses) on investments	5	149,012.
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	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	19,674,893.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

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

Form 990 (2018)

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) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 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)						
6 Public support. Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2018 (line 6, column (f) divided by line 11, column (f))	14		%
15 Public support percentage from 2017 Schedule A, Part II, line 14	15		%
16a 33 1/3% support test - 2018. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
b 33 1/3% support test - 2017. 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 stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
17a 10% -facts-and-circumstances test - 2018. 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 stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
b 10% -facts-and-circumstances test - 2017. 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 stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>			
18 Private foundation. 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"/>			

Schedule A (Form 990 or 990-EZ) 2018

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 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						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
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						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) 2018	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2018 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2017 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2018 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2017 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2018. 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 - 2017. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

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

Part IV Supporting Organizations

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

Section A. All Supporting Organizations

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

Part IV Supporting Organizations (continued)

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

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

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

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

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

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8		
Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		
Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6		
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).			

Schedule A (Form 990 or 990-EZ) 2018

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

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	
4	Amounts paid to acquire exempt-use assets	
5	Qualified set-aside amounts (prior IRS approval required)	
6	Other distributions (describe in Part VI). See instructions.	
7	Total annual distributions. Add lines 1 through 6.	
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9	Distributable amount for 2018 from Section C, line 6	
10	Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2018	(iii) Distributable Amount for 2018
1 Distributable amount for 2018 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2018 (reasonable cause required- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2018			
a From 2013			
b From 2014			
c From 2015			
d From 2016			
e From 2017			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2018 distributable amount			
i Carryover from 2013 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2018 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2018 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2018, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2018. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2019. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2014			
b Excess from 2015			
c Excess from 2016			
d Excess from 2017			
e Excess from 2018			

Schedule A (Form 990 or 990-EZ) 2018

Part VI

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

Schedule B

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2018

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

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

☐ 501(c)(3) taxable private foundation

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

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

General Rule

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

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000; or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

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

Name of organization

Employer identification number

Upper Connecticut Valley Hospital

02-0276210

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1		\$ 7,600.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 7,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 21,323.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

Upper Connecticut Valley Hospital**02-0276210****Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

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

Name of organization

Employer identification number

Upper Connecticut Valley Hospital**02-0276210**

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

Use duplicate copies of Part III if additional space is needed.

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

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.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2018

**Open to Public
Inspection**

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

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

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

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

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

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

Name of organization Upper Connecticut Valley Hospital	Employer identification number 02-0276210
--	---

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

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

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

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

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

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

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

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

Schedule C (Form 990 or 990-EZ) 2018

LHA

832041 11-08-18

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

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ☐ if the filing organization checked box A and "limited control" provisions apply.

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2018

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

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 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:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		6,471.
j Total. Add lines 1c through 1i			6,471.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d 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
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?	3	

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

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 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	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

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

Part II-B, Line 1, Lobbying Activities:

The Organization pays dues to various organizations, a portion of which is attributable to lobbying expenses. In addition, North Country Healthcare has contracted with a local firm to lobby on our behalf at the State Level.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

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

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1	▶ \$
(ii) Assets included in Form 990, Part X	▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1	▶ \$
b Assets included in Form 990, Part X	▶ \$

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

Schedule D (Form 990) 2018

832051 10-29-18

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" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

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

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

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	232,266.	233,884.	280,657.	263,522.	191,998.
b Contributions					80,000.
c Net investment earnings, gains, and losses	13,836.	3,524.	22,414.	20,177.	3,175.
d Grants or scholarships					
e Other expenditures for facilities and programs	5,187.	5,142.	69,187.	3,042.	11,651.
f Administrative expenses					
g End of year balance	240,915.	232,266.	233,884.	280,657.	263,522.

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

a Board designated or quasi-endowment ☐ .00 %

b Permanent endowment ☒ 71.84 %

c Temporarily restricted endowment ☒ 28.16 %

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

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

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

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

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

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		9,700.		9,700.
b Buildings		6,778,077.	2,806,829.	3,971,248.
c Leasehold improvements				
d Equipment		10,309,621.	6,935,728.	3,373,893.
e Other		370,200.	105,165.	265,035.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				7,619,876.

Schedule D (Form 990) 2018

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

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

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

Part IX Other Assets.

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Due to Third Party Payers	10,589,698.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	10,589,698.

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 ☐

Schedule D (Form 990) 2018

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

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

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.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No. 1545-0047

2018

**Open to Public
Inspection**

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 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		
3 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.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care?		
If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:		
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other 300 %	<input checked="" type="checkbox"/>	
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:		
<input type="checkbox"/> 200% <input type="checkbox"/> 250% <input checked="" type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other %	<input checked="" type="checkbox"/>	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 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"/>	
5a 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 If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	<input checked="" type="checkbox"/>	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		<input checked="" type="checkbox"/>
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	
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.

7 Financial Assistance and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			331,828.	17,171.	314,657.	1.68%
b Medicaid (from Worksheet 3, column a)			2,682,536.	1,627,480.	1,055,056.	5.63%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs			3,014,364.	1,644,651.	1,369,713.	7.31%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			4,110,388.	2,517,704.	1,592,684.	8.50%
f Health professions education (from Worksheet 5)			233,834.		233,834.	1.25%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			450,066.		450,066.	2.40%
j Total. Other Benefits			4,794,288.	2,517,704.	2,276,584.	12.15%
k Total. Add lines 7d and 7j			7,808,652.	4,162,355.	3,646,297.	19.46%

Part V Facility Information (continued)**Section B. Facility Policies and Practices**

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

Name of hospital facility or letter of facility reporting group Upper Connecticut Valley HospitalLine number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

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

Part V Facility Information (continued)
Financial Assistance Policy (FAP)Name of hospital facility or letter of facility reporting group Upper Connecticut Valley Hospital

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

Schedule H (Form 990) 2018

Part V Facility Information (continued)**Billing and Collections**Name of hospital facility or letter of facility reporting group Upper Connecticut Valley Hospital

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

Policy Relating to Emergency Medical Care

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

Schedule H (Form 990) 2018

Part V Facility Information (continued)**Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**Name of hospital facility or letter of facility reporting group Upper Connecticut Valley Hospital

	Yes	No
22 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. <p>a <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period</p> <p>b <input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>c <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>d <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method</p>		
23 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.	23	X
24 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.	24	X

Schedule H (Form 990) 2018

Part V Facility Information (continued)

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

Upper Connecticut Valley Hospital:

Part V, Section B, Line 5: An electronic survey was sent to a select group of local experts that included information from well-respected secondary sources on the current state of health care in the community. Individuals and agencies involved in Public Health and State & Local Health were included as were individuals from priority populations, chronic disease groups and other community members.

Upper Connecticut Valley Hospital:

Part V, Section B, Line 6a: The Hospital's CHNA was conducted along with Weeks Medical Center, Littleton Regional Hospital, Androscoggin Valley Hospital.

Upper Connecticut Valley Hospital:

Part V, Section B, Line 6b: The Hospital's CHNA was conducted along with Ammonoosuc Community Health Services, Coos County Family Health, and North Country Home Health & Hospice Agency. The first two are local FQHC's.

Upper Connecticut Valley Hospital:

Part V, Section B, Line 11: Significant Needs Identified and Being Addressed:

1. Drug/Substance Abuse: This was identified in the last CHNA. UCVH has

Part V Facility Information (continued)

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

partnered with both Dartmouth-Hitchcock and Northern Human Services to provide Tele-psych services through the Emergency Department. Education on the use of Narcan is given during complimentary CPR/BLS/First Aid Community trainings. Education regarding Substance Abuse & Alcohol abuse is given through the Emergency Department. Mental Health inpatient accommodations are available for patients awaiting placement in State or Private Institutions. A Pain Management program has been instituted to offer an alternative to opioid use. This program includes a behavioral health counseling component.

2. Mental Health: See above response.

3. Obesity/Overweight: Nutritionist available for dietary counseling with Inpatients. Medical Nutrition Counseling and Diabetes Self-Management program are available to members of the community. Prescription Food Program developed in 2019. Community health wellness fairs/activities that provide nutrition information to the public, glucose screenings, cholesterol screenings and Bike Blender for healthy smoothies. UCVH works in partnership with the UNH Cooperative Extension, SAU#7, and the Farm School Beacon Project, providing cooking nutrition classes to low income community members, and focusing on the improvement of health of our area school's children and their families.

4. Accessibility (Transportation, Disability, Access to Care, etc.): UCVH partners with Weeks Medical Center and Androscoggin Valley Hospital to bring many Specialists to Colebrook for accessibility within our community. Patient would need to drive an hour or more for an office

Part V Facility Information (continued)

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

visit otherwise. In addition, Case Management staff work with patients for transportation and UCVH staff offer Rehabilitation services to our local schools and nursing home. Cardiac Rehab is available at the hospital for those who qualify which makes this valuable program more accessible to those who need it most. UCVH is working with Weeks Medical Center to bring substance abuse counseling to the Colebrook area over the next year and is researching further Telemedicine opportunities, such as Rheumatology.

5. Alcohol Abuse: See response #1.

Part VI Supplemental Information

Provide the following information.

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

Part I, Line 7:

The Hospital uses a cost-to-charge ratio. The cost-to-charge ratio was derived from the Form 990 Schedule H worksheet 2, Ratio of patient care cost-to-charges Part I, lines 7E-I. The Hospital determines cost by combining direct expenses identified by its accounting system with an estimated overhead allocation.

Part I, Line 7g:

Specialty Care Providers & Emergency Department

Part II, Community Building Activities:

The community building activities undertaken by UCVH consist of supporting local government and other health care providers, coordination of disaster drills, emergency preparedness, and support of other local organizations within the community. In addition, in an effort to provide the necessary health care services for the population within a reasonable driving distance, UCVH has entered into a collaboration with the other two Coos county hospitals to provide necessary specialty services for the UCVH

Part VI Supplemental Information (Continuation)

service area.

Part III, Line 2:

The Hospital uses a cost-to-charge ratio. The cost-to-charge ratio was derived from the Form 990 Schedule H worksheet 2, Ratio of patient care cost-to-charges. The CCR was then applied to bad debt expense at charge value in order to arrive at the estimated expense reported.

Part III, Line 4:

Patient accounts receivable are carried at the amount management expects to collect from outstanding balances.

Patient receivables are periodically evaluated for collectibility based on credit history and current financial condition. Provisions for losses on receivables are determined on the basis of loss experience, known and inherent risks, estimated value of collateral and current economic conditions. The Hospital uses the allowance method to account for uncollectible accounts receivable.

In evaluating the collectibility of accounts receivable, the Hospital analyzes past results and identifies trends for each major payor source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts and the provision for bad debts. Data in each major payor source are regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to patients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established at varying levels based on the age of the

Part VI Supplemental Information (Continuation)

receivables and the payor source. For receivables relating to self-pay patients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of patients to pay amounts for which they are financially responsible. Actual write-offs after management has used reasonable collection efforts are charged against the allowance for doubtful accounts.

Part III, Line 8:

Allowable costs come from the filed cost report as UCVH operates at a loss from Medicare. The shortfall could be treated as community benefit as there are no other funds available to subsidize the loss. UCVH uses CCR to determine cost revenue received is net patient revenue.

Part III, Line 9b:

If known to qualify for charity or financial assistance, patients are given the assistance needed.

Part VI, Line 2:

In 2019, North Country Health Care engaged Quorum Health Resources to facilitate on our behalf the preparation of a Community Health Needs Assessment (CHNA) for the four affiliated hospitals, our Home Health Division and two community health centers. The CHNA was completed in September, 2019. An implementation plan was developed by Senior Leadership at the individual affiliates, and was then combined to develop the NCH Implementation plan. This plan was approved by the UCVH Board of Directors at the December, 2019 meeting. The CHNA and Implementation Plan are available on the UCVH website.

Part VI Supplemental Information (Continuation)

Part VI, Line 3:

UCVH has a patient financial counselor who is responsible for working with patients and any who may be billed for their care to determine their eligibility, on a case by case basis. For any government programs, such as Medicaid or the UCVH financial assistance program all staff at UCVH, particularly registration staff who will be the first ones to notice if a patient does not have insurance, are trained to refer the patient to the financial counselor. In addition, brochures are available, as is contact information on the website.

Part VI, Line 4:

UCVH is the smallest critical assess hospital in New Hampshire that serves the largest geographic service area (over 850 square miles) including communities in the states of New Hampshire, Vermont, and Maine. According to the New Hampshire state health profile, our residents are the most fragile of all citizens in New Hampshire as it relates to health outcomes and economic conditions. UCVH is dependent of public funding and disproportionate share funding to subsidize the care provided to the patients we serve

Part VI, Line 7, List of States Receiving Community Benefit Report:

NH

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

**Open to Public
Inspection**

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

Part I General Information on Grants and Assistance

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

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
Foundation for Healthy Communities 125 Airport Road Concord, NH 03301-7300	02-0275078	501(c)(3)	126,089.	0.			Drug & Alcohol Commission
Indian Stream Health Center 141 Corliss Lane Colebrook, NH 03756	20-0999212	501(c)(3)	322,000.	0.			Operational support and purchase of EMR.

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 2.
- 3** Enter total number of other organizations listed in the line 1 table 0.

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

Schedule I (Form 990) (2018)

Part III

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

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

Part IV

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

Part I, Line 2:

The Hospital was mandated by the State of NH to contribute funds to the Alcohol and Drug Prevention Treatment Fund in order to continue the Medicaid Expansion Program. These funds go towards various programs surrounding recover, treatment and prevention for substance misuse in New Hampshire.

The Hospital and Indian Stream Health Center (ISHC) have entered into an agreement, effective March 1, 2019, whereby the Hospital will provide

Part IV Supplemental Information

funding in the form of a one-time community benefit grant to ISHC for the purpose of assisting with recent financial challenges caused by loss of providers, uncompensated and undercompensated care, one-time legal expenses incurred by ISHC, and assist in funding of an updated Electronic Health Record.

Where the funds in both cases were contributed to Section 501(c)(3) organizations, additional monitoring of use of funds was not deemed to be necessary.

**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.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (such as maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?	2	
3 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.		
<input type="checkbox"/> Compensation committee		
<input type="checkbox"/> Independent compensation consultant		
<input type="checkbox"/> Form 990 of other organizations		
<input checked="" type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?	5a	X
b Any related organization?	5b	X
If "Yes" on line 5a or 5b, describe in Part III.		
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?	6a	X
b Any related organization?	6b	X
If "Yes" on line 6a or 6b, describe in Part III.		
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

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

Schedule J (Form 990) 2018

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Edward Lavery, PA-C Chief Medical Officer	(i)	277,523.	0.	0.	8,202.	34,749.	320,474.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) Scott Colby President	(i)	225,708.	31,000.	0.	7,368.	35,031.	299,107.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) Celeste Pitts Chief Financial Officer	(i)	58,210.	2,377.	9,800.	1,754.	6,469.	78,610.	0.
	(ii)	87,316.	3,565.	14,700.	2,631.	9,704.	117,916.	0.
(4) Albert Arnold ER Physician	(i)	213,660.	0.	0.	5,346.	5,243.	224,249.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) Thomas Cochran ER Physician	(i)	291,076.	0.	0.	8,041.	26,815.	325,932.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) Robert Gooch Pharmacist	(i)	168,034.	0.	0.	5,204.	25,804.	199,042.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) Todd Hope Physician	(i)	237,820.	0.	0.	0.	11,041.	248,861.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Part I, Line 7:

The President, Scott Colby, has an annual bonus clause in his contract. The amount is discretionary and determined by the Board of Directors, based on overall performance of the organization for that year. The other individuals received a purely discretionary bonus per the President based on recognition of additional responsibilities and special projects performed.

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

OMB No. 1545-0047

2018

Open To Public Inspection

► 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.

► Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

Part I	Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) 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.

[illegible]

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.

[illegible]

Part III	Grants or Assistance Benefiting Interested Persons.
----------	---

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

[illegible]

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
Shari Parker	Family member of Bo	124,005.	Employment		X
Martha Wells	Family member of Bo	65,449.	Employment		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: Shari Parker

(b) Relationship Between Interested Person and Organization:

Family member of Board Director Eric Stohl

(a) Name of Person: Martha Wells

(b) Relationship Between Interested Person and Organization:

Family member of Board Director James Wells

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

Form 990, Part VI, Section A, line 6:

As the Parent Organization, North Country Healthcare (NCH) is the Sole
Member of Upper Connecticut Valley Hospital.

Form 990, Part VI, Section A, line 7a:

Members of the Hospital Boards are nominated exclusively by the Hospital,
however the election of any such Director must be approved by the Hospital
Board and the NCH Board.

Form 990, Part VI, Section A, line 7b:

The Bylaws of NCH and each Hospital identify certain "Major Matters"
(divided into organizational and operational matters) that require
initiation and/or authorization by a majority of the NCH Board. Examples of
organizational "Major Matters" include amendments to Bylaws, election of
officers, dissolution of a Hospital, merger decisions and
hiring/termination of Hospital Presidents. Examples of operational "Major
Matters" include approval of annual capital and operating budgets, adoption
of compensation and benefit programs, approval of information technology
systems, financial systems and auditors, plus approval of any major changes
to clinical services offered.

Form 990, Part VI, Section B, line 11b:

The Form 990 is reviewed by CFO & President of the Hospital. After their
review is complete, the Form is shared with the Board Finance Committee
prior to filing.

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

Form 990, Part VI, Section B, Line 12c:

Directors, Officers, Highly Compensated Employees are all required to review and sign the Conflict of Interest Document. Annual conflict of interest documents were distributed electronically this year and managed by BerryDunn.

Form 990, Part VI, Section B, Line 15:

The hospital President compensation and benefit package is reviewed periodically by community board members who govern the non-profit organization as unpaid, independent volunteers. The periodic review includes comparability data, and the deliberation and decision making is substantiated by written minutes.

Form 990, Part VI, Section C, Line 18:

UVCH makes its 990 available upon request.

Form 990, Part VI, Section C, Line 19:

Available upon request.

Form 990, Part IX, Line 11g, Other Fees:

Other Fees:

Program service expenses	2,327,732.
Management and general expenses	735,812.
Fundraising expenses	0.
Total expenses	3,063,544.
Total Other Fees on Form 990, Part IX, line 11g, Col A	3,063,544.

Form 990, Part X, Line 10: Land, Buildings, and Equipment

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

Section 1.263(a)-3(n) Election:

Upper Connecticut Valley Hospital

181 Corliss Lane

Colebrook, NH 03576

EIN: 02-0276210

Upper Connecticut Valley Hospital is electing to capitalize repair and maintenance costs under Regulation Section 1.263(a)-3(n).

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2018

Open to Public
Inspection

Name of the organization

Upper Connecticut Valley Hospital

Employer identification number

02-0276210

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
North Country Healthcare, Inc. - 81-2225283 8 Clover Lane Whitefield, NH 03598	Healthcare Management	New Hampshire	501(c)(3)	Line 12a, I	N/A		X
Androscoggin Valley Hospital, Inc. - 02-0280367, 59 Page Hill Road, Berlin, NH 03570	Critical Access Hospital	New Hampshire	501(c)(3)	Line 3	N/A		X
Weeks Medical Center - 02-0222242 173 Middle Street Lancaster, NH 03584	Critical Access Hospital	New Hampshire	501(c)(3)	Line 3	N/A		X
Littleton Hospital Association - 02-0222152 600 St. Johnsbury Road Littleton, NH 03561	Critical Access Hospital	New Hampshire	501(c)(3)	Line 3	N/A		X

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

Schedule R (Form 990) 2018

Part II Continuation of Identification of Related Tax-Exempt Organizations[illegible]

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.

[illegible]

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.

[illegible]

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)	X	
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)		X
s 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)			
(2)			
(3)			
(4)			
(5)			
(6)			

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII	Supplemental Information.
-----------------	----------------------------------

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

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines across the entire width of the page, providing a guide for handwriting or typing. The background is a solid off-white color.

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

► **File a separate application for each return.**
► **Go to www.irs.gov/Form8868 for the latest information.**

OMB No. 1545-1709

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

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

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

		Enter filer's identifying number
Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	Upper Connecticut Valley Hospital	02-0276210
	Number, street, and room or suite no. If a P.O. box, see instructions. 181 Corliss Lane	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Colebrook, NH 03576	

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

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

Celeste Pitts

- The books are in the care of ► **181 Corliss Lane - Colebrook, NH 03576**

Telephone No. ► **(603) - 237-4971**

Fax No. ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1 I request an automatic 6-month extension of time until **August 15, 2020**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► ☐ calendar year _____ or

► ☒ tax year beginning **OCT 1, 2018**, and ending **SEP 30, 2019**.

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

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

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

Electronic Filing PDF Attachment



UPPER CONNECTICUT VALLEY HOSPITAL
Compassionate Healthcare...Close to Home

FINANCIAL STATEMENTS

September 30, 2019 and 2018

With Independent Auditor's Report

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

September 30, 2019 and 2018

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Upper Connecticut Valley Hospital Association, Inc.

We have audited the accompanying financial statements of Upper Connecticut Valley Hospital Association, Inc., which comprise the balance sheets as of September 30, 2019 and 2018, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Upper Connecticut Valley Hospital Association, Inc. as of September 30, 2019 and 2018, and the results of its operations, changes in its net assets and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

The Board of Trustees
Upper Connecticut Valley Hospital Association, Inc.

Other Matter

Change in Accounting Principle

As discussed in Note 2 to the financial statements, during the year ended September 30, 2019 Upper Connecticut Valley Hospital Association, Inc. adopted new accounting guidance, Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
December 20, 2019

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Balance Sheets

September 30, 2019 and 2018

ASSETS

	<u>2019</u>	<u>2018</u>
Current assets		
Cash and cash equivalents	\$ 5,413,058	\$ 4,416,299
Patient accounts receivable, net	2,436,094	1,917,872
Other accounts receivable	283,009	326,642
Prepaid expenses, supplies, and other current assets	<u>465,459</u>	<u>878,006</u>
Total current assets	8,597,620	7,538,819
Assets limited as to use	15,867,825	14,728,331
Property and equipment, net	7,619,876	7,494,327
Other assets	<u>136,137</u>	<u>40,000</u>
 Total assets	 \$ <u>32,221,458</u>	 \$ <u>29,801,477</u>

The accompanying notes are an integral part of these financial statements.

LIABILITIES AND NET ASSETS

	<u>2019</u>	<u>2018</u>
Current liabilities		
Accounts payable and accrued expenses	\$ 781,108	\$ 705,884
Accrued salaries and related amounts	715,148	580,702
Other current liabilities	460,611	631,867
Current portion of estimated third-party payor settlements	<u>3,052,274</u>	<u>2,720,082</u>
Total current liabilities, excluding current portion	5,009,141	4,638,535
Estimated third-party payor settlements	<u>7,537,424</u>	<u>5,830,667</u>
Total liabilities	<u>12,546,565</u>	<u>10,469,202</u>
Net assets		
Without donor restrictions	19,431,172	18,806,252
With donor restrictions	<u>243,721</u>	<u>526,023</u>
Total net assets	<u>19,674,893</u>	<u>19,332,275</u>
Total liabilities and net assets	<u>\$ 32,221,458</u>	<u>\$ 29,801,477</u>

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Statements of Operations

Years Ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues, gains, and other support without donor restrictions		
Patient service revenue (net of contractual allowances and discounts)	\$ 18,485,638	\$ 17,840,731
Provision for bad debts	<u>829,564</u>	<u>782,834</u>
Net patient service revenue	<u>17,656,074</u>	<u>17,057,897</u>
Other revenues	<u>386,718</u>	262,455
Net assets released from restrictions used for operations	<u>5,563</u>	<u>5,140</u>
Total revenues, gains, and other support without donor restrictions	<u>18,048,355</u>	<u>17,325,492</u>
Expenses		
Salaries, wages, and fringe benefits	9,959,813	9,167,357
Contract labor	2,415,163	2,421,979
Supplies and other	3,847,867	3,875,213
Medicaid enhancement tax	905,512	870,690
Depreciation	1,056,539	901,247
Interest	<u>-</u>	<u>1,868</u>
Total expenses	<u>18,184,894</u>	<u>17,238,354</u>
Operating (loss) income	<u>(136,539)</u>	<u>87,138</u>
Nonoperating gains (losses)		
Income from investments, net	878,219	1,041,939
Gifts without donor restrictions, net of expenses	29,906	63,222
Community benefit and contribution expense	(448,089)	(139,331)
Recovery of written-of related party receivables	<u>7,528</u>	<u>27,308</u>
Net nonoperating gains	<u>467,564</u>	<u>993,138</u>
Excess of revenues, gains, other support, and nonoperating gains over expenses and losses	<u>331,025</u>	1,080,276
Net assets released from restrictions for capital acquisitions	<u>293,895</u>	<u>18,419</u>
Increase in net assets without donor restrictions	<u>\$ 624,920</u>	<u>\$ 1,098,695</u>

The accompanying notes are an integral part of these financial statements.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Statements of Changes in Net Assets

Years Ended September 30, 2019 and 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Balances, October 1, 2017	\$ <u>17,707,557</u>	\$ <u>235,139</u>	\$ <u>17,942,696</u>
Excess of revenues, gains, other support, and nonoperating gains over expenses and losses	1,080,276	-	1,080,276
Contributions	-	310,919	310,919
Investment income, net	-	3,524	3,524
Net assets released from restrictions used for operations	-	(5,140)	(5,140)
Net assets released from restrictions for capital acquisitions	<u>18,419</u>	<u>(18,419)</u>	<u>-</u>
Increase in net assets	<u>1,098,695</u>	<u>290,884</u>	<u>1,389,579</u>
Balances, September 30, 2018	<u>18,806,252</u>	<u>526,023</u>	<u>19,332,275</u>
Excess of revenues, gains, other support, and nonoperating gains over expenses and losses	331,025	-	331,025
Contributions	-	3,320	3,320
Investment income, net	-	13,836	13,836
Net assets released from restrictions used for operations	-	(5,563)	(5,563)
Net assets released from restrictions for capital acquisitions	<u>293,895</u>	<u>(293,895)</u>	<u>-</u>
Increase (decrease) in net assets	<u>624,920</u>	<u>(282,302)</u>	<u>342,618</u>
Balances, September 30, 2019	\$ <u>19,431,172</u>	\$ <u>243,721</u>	\$ <u>19,674,893</u>

The accompanying notes are an integral part of these financial statements.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Statements of Cash Flows

Years Ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ 342,618	\$ 1,389,579
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	1,056,539	901,247
(Gain) loss on disposal of property and equipment	(50,279)	142,980
Provision for bad debts	829,564	782,834
Realized and unrealized gains on investments	(766,284)	(807,329)
(Increase) decrease in		
Patient accounts receivable	(1,347,786)	(471,602)
Other accounts receivable	43,633	91,217
Prepaid expenses, supplies, and other current assets	412,547	(247,613)
Other assets	(96,137)	-
Increase (decrease) in		
Accounts payable and accrued expenses	81,342	93,757
Accrued salaries, wages and related accounts	134,446	50,168
Other accrued expenses	(35,056)	(50,430)
Deferred revenue	(136,200)	(94,241)
Estimated third-party payor settlements	<u>2,038,949</u>	<u>2,176,336</u>
Net cash provided by operating activities	<u>2,507,896</u>	<u>3,956,903</u>
Cash flows from investing activities		
Proceeds from sale of property	51,550	-
Purchases of property and equipment	(1,189,477)	(1,886,126)
Proceeds from sales of investments	5,905,335	7,118,167
Purchase of investments	<u>(6,278,545)</u>	<u>(7,547,232)</u>
Net cash used by investing activities	<u>(1,511,137)</u>	<u>(2,315,191)</u>
Cash flows from financing activities		
Repayments of long-term debt	-	<u>(284,782)</u>
Net cash used by financing activities	-	<u>(284,782)</u>
Net increase in cash and cash equivalents	996,759	1,356,930
Cash and cash equivalents, beginning of year	<u>4,416,299</u>	<u>3,059,369</u>
Cash and cash equivalents, end of year	\$ <u>5,413,058</u>	\$ <u>4,416,299</u>
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ -	\$ <u>1,868</u>
Supplemental disclosure of noncash transactions		
Purchases of property and equipment of \$6,118 are included in accounts payable and accrued expenses at September 30, 2018.		

The accompanying notes are an integral part of these financial statements.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

1. Organization

Upper Connecticut Valley Hospital Association, Inc. (Hospital), a New Hampshire not-for-profit corporation, provides medical services on an inpatient and outpatient basis in Northern New Hampshire.

On June 30, 2015, the Hospital, along with three other hospitals in the North Country, Littleton Regional Hospital (LRH), Androscoggin Valley Hospital (AVH), and Weeks Medical Center (WMC), signed an Affiliation Agreement. The Boards of Trustees of each of the hospitals approved the affiliation documents which consist of an Affiliation Agreement, Management Services Agreement, and proposed Bylaw changes. The application to the New Hampshire Attorney General's office and Charitable Trust Unit was approved in December 2015. Effective September 30, 2019, LRH withdrew from the affiliation.

Effective April 1, 2016, North Country Healthcare, Inc. (NCHI) became the sole corporate member of the Hospital. NCHI is also the parent company of AVH, WMC, LRH (through September 30, 2019) and North Country Home Health & Hospice Agency, Inc. Any and all activity with these entities is disclosed as related party transactions.

2. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic (ASC) 958, *Not-for-Profit Entities*. The Hospital reports information regarding its financial position and activities according the following net asset classification:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Hospital. These net assets may be used at the discretion of Hospital management and the Board of Trustees.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Hospital or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of operations.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents include all cash in banks and certificates of deposit with an original maturity of three months or less, excluding amounts whose use is limited by Board designation or amounts included in net assets with donor restrictions.

Patient Accounts Receivable

Patient accounts receivable are carried at the amount management expects to collect from outstanding balances.

Patient receivables are periodically evaluated for collectibility based on credit history and current financial condition. Provisions for losses on receivables are determined on the basis of loss experience, known and inherent risks, estimated value of collateral and current economic conditions. The Hospital uses the allowance method to account for uncollectible accounts receivable.

In evaluating the collectibility of accounts receivable, the Hospital analyzes past results and identifies trends for each major payor source of revenue for the purpose of estimating the appropriate amounts of the allowance for doubtful accounts and the provision for bad debts. Data in each major payor source are regularly reviewed to evaluate the adequacy of the allowance for doubtful accounts. Specifically, for receivables relating to services provided to patients having third-party coverage, an allowance for doubtful accounts and a corresponding provision for bad debts are established at varying levels based on the age of the receivables and the payor source. For receivables relating to self-pay patients, a provision for bad debts is made in the period services are rendered based on experience indicating the inability or unwillingness of patients to pay amounts for which they are financially responsible. Actual write-offs after management has used reasonable collection efforts are charged against the allowance for doubtful accounts.

Supplies

Supplies are carried at the lower of cost (determined by the first-in, first-out method) or market.

Assets Limited as to Use

Assets set aside by the Board of Trustees for identified purposes, over which the Board retains control and which may, at its discretion, be subsequently used for other purposes, are classified as noncurrent assets.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

Investments and Investment Income

Investments in equity securities with readily determinable fair values in the balance sheets. Management has adopted FASB ASC 825-10-35-4, *Financial Instruments-General-Subsequent Measurement*, and has elected the fair value option relative to its investments to simplify the presentation of investment return in the statement of operations, and consolidates all investment performance activity within the nonoperating gains section of the statements of operations.

Donor-restricted investment income and gains on investments on donor-restricted investments are recorded within net assets with donor restrictions until expended in accordance with the donor's restrictions.

Risks and Uncertainties

Investment securities, including assets limited as to use, are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least reasonably possible that changes in risk in the near term could materially affect the net assets of the Hospital.

Property and Equipment

Property and equipment acquisitions are recorded at cost, or, if contributed, at fair market value determined at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Gifts of long-lived assets, such as land, buildings or equipment, are reported as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Net Patient Service Revenue

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges and per diem rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined. Management believes that adequate provision has been made for adjustments that may result from final determination of amounts earned under these programs.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

Medicaid Enhancement Tax

In New Hampshire, hospitals are subject to a 5.45% tax, the Medicaid Enhancement Tax, on net taxable revenues.

Charity Care

The Hospital provides care to patients who meet certain criteria under its community care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

Excess of Revenues, Gains, Other Support and Nonoperating Gains Over Expenses and Losses

The statements of operations include excess of revenues, gains, other support and nonoperating gains over expenses and losses. Changes in net assets without donor restrictions which are excluded from this measure, consistent with industry practice, are net assets released from restrictions for capital acquisitions.

Contributions

The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. As donor-stipulated time restrictions end or purpose restrictions are accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of operations as net assets released from restrictions.

Contributions, including unconditional promises to give, are recognized as support in the period received. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated value at the date received.

Contributions to be received after one year are discounted using a rate of interest commensurate with the risk involved for instruments of similar duration. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history, type of contribution, and nature of fundraising activity.

Contributions received with donor-imposed restrictions that are met in the same year as received are reported as support without donor restrictions.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

Income Taxes

The Hospital is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code, and is exempt from federal income taxes on related income.

Nonoperating Gains (Losses)

Activities, other than in connection with providing health care services, are considered nonoperating. Nonoperating gains and losses consist primarily of income on invested funds, gifts without donor restrictions, town appropriations, community benefit and contribution expense, and adjustments to notes receivable from a related party.

Newly Adopted Accounting Pronouncement

In 2019, the Hospital adopted FASB Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which made targeted changes to the not-for-profit financial reporting model. The ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the ASU, net asset reporting is streamlined and clarified. The existing three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses including the disclosure of expenses by function. New or revised disclosures in the financial statements include Note 2 - Summary of Significant Accounting Policies (Basis of Financial Statement Presentation), Note 3 - Liquidity and Availability of Financial Assets, Note 6 - Assets Limited as to Use, Note 10 - Net Assets with Donor Restrictions, and Note 12 - Functional Expenses. The adoption of the ASU had no impact on previously reported total net assets or changes therein.

Subsequent Events

Management has considered transactions or events through December 20, 2019, which was the date the financial statements were available to be issued. Management has not considered transactions or events subsequent to this date for inclusion in the financial statements.

3. Liquidity and Availability of Financial Assets

The Hospital had working capital of \$3,588,479 and \$2,900,284 at September 30, 2019 and 2018, respectively. The Hospital had average days (based on normal expenditures) cash and cash equivalents on hand of 115 and 99 at September 30, 2019 and 2018, respectively.

The Hospital seeks to operate with a balanced budget with the goal of generating sufficient net patient service revenue and cash flows, in addition to financial assets available to meet general expenditures over the next 12 months, to allow the Hospital to be sustainable to support its mission and vision.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses and capital construction costs not financed with debt, were as follows as of September 30:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 5,413,058	\$ 4,416,299
Patient accounts receivable, net	2,436,094	1,917,872
Other receivables	<u>283,009</u>	<u>326,642</u>
Financial assets available to meet general expenditures within one year	<u>\$ 8,132,161</u>	<u>\$ 6,660,813</u>

The Hospital has other assets limited as to use of \$15,867,825 and \$14,728,331 at September 30, 2019 and 2018, respectively, that are assets restricted by donors or set aside by the Board of Trustees for future capital improvements and other purposes. These assets limited as to use are not available for general expenditure within the next year; however, the internally designated amounts could be made available, if necessary.

4. Net Patient Service Revenue and Patient Accounts Receivable

Net Patient Service Revenue

Patient service revenue is reported net of contractual allowances and other discounts as follows for the years ended September 30:

	<u>2019</u>	<u>2018</u>
Gross patient service revenue	\$ 31,682,779	\$ 30,596,617
Less contractual allowances	(12,808,647)	(12,380,699)
Less charity care	<u>(388,494)</u>	<u>(375,187)</u>
Patient service revenue (net of contractual allowances and discounts)	18,485,638	17,840,731
Less provision for bad debts	<u>829,564</u>	<u>782,834</u>
Net patient service revenue	<u>\$ 17,656,074</u>	<u>\$ 17,057,897</u>

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

Medicare

The Hospital is a Critical Access Hospital (CAH). Under the CAH program, the Hospital is reimbursed at 101% of allowable costs for its inpatients and most outpatient services provided to Medicare patients. The Hospital is reimbursed at tentative rates with final determination after submission of annual cost reports by the Hospital and audits thereof by the Medicare fiscal intermediary. The Hospital's Medicare cost reports have been audited by the fiscal intermediary through September 30, 2015.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

Medicaid

Inpatient services rendered to Medicaid program beneficiaries are reimbursed under prospectively determined per-diem rates. The prospectively determined per-diem rates are not subject to retroactive adjustment. Outpatient services rendered to Medicaid beneficiaries are reimbursed on a cost reimbursement methodology and a national fee schedule for certain services. The Hospital is reimbursed for outpatient services at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the fiscal intermediary. The Hospital's Medicaid cost reports have been audited by the fiscal intermediary through September 30, 2012.

Anthem

Inpatient and outpatient services rendered to Anthem subscribers are reimbursed based on standard charges less a negotiated discount, except for lab and physician services which are reimbursed on fee schedules.

The Hospital has also entered into payment agreements with certain commercial insurance carriers and health maintenance organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates, discount from charges and prospectively determined daily rates.

Revenue from the Medicare and Medicaid programs accounted for approximately 52% and 12%, respectively, of the Hospital's net patient service revenue for the year ended 2019, and 53% and 12%, respectively, of the Hospital's net patient service revenue for the year ended 2018. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Net patient service revenue increased approximately \$332,000 and \$174,000 in 2019 and 2018, respectively, due to differences in settlements from amounts previously estimated.

The Hospital recognizes patient service revenue relating to services rendered to patients having third-party payor coverage on the basis of contractual rates for such services. For services rendered to self-pay or uninsured patients, revenue is recognized on the basis of standard or negotiated discounted rates. At the time services are rendered to self-pay patients, a provision for bad debts is recorded based on experience and the effects of newly-identified circumstances and trends in pay rates. Patient service revenue, net of contractual allowances and discounts, but before the provision for bad debts, recognized during 2019 totaled \$18,485,638, of which \$17,543,493 was revenue from third-party payors and \$942,145 was revenue from self-pay patients. Patient service revenue, net of contractual allowances and discounts, but before the provision for bad debts, recognized during 2018 totaled \$17,840,731, of which \$17,072,588 was revenue from third-party payors and \$768,143 was revenue from self-pay patients.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

Under the State of New Hampshire's Medicaid program, the Hospital recognizes disproportionate share payment revenue which amounted to \$4,014,097 and \$2,353,076 for 2019 and 2018, respectively, and is recorded in net patient service revenue. Because the methodologies used to determine disproportionate share payments remain unsettled, the Hospital has reserved a portion of the amounts received.

Long-term estimated third-party payor settlements consist of estimates related to Medicare's potential disallowance of Medicaid enhancement tax as an allowable cost and state disproportionate share pending settlements. Due to unresolved issues at the federal level for both matters, the Hospital has classified the balances as long-term.

Charity Care

The Hospital maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy, the estimated cost of those services and supplies and equivalent service statistics. For the years ended September 30, 2019 and 2018, 1.23% of all services, as defined by percentage of gross revenue, was provided on a charity care basis.

The estimated expense incurred to provide charity care for the years ended September 30, 2019 and 2018 was approximately \$223,000 and \$211,000, respectively. The Hospital estimates its cost of charity care by applying an overall cost to charge ratio to the gross charges foregone.

The Hospital provided charity care for the following number of patient admissions/visits for the years ended September 30:

	<u>2018</u>		<u>2017</u>	
	<u>Charity</u>	<u>% of Total</u>	<u>Charity</u>	<u>% of Total</u>
Inpatient admissions	25	12%	34	11%
Outpatient visits	601	4%	811	4%

Patient Accounts Receivable

Patient accounts receivable is stated net of estimated contractual allowances and allowances for doubtful accounts as follows as of September 30:

	<u>2019</u>	<u>2018</u>
Gross patient accounts receivable	\$ 5,095,789	\$ 3,953,081
Less: Estimated contractual allowances	(1,872,899)	(1,279,953)
Estimated allowance for doubtful accounts	(786,796)	(755,256)
Net patient accounts receivable	<u>\$ 2,436,094</u>	<u>\$ 1,917,872</u>

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

The composition of the estimated allowance for doubtful accounts at September 30 is as follows:

	<u>2019</u>	<u>2018</u>
Self-pay patients	\$ 550,874	\$ 573,839
All other payors	<u>235,922</u>	<u>181,417</u>
	<u>\$ 786,796</u>	<u>\$ 755,256</u>

Self-pay write-offs increased from \$840,027 to \$898,312 during 2019 and decreased from \$844,604 to \$840,027 during 2018. The change resulted from these trends experienced in the collection of amounts from self-pay patients and third-party payors and from increases in accounts receivable.

5. Property and Equipment

The major categories of property and equipment are as follows:

	<u>2019</u>	<u>2018</u>
Land and improvements	\$ 200,769	\$ 183,100
Buildings	6,778,077	6,472,425
Fixed equipment	2,984,339	2,744,261
Major movable equipment	7,325,282	6,750,670
Construction in progress	<u>179,131</u>	<u>568,116</u>
	17,467,598	16,718,572
Less: accumulated depreciation	<u>9,847,722</u>	<u>9,224,245</u>
	<u>\$ 7,619,876</u>	<u>\$ 7,494,327</u>

Construction in progress as of September 30, 2019 consisted of costs related to the renovations of the kitchen, cafeteria and administrative wing of the Hospital, as well as costs associated with the new electronic medical record (EMR) system. The Hospital renovations are expected to be completed in fiscal year 2021 and the total estimated cost to complete the project is approximately \$3,000,000. The EMR system is expected to cost about \$1,530,000 and be completed in fiscal year 2021.

6. Assets Limited as to Use

The Hospital pools its investments with one investment company and allocates the investment income to each fund based upon each fund's percentage of total assets.

The pooled investments were allocated to the following funds as of September 30:

	<u>2019</u>	<u>2018</u>
Board designated	\$ 15,626,910	\$ 14,496,065
Net assets with donor restrictions	<u>243,721</u>	<u>232,266</u>
	<u>\$ 15,870,631</u>	<u>\$ 14,728,331</u>

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

The composition of assets limited as to use consisted of the following as of September 30:

	<u>2019</u>	<u>2018</u>
Mutual funds	\$ 1,499,019	\$ 1,223,349
Marketable equity securities	6,401,808	6,088,757
Fixed income securities	<u>7,705,443</u>	<u>7,059,228</u>
	15,606,270	14,371,334
Cash and cash equivalents	<u>261,555</u>	<u>356,997</u>
	<u>\$ 15,867,825</u>	<u>\$ 14,728,331</u>

Endowment

Return Objectives and Risk Parameters

The Hospital has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Hospital must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Hospital expects its endowment funds, over time, to provide an average rate of return of approximately the Consumer Price Index plus 2% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Hospital relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Hospital targets a diversified asset allocation that places a weighted ratio on equity-based and fixed income investments to achieve its long-term return objectives within prudent risk constraints, as follows:

Common stock	30% - 70%
Fixed income	30% - 70%
Cash	0% - 20%

Appropriations are determined by the Board of Trustees from time to time.

Uniform Prudent Management of Institutional Funds Act

Effective July 1, 2008, the State of New Hampshire adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) enacted as Revised Statutes Annotated (RSA) Chapter 292-B. This RSA Chapter provides guidance and special rules for the management of endowment funds. Pursuant to the Board of Trustees' interpretation of UPMIFA, unexpended investment income on net assets with donor restrictions of perpetual duration is required to be reported as net assets with donor restrictions temporary in nature until appropriated.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

Endowment (donor-restricted) net asset composition by type of fund and activity therein are as follows as of and for the years ended September 30:

	<u>Net Assets with Donor Restrictions</u>		
	<u>Accumulated Appreciation of Funds of Perpetual Duration</u>	<u>Funds of Perpetual Duration</u>	<u>Total</u>
Balances, October 1, 2017	\$ 60,814	\$ 173,070	\$ 233,884
Net investment return	3,524	-	3,524
Appropriation of endowment assets for expenditure	<u>(5,142)</u>	<u>-</u>	<u>(5,142)</u>
Balances, September 30, 2018	59,196	173,070	232,266
Net investment return	13,836	-	13,836
Appropriation of endowment assets for expenditure	<u>(5,187)</u>	<u>-</u>	<u>(5,187)</u>
Balances, September 30, 2019	<u>\$ 67,845</u>	<u>\$ 173,070</u>	<u>\$ 240,915</u>

7. Fair Value Measurements

FASB ASC 820, *Fair Value Measurement*, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 - Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data.

Level 3 - Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

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Assets measured at fair value on a recurring basis are summarized below.

<u>Fair Value Measurements at September 30, 2019</u>				
	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Cash and cash equivalents	\$ 261,555	\$ 261,555	\$ -	\$ -
Marketable equity securities	6,401,808	6,401,808	-	-
Mutual funds	1,499,019	1,499,019	-	-
Corporate bonds	2,514,600	-	2,514,600	-
U.S. Treasury obligations and government securities	<u>5,190,843</u>	<u>5,190,843</u>	<u>-</u>	<u>-</u>
Total assets at fair value	<u>\$ 15,867,825</u>	<u>\$ 13,353,225</u>	<u>\$ 2,514,600</u>	<u>\$ -</u>

<u>Fair Value Measurements at September 29, 2018</u>				
	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Cash and cash equivalents	\$ 356,997	\$ 356,997	\$ -	\$ -
Marketable equity securities	6,088,757	6,088,757	-	-
Mutual funds	1,223,349	1,223,349	-	-
Corporate bonds	2,718,471	-	2,718,471	-
U.S. Treasury obligations and government securities	<u>4,340,757</u>	<u>4,340,757</u>	<u>-</u>	<u>-</u>
Total assets at fair value	<u>\$ 14,728,331</u>	<u>\$ 12,009,860</u>	<u>\$ 2,718,471</u>	<u>\$ -</u>

The fair value for Level 2 assets is primarily based on market prices of comparable securities, interest rates, and credit risk. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

8. Retirement Plan

The Hospital has a defined contribution pension plan that covers substantially all full-time employees. The Hospital contributes to the plan based upon several variables including compensation and length of employment. The pension plan expense for the years ended September 30, 2019 and 2018 was \$167,647 and \$98,965, respectively.

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Notes to Financial Statements

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9. Commitments and Contingencies

Effective October 1, 2008, the Hospital insures its comprehensive general liability and professional liability exposure on a claims made basis, including prior acts coverage, with a commercial carrier. The coverage is provided by primary and excess insurance policies subject to shared policy limits with other NCHI members. The policies are renewable on an annual basis and have been renewed through September 30, 2019. All known significant asserted and unasserted claims alleging malpractice have been communicated to the insurer who is responsible for resolving the claim and the related costs of litigation. An event is insured at the time it is reported to the insurer even if a claim is not yet asserted. GAAP requires the Hospital to accrue the ultimate cost of malpractice claims when the incident that gives rise to the claim occurs, without consideration of insurance recoveries. Expected recoveries are presented as a separate asset. All outstanding malpractice claims against the Hospital were settled during the year. The Hospital has evaluated its exposure to losses arising from potential claims and determined no such accrual is necessary for the year ended September 30, 2019.

Community Benefit Agreement

The Hospital and Indian Stream Health Center (ISHC) have entered into an agreement, effective March 1, 2019, whereby the Hospital will provide funding in the form of a one-time community benefit grant of \$300,000 to ISHC for the purpose of assisting with recent financial challenges caused by loss of providers, uncompensated and undercompensated care and one-time, legal expenses incurred by ISHC related to its FQHC operations. On August 1, 2019, the Hospital and ISHC entered into a separate agreement whereby the Hospital will assist ISHC in the funding of an updated Electronic Health Record (EHR). The assistance shall consist of a one-time community benefit grant as well as a loan. The total assistance to be awarded will not exceed \$150,000 and will be allocated one-third to grant funding and two-thirds to the loan. The terms of the EHR loan will be made pursuant to the Promissory Note delivered by ISHC to the Hospital upon determination of the principal amount of the loan. The payment period will be 24 months at 0% interest.

Operating Leases

The Hospital leases various equipment and facilities under operating leases expiring at various dates between 2019 and 2023. Total rental expense was \$51,014 and \$79,384 for the years ended September 30, 2019 and 2018, respectively.

The following is a schedule by year of future minimum lease payments under operating leases as of September 30, 2019, that have initial or remaining lease terms in excess of one year:

2020	\$ 58,715
2021	7,002
2022	7,002
2023	<u>3,501</u>
	<u>\$ 76,220</u>

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

September 30, 2019 and 2018

10. Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes at September 30:

	<u>2019</u>	<u>2018</u>
Funds with donor restrictions temporary in nature		
Endowment accumulated earnings	\$ 67,845	\$ 59,196
Other	<u>2,806</u>	<u>293,757</u>
	70,651	352,953
 Funds maintained in perpetuity, the income from which is expendable to support healthcare services	 <u>173,070</u>	 <u>173,070</u>
 Total net assets with donor restrictions	 <u>\$ 243,721</u>	 <u>\$ 526,023</u>

11. Concentration of Credit Risk

The Hospital maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times during the year, the Hospital's cash in bank exceeded insured limits. The Hospital has not incurred any losses from uninsured cash in bank as of September 30, 2019.

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. Following was the mix of receivables from patients and third-party payors at September 30:

	<u>2019</u>	<u>2018</u>
Medicare	30 %	37 %
Medicaid	10	12
Blue Cross	12	9
Other third-party payors	32	23
Patients	<u>16</u>	<u>19</u>
	<u>100 %</u>	<u>100 %</u>

UPPER CONNECTICUT VALLEY HOSPITAL ASSOCIATION, INC.

Notes to Financial Statements

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12. Functional Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Employee benefits are allocated based on salaries and occupancy costs are allocated by square footage. Expenses related to these functions were as follows for the years ended September 30:

<u>2019</u>	<u>Healthcare Services</u>	<u>Support Services</u>	<u>Total</u>
Salaries, wages and benefits	\$ 8,538,574	\$ 1,421,239	\$ 9,959,813
Contract labor	1,773,197	641,965	2,415,162
Supplies and other	2,689,508	1,158,359	3,847,867
Medicaid enhancement tax	905,512	-	905,512
Depreciation	<u>1,043,173</u>	<u>13,367</u>	<u>1,056,540</u>
	<u>\$ 14,949,964</u>	<u>\$ 3,234,930</u>	<u>\$ 18,184,894</u>
<u>2018</u>	<u>Healthcare Services</u>	<u>Support Services</u>	<u>Total</u>
Salaries, wages and benefits	\$ 7,704,834	\$ 1,462,523	\$ 9,167,357
Contract labor	1,839,457	582,522	2,421,979
Supplies and other	2,615,683	1,259,530	3,875,213
Medicaid enhancement tax	870,690	-	870,690
Depreciation	887,880	13,367	901,247
Interest	<u>1,868</u>	<u>-</u>	<u>1,868</u>
	<u>\$ 13,920,412</u>	<u>\$ 3,317,942</u>	<u>\$ 17,238,354</u>

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Notes to Financial Statements

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13. Related Party Transactions

As a member of NCHI, the Hospital shares in various services, such as shared staffing, centralized accounting and other administrative costs, with the other member hospitals and the parent. For the year ended September 30, 2019, the Hospital billed other member hospitals \$227,675 and was billed \$1,470,904 for shared services. For the year ended September 30, 2018, the Hospital billed other member hospitals \$136,384 and was billed \$1,579,216 for shared services.

Total expenses incurred for services provided by other members are as follows:

	<u>2019</u>	<u>2018</u>
WMC	\$ 411,304	\$ 227,354
AVH	721,743	874,626
LRH	86,995	207,514
NCHI	<u>250,862</u>	<u>269,722</u>
	<u>\$ 1,470,904</u>	<u>\$ 1,579,216</u>

Following is a summary of net amounts outstanding as payables to related parties which are included in accounts payable and accrued expenses on the balance sheets at September 30:

	<u>2019</u>	<u>2018</u>
WMC	\$ 36,430	\$ 78,480
AVH	110,713	82,338
LRH	-	14,032
NCHI	<u>-</u>	<u>41,576</u>
	<u>\$ 147,143</u>	<u>\$ 216,426</u>