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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 black lung benefit trust or private foundation)	OMB No 1545-0047 2008
	The organization may have to use a copy of this return to satisfy state reporting requirements	Open to Public Inspection

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009		D Employer identification number 52-1169362	
B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Termination ☐ Amended return ☐ Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization ANNE ARUNDEL MEDICAL CENTER INC	
		Doing Business As	
		Number and street (or P O box if mail is not delivered to street address) 2001 MEDICAL PARKWAY	Room/suite
		City or town, state or country, and ZIP + 4 ANNAPOLIS, MD 21401	
F Name and address of Principal Officer ROBERT REILLY 2001 MEDICAL PARKWAY ANNAPOLIS, MD 21401		H(a) Is this a group return for affiliates? ☐ Yes ☒ No	
I Tax-exempt status ☒ 501(c) (3) ☐ (insert no) ☐ 4947(a)(1) or ☐ 527		H(b) Are all affiliates included? ☐ Yes ☐ No (If "No," attach a list See instructions)	
J Web site: WWW AAHS ORG		H(c) Group Exemption Number	
K Type of organization ☒ Corporation ☐ trust ☐ association ☐ other		L Year of Formation 1902	M State of legal domicile MD

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities To provide comprehensive health care for the local and regional community		
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	15
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	14
	5	Total number of employees (Part V, line 2a)	5	3,415
	6	Total number of volunteers (estimate if necessary)	6	593
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	7,341,018
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	-764,990
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	1,935,248	1,188,537
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	350,518,262	373,527,544
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	19,713,900	9,658,078
	12	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	16,169,023	14,084,677
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	388,336,433	398,458,836
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	178,587,543	197,851,671
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
	b	(Total fundraising expenses, Part IX, column (D), line 25 ⁰)		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	169,643,284	177,010,963
	18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	348,230,827	374,862,634
	19	Revenue less expenses Subtract line 18 from line 12	40,105,606	23,596,202
	Net Assets or Fund Balances			Beginning of Year
20		Total assets (Part X, line 16)	635,835,457	772,752,339
21		Total liabilities (Part X, line 26)	305,245,099	471,681,915
22		Net assets or fund balances Subtract line 21 from line 20	330,590,358	301,070,424

Part II Signature Block

Please Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
	***** Signature of officer		2010-05-12 Date		
	ROBERT REILLY VICE PRESIDENT - FINANCE Type or print name and title				
Paid Preparer's Use Only	Preparer's signature  Lori S Burghauser		Date 2010-05-12	Check if self-employed 	Preparer's PTIN (See Gen Inst)
	Firm's name (or yours if self-employed), address, and ZIP + 4  SC&H TAX & ADVISORY SERVICES LLC 910 RIDGEBROOK ROAD SPARKS, MD 21152		EIN 		
			Phone no  (410) 403-1500		

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

Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization’s mission

Anne Arundel Medical Center's ("AAMC") mission is to enhance the health of the people it serves and AAMC’s vision is to be the destination health system in its region. In addition to traditional patient services like diagnosis, treatment and rehabilitation, AAMC also strenghtens community health through comprehensive health maintenance and education outreach.

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

No

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting or make significant changes in how it conducts any program services?

Yes

No

If “Yes,” describe these changes on Schedule O

4

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

4a	(Code) (Expenses \$ 332,302,708 including grants of \$) (Revenue \$ 376,837,536)
	InpatientThe AAMC Women's and Children's Center offers multigenerational programs to support a woman from the time she begins gynecological care through the childbearing years and beyond. We offer the most comprehensive women's services, all-inclusive maternity, newborn and pediatric care, advanced treatments for any health challenges women and their families may encounter, and extensive screening, prevention and wellness programs to help them lead longer, healthier and more fulfilling lives. AAMC is known for excellence in obstetrical services, and we offer moms many options as they make informed choices during labor and delivery. Our goal is for each mother and her family to feel respected and to experience the birthing process and postpartum experience they desire. Anne Arundel Medical Center delivers more than 5,600 babies each year, the second highest number of deliveries in the state of Maryland. Anne Arundel Medical Center's Neonatal Intensive Care Unit (NICU) is designated as a Level IIIB NICU, and is able to care for the most critically ill newborns, allowing babies born early or with complications to stay with their mothers at AAMC. Hospitals that do not have this level of NICU care often must transfer babies to other health care facilities, meaning that mothers and babies cannot remain together. The AAMC NICU, also known as "Teddy's Place," is a state-of-the-art 26-bed unit, equipped with life-saving technology and staffed by full- and part-time neonatologists, neonatal nurse practitioners, and nurses with specialized NICU training. On average, 18 babies a day are cared for in our NICU, and approximately 10 percent of all babies delivered at AAMC will spend some time in the NICU. At AAMC, the Center for Maternal-Fetal Medicine offers women the highest level of obstetric care, with three highly trained physicians able to perform and oversee a wide range of complications. Some 85-100 patients per day come to the AAMC Center for Maternal-Fetal Medicine, which offers regional care to women from as far away as Delaware and Calvert County, to as close as Anne Arundel and Baltimore counties. Typical patients include women who are carrying twins or triplets, women requiring diabetes education or amniocentesis, or women who will be 35 or older at the time of delivery. Approximately 60 ultrasounds are performed at the Annapolis office each day. The AAMC Women's Center for Pelvic Health provides comprehensive and innovative pelvic health care for women of all ages suffering from problems and disorders of the pelvic region. Our experienced specialists employ a compassionate and professional approach to diagnose and treat all components of pelvic problems, with the goal of ensuring wellness and maintaining dignity. The AAMC Women's Center for Pelvic Health addresses issues including urinary incontinence, pelvic support problems, fecal incontinence, childbirth and pregnancy related pelvic floor disorders, incontinence clearly linked to prolapse or pelvic floor dysfunction, and pelvic organ prolapse (cystocele, rectocele, uterine, vaginal vault, perineal). StrokeAnne Arundel Medical Center has earned certification as a primary stroke center from the Joint Commission, and was the first hospital in the region -- and one of the first eight in the state -- to have earned this highly specialized designation. Because successful treatment of stroke patients is so time-critical, the presence of a certified stroke center in Anne Arundel County is significant for the residents of the region because they no longer have to waste precious time and travel 30 or more miles to get life-saving treatment. The Joint Commission certification means AAMC has demonstrated that its stroke program follows national standards and guidelines that can significantly improve outcomes for stroke patients. In Maryland, someone is hospitalized for a stroke every 30 minutes and someone dies every three hours, according to the Maryland Institute for Emergency Medical Services Systems (MIEMSS). AAMC offers treatment with tPA - tissue Plasminogen Activator, a clot-busting medication approved for use in certain patients having heart attack or stroke. According to the American Heart Association, tPA must be given within a few hours after symptoms begin. The procedure is complex and done through an intravenous (IV) line by specially trained hospital personnel. AAMC treats between 400 and 500 stroke patients a year. Surgical ServicesAAMC surgeons perform a variety of inpatient and outpatient surgical procedures from the routine to the technologically advanced. In addition to general surgeries, they specialize in breast, colon and rectal, orthopedic, pediatric, retinal, thoracic and vascular, urology and ear, nose and throat surgery, as well as neurosurgery and plastic surgery. Board-certified anesthesiologists plan and supervise anesthesia care for all patients. In addition, 24-hour physician care through the hospitalist and intensivist programs means a doctor is always nearby to make sure recovery for inpatients is progressing smoothly. At the AAMC Joint Center, our surgeons hold superior credentials and many of our surgeons specialize in knee and hip replacement. Our volume of surgery also contributes to our medical expertise. AAMC performs nearly 1,300 joint replacements per year, which makes us consistently one of the highest volume joint replacement centers in the state. From 2006-2008, AAMC performed more joint replacements than any other hospital in the state. Joint CampAnother unique part of the AAMC Joint Center is our "Joint Camp." An important part of the program, the Joint Camp gets its name in part from the sense of shared experiences, camaraderie and companionship many patients feel toward one another. The philosophy of Joint Camp is that you and your family are not bystanders, but rather active participants with a common goal. A trained coordinator helps guide and assist you every step of the way. OutpatientThe AAMC Geaton and JoAnn DeCesars Cancer Institute at Anne Arundel Medical Center encompasses a large array of services ranging from prevention, screening, diagnosis and treatment through survivorship. Many different types of professionals contribute to the care of patients in our programs. It is our goal to provide the best experience possible, no matter where or how a person encounters our cancer center services. The DeCesaris Cancer Institute was awarded the Commission on Cancer (CoC) Outstanding Achievement Award for 2008 following an intensive on-site survey completed in November 2008. It is one of only four cancer programs in Maryland - and one of only 95 programs nationwide - to receive the prestigious award from the CoC, an organization established by the American College of Surgeons. The award was established in 1994 to recognize cancer programs demonstrating excellence in providing quality care to cancer patients. A facility receives the award only if demonstrating a "commendation" level of compliance with seven CoC-established standards of care. AAMC demonstrated commendation-level compliance in six areas: cancer committee leadership, cancer data management, clinical services, research, community outreach, and quality improvement. The AAMC Breast Center is nationally recognized for its outstanding care, research and comprehensive programs. It offers kind, sensitive, and tailored breast disease treatment and care for women. With our highly experienced breast specialists and specialty trained staff plus state-of-the-art facilities, we are a breast center dedicated to giving you new hope and good health. In the summer of 2009, AAMC made a commitment to further serve breast patients in the region by opening a new, expanded breast center under the umbrella of the DeCesaris Cancer Institute, and adding a third fellowship-trained breast surgeon to the care team. The Cancer Institute offers a wide range of support groups to patients as a source of comfort, encouragement and information, and as a way to connect with others who know what the patients are going through as a patient, family member or caregiver. Some of our support groups include General Cancer Support Group, Monthly Lung Cancer Support Group, Moving Forward, a monthly meeting for women diagnosed with breast cancer within the last two years, Sister to Sister, providing specialized support for African-American women, and Survivors Offering Support, where breast cancer survivors are trained to provide one on one mentoring to newly diagnosed patients through their first year of treatment. Emergency ServicesThe AAMC Emergency Room is one of the busiest in the area, serving more than 77,000 patients each year. AAMC's Emergency Department employs trained physicians, physician assistants, and nurse practitioners who are on duty 24 hours a day, seven days a week, and specialists are on call for consultati.

4b	(Code) (Expenses \$ including grants of \$) (Revenue \$)
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4c	(Code) (Expenses \$ including grants of \$) (Revenue \$)
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4d	Other program services (Describe in Schedule O) (Expenses \$ including grants of \$) (Revenue \$)
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4e	Total program service expenses \$ 332,302,708 Must equal Part IX, Line 25, column (B).
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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	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes
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	No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II 	4	Yes
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III 	5	No
6	Did the organization maintain any donor advised funds or any accounts where 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	No
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	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9	Did the organization report an amount in Part X, line 21, 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	No
10	Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable 	11	Yes
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12	No
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a	Did the organization maintain an office, employees, or agents outside of the U S?	14a	Yes
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S? If "Yes," complete Schedule F, Part I 	14b	Yes
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II 	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III 	16	No
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17	No
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	Yes
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	Yes
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	No
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J 	23	Yes
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 questions 24b–24d and complete Schedule K. If "No," go to question 25 	24a	Yes
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	No
25a	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	No
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b	No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	No

Part IV

Checklist of Required Schedules (Continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		No
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		No
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV		No
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		No
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		No
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		No
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		No
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	Yes	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	Yes	
36 501(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		No
37 Did the organization conduct more than 5 percent 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		No

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a301		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a3,415		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . Note: <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>	2b		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
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	Yes	
b	If "Yes," enter the name of the foreign country <u>CJ</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		No
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 provide goods or services in exchange for any quid pro quo contribution of \$75 or more?	7a		No
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		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	Yes	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	Yes	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.			
a	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the 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		

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)
Section A. Governing Body and Management

		Yes	No
For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body	1a	15
b	Enter the number of voting members that are independent	1b	14
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	Yes
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	No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5	No
6	Does the organization have members or stockholders?	6	Yes
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	the governing body?	8a	Yes
b	each committee with authority to act on behalf of the governing body?	8b	Yes
9a	Does the organization have local chapters, branches, or affiliates?	9a	No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10	Yes
11	Is there any officer, director or 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	11	No

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No", go to line 13	12a	Yes
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes
13	Does the organization have a written whistleblower policy?	13	Yes
14	Does the organization have a written document retention and destruction policy?	14	Yes
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	Yes
b	Other officers or key employees of the organization? Describe the process in Schedule O	15b	Yes
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	No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed <u>MD</u>
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. ☐ own website ☒ another's website ☒ upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization. SANDRA HUFFER 2001 MEDICAL PARKWAY ANNAPOLIS, MD 21401 (443) 481-6555

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

☐ Check this box if the organization did not compensate any officer, director, trustee or key employee

[illegible]

Part VII

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)							(D) Reportable compensation from the organization (W- 2/1099MISC)	(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				

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **199**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
GILBANE BUILDING COMPANY PO BOX 6128 PROVIDENCE, RI 02940	CONSTRUCTION PROJECT MANAGEMENT	1,541,533
VENABLE LLP PO BOX 630798 BALTIMORE, MD 212630798	LEGAL FEES	1,250,186
SLEEP SERVICES OF AMERICA INC 890 AIRPORT PARK ROAD SUITE 119 GLEN BURNIE, MD 21061	SLEEP STUDIES	985,099
CHILDRENS' NATIONAL MEDICAL CENTER 111 MICHIGAN AVENUE NW WASHINGTON, DC 20010	PEDIATRIC CARE	944,680
INFORMED LLC 1596 WHITEHALL ROAD ANNAPOLIS, MD 21409	MEDICAL PLAN SERVICES	890,334

2	Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization	0
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Part VIII

Statement of Revenue

				(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . . 1a					
	b	Membership dues					
		1b					
	c	Fundraising events					
		1c					
	d	Related organizations . . . 1d		1,188,537			
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f					
	g	Noncash contributions included in lines 1a-1f \$					
h	Total (Add lines 1a-1f)		1,188,537				
Program Service Revenue	2a	ANCILLIARY SERVICES	Business Code 621,500	271,887,640	266,506,566	5,381,074	
	b	ADMISSION/ROOM CHARGES	621,990	73,420,485	73,420,485		
	c	EMERGENCY ROOM CHARGES	621,990	24,654,212	24,654,212		
	d	CAFETERIA	722,210	2,469,621			2,469,621
	e	PATIENT EDUCATION/MISC	624,100	1,095,586	1,095,586		
	f	All other program service revenue					
	g	Total. Add lines 2a-2f					
		\$ 373,527,544					
Other Revenue	3	Investment income (including dividends, interest other similar amounts)		9,646,028			9,646,028
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	Gross Rents	(i) Real 150,813	(ii) Personal 172,400			
	b	Less rental expenses		172,400			
	c	Rental income or (loss)	150,813				
	d	Net rental income or (loss)		150,813			150,813
	7a	Gross amount from sales of assets other than inventory	(i) Securities 	(ii) Other 12,050			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)		12,050			
	d	Net gain or (loss)		12,050			12,050
	8a	Gross income from fundraising events (not including \$ 203,743 of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000	a				
	b	Less direct expenses	b	194,299			
	c	Net income or (loss) from fundraising events		9,444			9,444
	9a	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	Business Code				
	11a	MANAGEMENT SERVICES	812,900	12,810,220	11,066,570	1,743,650	
	b	ANSWERING/PAGING SERVI	812,900	222,821		222,821	
c	MISCELLANEOUS	900,099	94,117	94,117			
d	All other revenue		797,262		-6,527	803,789	
e	Total. Add lines 11a-11d						
	\$ 13,924,420						
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			398,458,836	376,837,536	7,341,018	13,091,745

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).					
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	2,108,361		2,108,361	
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	155,378,011	139,240,436		
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,499,682	4,871,752	627,930	
9	Other employee benefits	23,554,704	21,130,154	2,424,550	
10	Payroll taxes	11,310,913	10,019,482	1,291,431	
11	Fees for services (non-employees)				
a	Management				
b	Legal	1,141,288		1,141,288	
c	Accounting	193,023		193,023	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	150,000		150,000	
g	Other	27,809,735	18,410,799	9,398,936	
12	Advertising and promotion	632,363	632,363		
13	Office expenses	12,725,525	9,860,404	2,865,121	
14	Information technology	2,961,047	202,888	2,758,159	
15	Royalties				
16	Occupancy	6,505,399	4,841,363	1,664,036	
17	Travel	984,334	891,691	92,643	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials				
19	Conferences, conventions and meetings	693,505	530,231	163,274	
20	Interest	11,012,083	10,603,414	408,669	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	17,082,082	17,082,082		
23	Insurance	5,908,196	5,317,376	590,820	
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	MEDICAL SUPPLIES	72,566,082	72,566,082		
b	BAD DEBT EXPENSE	13,790,014	13,790,014		
c	INSURANCE	0			
d	TEMPORARY AGENCY	2,856,287	2,312,177	544,110	
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	374,862,634	332,302,708	42,559,926	0
26	Joint Costs. Check ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		1-1
	2	Savings and temporary cash investments	708,374	27,184,324
	3	Pledges and grants receivable, net		3
	4	Accounts receivable, net	40,419,935	438,264,513
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6
	7	Notes and loans receivable, net		7
	8	Inventories for sale or use	5,927,834	86,449,549
	9	Prepaid expenses and deferred charges	3,085,942	94,467,169
	10a	Land, buildings, and equipment cost basis		
		10a396,111,276		
	b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>		
		10b131,259,231	206,818,127	10c264,852,045
	11	Investments—publicly traded securities	193,839,517	11150,800,100
	12	Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>	27,483,148	1232,957,354
	13	Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13
14	Intangible assets		14	
15	Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	157,552,580	15267,777,286	
16	Total assets. Add lines 1 through 15 (must equal line 34)	635,835,457	16772,752,339	
Liabilities	17	Accounts payable and accrued expenses	68,335,828	1781,146,601
	18	Grants payable		18
	19	Deferred revenue		19
	20	Tax-exempt bond liabilities	164,363,413	20336,733,202
	21	Escrow account liability <i>Complete Part IV of Schedule D</i>		21
	22	Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22
	23	Secured mortgages and notes payable to unrelated third parties	44,406,081	235,974,782
	24	Unsecured notes and loans payable		24
	25	Other liabilities <i>Complete Part X of Schedule D</i>	28,139,777	2547,827,330
	26	Total liabilities. Add lines 17 through 25	305,245,099	26471,681,915
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27	Unrestricted net assets	296,248,537	27268,900,158
	28	Temporarily restricted net assets	22,616,821	2820,558,266
	29	Permanently restricted net assets	11,725,000	2911,612,000
	Organizations that do not follow SFAS 117, check here ☐ 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	330,590,358	33301,070,424
	34	Total liabilities and net assets/fund balances	635,835,457	34772,752,339

Part XI

Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ cash ☒ accrual ☐ other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	No
b	Were the organization's financial statements audited by an independent accountant?	2b	No
c	If "Yes" to lines 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?	2c	
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?	3a	No
b	If "Yes," did the organization undergo the required audit or audits?	3b	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization ANNE ARUNDEL MEDICAL CENTER INC	Employer identification number 52-1169362
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Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only **one** organization)

1	☐	A church, convention of churches, or association of churches described in Section 170(b)(1)(A)(i).
2	☐	A school described in Section 170(b)(1)(A)(ii). (Attach Schedule E)
3	☒	A hospital or a cooperative hospital service organization described in Section 170(b)(1)(A)(iii). (Attach Schedule H)
4	☐	A medical research organization operated in conjunction with a hospital described in Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
5	☐	An organization operated for the benefit of a college or university owned or operated by a governmental unit described in Section 170(b)(1)(A)(iv). (Complete Part II)
6	☐	A federal, state, or local government or governmental unit described in Section 170(b)(1)(A)(v).
7	☐	An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in Section 170(b)(1)(A)(vi) (Complete Part II)
8	☐	A community trust described in Section 170(b)(1)(A)(vi) (Complete Part II)
9	☐	An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See Section 509(a)(2). (Complete Part III)
10	☐	An organization organized and operated exclusively to test for public safety See Section 509(a)(4). (See instructions)
11	☐	An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See Section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h a ☐ Type I b ☐ Type II c ☐ Type III - Functionally Integrated d ☐ Type III - Other
e	☐	By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
f	☐	If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
g	☐	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? (ii) a family member of a person described in (i) above? (iii) a 35% controlled entity of a person described in (i) or (ii) above?
h	☐	Provide the following information about the organizations the organization supports

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (See Instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

Support Schedule for Organizations Described in IRC 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.)

Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 line 1-3						
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						
6 Public Support subtract line 5 from line 4						

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(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 IV)						
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 501(c)(3) organization, check this box and stop here						☐

Computation of Public Support Percentage		
14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15	
16a 33 1/3% Test - 2008. 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		☐
b 33 1/3% Test - 2007. If the organization did not check the 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		☐
17a 10% Facts and Circumstances Test - 2008. 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 IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		☐
b 10% Facts and Circumstances Test - 2007. 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 IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		☐
18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		☐

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

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total Add lines 1-5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
cTotal of lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Total Support						
Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13Total Support (Add lines 9, 10c, 11 and 12)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Computation of Public Support Percentage			
15	Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15	
16	Public Support Percentage for 2007 Schedule A, Part IV -A, line 27g	16	

Computation of Investment Income Percentage			
17	Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))	17	
18	Investment Income Percentage from 2007 Schedule A, Part IV -A, line 27h	18	
19a	33 1/3% Tests - 2008. 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% Tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
20	Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

Part IV

Supplemental Information. Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)

Facts and Circumstances Test

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

To be completed by organizations described below. Attach to Form 990 or Form 990-EZ

OMB No 1545-0047

2008

Open to Public Inspection

If the organization answered “Yes,” to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities)

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

If the organization answered “Yes,” to Form 990, Part IV, Line 4, or Form 990EZ, Part VI, line 47 (Lobbying Activities)

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) complete Part II-A Do not complete Part II-B
 - Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A
- If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax)
- Section 501(c)(4), (5), or (6) organizations complete Part III

Name of the organization ANNE ARUNDEL MEDICAL CENTER INC	Employer identification number 52-1169362
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Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations. (See the instructions for Schedule C for details.)

- 1

Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2

Political expenditures

\$ _____
- 3

Volunteer hours

Part I-B To be completed by all organizations exempt under section 501(c)(3). (See the instructions for Schedule C for details.)

- 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 in 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 To be completed by all organizations exempt under section 501(c), except section 501(c)(3). (See the instructions for Schedule C for details.)

- 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 internal funds contributed to other organizations for section 527 exempt funtion activities

\$ _____
- 3

Total of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b

\$ _____
- 4

Did the filing organization file **Form 1120-POL** for this year?

☐ Yes

☐ No
- 5

State the names, addresses and Employer Identification Number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's own internal funds or were political contributions received and 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 internal 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-

Part II-A

To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). (See the instructions for Schedule C for details.)

A

Check

☐

if the filing organization belongs to an affiliated group

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: Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000 The lobbying nontaxable amount is: 20% of the amount on line 1e \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a Enter -0- if line g is more than line a		
i Subtract line 1f from line 1c Enter -0- if line f is more than line c		
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?		☐ Yes ☐ 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 instructions for lines 1a through 1f of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line d, column (e))					
f Grassroots lobbying expenditures					

Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)). (See the instructions for Schedule C for details.)

		(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?		No	
b	Paid staff or management (include compensation in expenses reported on lines c through i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		51,017
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		No	
i	Other activities If "Yes," describe in Part IV		No	
j	Total lines 1c through 1i			51,017
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
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 To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). (See the instructions for Schedule C for details.)

		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 carryover lobbying and political expenditures from the prior year?	3	

Part III-B To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes." (See the instructions for Schedule C for details.)

1	Dues, assessments and similar amounts from members	1 \$
2	Section 162(e) non-deductible lobbying and political expenditures <i>(do not include amounts of political expenses for which the section 527(f) tax was paid).</i>	
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 (line 2c total minus 3 and 4)	5 \$

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i
Also, complete this part for any additional information

Identifier	Return Reference	Explanation
Part II-B, Line 1i	Explanation of Other Lobbying Activities	ANNE ARUNDEL MEDICAL CENTER, INC EMPLOYS VALERIE OVERTON TO DIRECTLY CONTACT LEGISLATORS AT BOTH THE FEDERAL AND STATE LEVEL ON MATTERS AFFECTING HEALTH CARE, EDUCATION, COMMUNITY SERVICES AND RESEARCH PROGRAMS

Supplemental Information

Identifier	Return Reference	Explanation
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SCHEDULE D

(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
ANNE ARUNDEL MEDICAL CENTER INC

Employer identification number

52-1169362

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate Contributions to (during year)	
3	Aggregate Grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes☐ No	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes☐ No	

Part II

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

1

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

☐ Preservation of land for public use (e g , recreation or pleasure)☐ Preservation of an historically importantly land area☐ Protection of natural habitat☐ Preservation of certified historic structure☐ Preservation of open space

2

Complete lines 2a–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 Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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, violations, and enforcement of the conservation easements it holds?

☐ Yes☐ No

6

Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶

7

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

8

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

☐ Yes☐ No

9

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

Part III

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

1a

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

b

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

(i) Revenues included in Form 990, Part VIII, line 1▶ \$

(ii) Assets included in Form 990, Part X▶ \$

2

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

a

Revenues included in Form 990, Part VIII, line 1▶ \$

b

Assets included in Form 990, Part X▶ \$

For Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2008

Part III

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

3

Using the organization's 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

d

☐ Loan or exchange programs

b

☐ Scholarly research

e

☐ Other

c

☐ Preservation for future generations

4

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

5

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

☐ Yes

☐ No

Part IV

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

1a

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

☐ Yes

☐ No

b

If "Yes," explain why in Part XIV 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?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

(ii)

related organizations

3a(i)

3a(ii)

b

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

3b

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		9,077,780		9,077,780
b Buildings		165,713,378	36,289,826	129,423,552
c Leasehold improvements		3,618,146	2,379,722	1,238,424
d Equipment		144,626,698	91,421,815	53,204,883
e Other		73,075,274	1,167,868	71,907,406
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				264,852,045

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. (Column (b) should equal Form 990, Part X, col (B) line 12) ▶		

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		

(a) Description	(b) Book value
LIMITED USE ASSETS	169,783,501
DEFERRED DEBT ISSUE COSTS	8,644,197
DUE FROM AFFILIATES	48,145,060
NOTES RECEIVABLE FROM AFFILIATES	7,277,574
BENEFICIAL INTEREST IN AAMC FOUNDATION	32,520,323
FAIR VALUE OF CONTRACTS SFAS 133	1,406,631
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	267,777,286

(a) Description of Liability	(b) Amount
Federal Income Taxes	
THIRD PARTY ADVANCE LIABILITIES	11,528,066
FAIR VALUE OF CONTRACTS SFAS 113	36,299,264
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	47,827,330

Schedule D (Form 990) 2008

Part XI

Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	398,458,836
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	374,862,634
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	23,596,202
4	Net unrealized gains (losses) on investments	4	-33,839,789
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-19,276,347
9	Total adjustments (net) Add lines 4 - 8	9	-53,116,136
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-29,519,934

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

Identifier	Return Reference	Explanation
Part X	Description of Uncertain Tax Positions Under FIN 48	Anne Arundel Medical Center, Inc is a subsidiary of the consolidated group known as Anne Arundel Health System, Inc ("Group") An audit was performed and audited financial statements were issued for Anne Arundel Health System, Inc and its subsidiaries on a consolidated basis In the notes to consolidated financial statements for Anne Arundel Health System, Inc , it is noted that the Group adopted FIN 48 on July 1, 2007 and that the Group has determined that it does not have any uncertain tax positions through June 30, 2009
Part XI, Line 8 - Other Adjustments		CHANGE IN BENEFICIAL INTEREST IN AAMC FOUNDATION, INC -2357842 ADDITIONAL PAID IN CAPITAL - COTTAGE INSURANCE COMPANY, LTD - 261500 TRANSFER FROM AAMC FOUNDATION, INC TO AAMC, INC 8603248 CHANGE IN ACCRUED PENSION LIABILITY -12682421 UNREALIZED LOSS FOR CONTRACTS UNDER SFAS 133 -17809889 CHANGE IN INVESTMENT in subsidiaries on the equity method 5403742 Unrealized loss from investment in Premier Purchasing LP - 171685

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

Name of the organization
ANNE ARUNDEL MEDICAL CENTER INC

Employer identification number

52-1169362

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

1 For grantmakers. 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 For grant makers. Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States

3 Activities per Region (Use Schedule F-1 (Form 990) if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures in region
Central America and the Caribbean	0	1	Reinsurance expenses		4,612,000
Totals ►		1			4,612,000

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000 ☐ ☐
Use Schedule F-1 if additional space is needed.

[illegible]

2 Enter total number of organizations that are recognized as charities by the foreign country or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ► _____

3 Enter total number of other organizations or entities 

Complete this part to provide the information required in Part I, line 2, and any other additional information.

Schedule F (Form 990) 2008

Software ID:
Software Version:
EIN: 52-1169362
Name: ANNE ARUNDEL MEDICAL CENTER INC

Form 990 Schedule F Part II - Grants and Other Assistance to Organizations or Entities Outside The United States

(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
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Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

Revenue			(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
			<u>LIGHTS ON THE BAY</u>			(Add col (a) through
			(event type)	(event type)	(total number)	col (c))
	1	Gross receipts	203,743			203,743
Direct Expenses	2	Less Charitable contributions				
	3	Gross revenue (line 1 minus line 2)	203,743			203,743
	4	Cash Prizes				
	5	Non-cash Prizes				
	6	Rent/Facility costs				
	7	Other direct expenses	194,299			194,299
	8	Direct expense summary Add lines 4 through 7 in column (d) ▶				194,299
	9	Net income summary Combine lines 3 and 8 in column (d). ▶				9,444

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

Revenue			(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
	1	Gross revenue				
Direct Expenses	2	Cash prizes				
	3	Non-cash prizes				
	4	Rent/facility costs				
	5	Other direct expenses				
	6	Volunteer labor	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	☐ Yes _____ % ☐ No	
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶				

		Yes	No
9	Enter the state(s) in which the organization operates gaming activities _____		
a	Is the organization licensed to operate gaming activities in each of these states?	9a	
b	If "No," Explain _____ _____		
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b	If "Yes," Explain _____ _____		
11	Does the organization operate gaming activities with nonmembers?	11	
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12	

	Yes	No
13 Indicate the percentage of gaming activity operated in		
a The organization's facility 13a		
b An outside facility 13b		
14 Provide the name and address of the person who prepares the organization's gaming/special events books and records		
Name ►		
Address ►		
15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?	15a	
b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____		
c If "Yes," enter name and address		
Name ►		
Address ►		
16 Gaming manager information		
Name ►		
Gaming manager compensation ► \$ _____		
Description of services provided ►		
☐ Director/officer ☐ Employee ☐ Independent contractor		
17 Mandatory distributions		
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?	17a	
b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____		

SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answer "Yes" to Form 990, Part IV, line 20.

Name of the organization
ANNE ARUNDEL MEDICAL CENTER INC

Employer identification number
52-1169362

Part I

Charity Care and Certain Other Community Benefits at Cost (Optional for 2008)

		Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	
b	If "Yes," is it a written policy?	1b	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals		
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100%☐ 150%☐ 200%☐ Other _____ % b Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200%☐ 250%☐ 300%☐ 350%☐ 400%☐ Other _____ % c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care 4 Does the organization's policy provide free or discounted care to the "medically indigent"?	3a	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c	
6a	Does the organization prepare an annual community benefit report?	6a	
6b	If "Yes," does the organization make it available to the public?	6b	
Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from <i>worksheets 1 and 2</i>)						
b Unreimbursed Medicaid (from <i>worksheet 3, column a</i>)						
c Unreimbursed costs—other means-tested government programs (from <i>worksheet 3, column b</i>)						
d Total Charity Care and Means-Tested Programs						
Other Benefits						
e Community health improvement services and community benefit operations (from <i>worksheet 4</i>)						
f Health professions education (from <i>worksheet 5</i>)						
g Subsidized health services (from <i>worksheet 6</i>)						
h Research (from <i>worksheet 7</i>)						
i Cash and in-kind contributions to community groups (from <i>worksheet 8</i>)						
j Total Other Benefits						
k Total (line 7d and 7j)						

Part IICommunity Building Activities

(Complete this table if the organization conducted any community building activities) (Optional for 2008)

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

Part IIIBad Debt, Medicare, & Collection Practices

(Optional for 2008)

Section A. Bad Debt Expense

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

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5		
6	Enter Medicare allowable costs of care relating to payments on line 5	6		
7	Enter line 5 less line 6—surplus or (shortfall)	7		
8	Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit and the costing methodology or source used to determine the amount reported on line 6 and indicate which of the following methods was used: ☐ Cost accounting system ☐ Cost to charge ratio ☐ Other			

Section C. Collection Practices

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

Part IVManagement Companies and Joint Ventures

(Optional for 2008)

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

Part V	Facility Information <i>(Required for 2008)</i>
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[illegible]

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 7, Part III, line 4, Part III, line 8, and Part III, line 9b

This image shows a full page of white paper with horizontal blue 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.

2 Needs Assessment. Describe how the organization assesses the health care needs of the communities it serves

3 Patient Education of Eligibility for Assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy

4 Community Information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 Community Building Activities. Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)

7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

► Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
ANNE ARUNDEL MEDICAL CENTER INC

Employer identification number
52-1169362

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 in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First class or charter travel ☒ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account	☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☒ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)		
b	If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply			
	☒ Compensation committee ☒ Independent compensation consultant ☐ Form 990 of other organizations	☒ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a			
a	Receive a severance payment or change of control payment?	4a		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	5a		No
b	Any related organization?	5b		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	6a		No
b	Any related organization?	6b		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes	
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8		No

Part II

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
MARTIN L DOORDAN	(i) (ii)	584,758	277,750	13,434	248,853	16,941	1,141,736	
WILLIAM L HUGHES	(i) (ii)	350,875	133,172	7,415	59,139	8,961	559,562	
VICTORIA BAYLESS	(i) (ii)	333,373	115,004	1,651	21,579	5,153	476,760	
ROBERT REILLY	(i) (ii)	206,849	65,522	4,535	27,376	11,273	315,555	
DOUGLAS A ABEL	(i) (ii)	234,094	86,537	3,449	31,892	15,652	371,624	
SHERRY PERKINS	(i) (ii)	232,382	72,772	3,158	29,712	1,028	339,052	
PAULA WADLEY	(i) (ii)	218,578	60,063	3,528	43,557	6,422	332,148	
JOSEPH D MOSER MD	(i) (ii)	348,012	115,508	14,369	80,569	15,509	573,967	
LORRAINE TAFRA MD	(i) (ii)	408,707	45,000		12,489	10,297	476,493	
CAROLYN CORE	(i) (ii)	271,259	100,382	7,912	60,347	12,070	451,970	
TITUS C ABRAHAM MD	(i) (ii)	295,292	29,850		5,635	14,390	345,167	
TIMOTHY G WOODS MD	(i) (ii)	278,627	29,713		6,889	15,774	331,003	
	(i)							
	(ii)							
	(i)							
	(ii)							

Software ID:

Software Version:

EIN: 52-1169362

Name: ANNE ARUNDEL MEDICAL CENTER INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
MARTIN L DOORDAN	(i) (ii)	584,758	277,750	13,434	248,853	16,941	1,141,736	
WILLIAM L HUGHES	(i) (ii)	350,875	133,172	7,415	59,139	8,961	559,562	
VICTORIA BAYLESS	(i) (ii)	333,373	115,004	1,651	21,579	5,153	476,760	
ROBERT REILLY	(i) (ii)	206,849	65,522	4,535	27,376	11,273	315,555	
DOUGLAS A ABEL	(i) (ii)	234,094	86,537	3,449	31,892	15,652	371,624	
SHERRY PERKINS	(i) (ii)	232,382	72,772	3,158	29,712	1,028	339,052	
PAULA WADLEY	(i) (ii)	218,578	60,063	3,528	43,557	6,422	332,148	
JOSEPH D MOSER MD	(i) (ii)	348,012	115,508	14,369	80,569	15,509	573,967	
LORRAINE TAFRA MD	(i) (ii)	408,707	45,000		12,489	10,297	476,493	
CAROLYN CORE	(i) (ii)	271,259	100,382	7,912	60,347	12,070	451,970	
TITUS C ABRAHAM MD	(i) (ii)	295,292	29,850		5,635	14,390	345,167	
TIMOTHY G WOODS MD	(i) (ii)	278,627	29,713		6,889	15,774	331,003	

Schedule K (Form 990)	Supplemental Information on Tax Exempt Bonds	OMB No 1545-0047
		2008
		Open to Public Inspection

Department of the Treasury
Internal Revenue Service

To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a.
Provide descriptions, explanations, and any additional information in Schedule O.

Name of the organization ANNE ARUNDEL MEDICAL CENTER INC	Employer identification number 52-1169362
---	--

Part I

Bond Issues (Required for 2008)

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
						Yes	No	Yes	No
A MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY	52-0936091	574216P76	07-01-1998	69,840,000	FINANCE ACQUISITION/CONSTRUCTION/EQUIPMENT OF NEW REPLACEMENT HOSPITAL		X		X
B MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY	52-0936091	574217NZ4	02-19-2004	25,570,000	FINANCE ACQUISITION/CONSTRUCTION/EQUIPMENT, REFUND 93 BONDS, FUND DEBT SVC		X		X
C MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY	52-0936091	574217PA7	02-19-2004	64,600,000	FINANCE ACQUISITION/CONSTRUCTION/EQUIPMENT, REFUND 93 BONDS, FUND DEBT SVC		X		X
D MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY	52-0936091	5742173U7	01-29-2009	120,000,000	FINANCE ACQUISITION/CONSTRUCT /RENOVATION/EQUIP OF NEW & EXISTING FACILITIES		X		X
E MARYLAND HEALTH AND HIGHER EDUCATION FACILITIES AUTHORITY	52-0936091	5742173V5	02-19-2009	60,000,000	FINANCE ACQUISITION/CONSTRUCT /RENOVATION/EQUIP OF NEW & EXISTING FACILITIES		X		X

Part II

Proceeds (Optional for 2008)

		A		B		C		D		E	
1	Total Proceeds of Issue										
2	Gross Proceeds in Reserve Funds										
3	Proceeds in Refunding or Defeasance Escrows										
4	Other Unspent Proceeds										
5	Issuance Costs from Proceeds										
6	Working Capital Expenditures from Proceeds										
7	Capital Expenditures from Proceeds										
8	Year of Substantial Completion										
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?										
10	Were the bonds issued as part of an advance refunding issue?										
11	Has the final allocation of proceeds been made?										
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?										

Part III

Private Business Use (Optional for 2008)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?										
2	Are there any lease arrangements with respect to the financed property which may result in private business use?										

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage *(Optional for 2008)*

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

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

► **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization ANNE ARUNDEL MEDICAL CENTER INC	Employer identification number 52-1169362
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Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		DR PAUL ELDER AND DOROTHY ELDER, WHO ARE HUSBAND AND WIFE, ARE BOTH BOARD MEMBERS OF ANNE ARUNDEL MEDICAL CENTER, INC

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		THE SOLE STOCKHOLDER OF THE ORGANIZATION IS THE ANNE ARUNDEL HEALTH SYSTEM, INC ("AAHS"), A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7a		THE SOLE STOCKHOLDER OF THE ORGANIZATION IS THE ANNE ARUNDEL HEALTH SYSTEM, INC ("AAHS"), A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM AAHS HAS THE EXPRESS POWER AND RESPONSIBILITY TO ELECT AND REMOVE THE BOARD OF DIRECTORS AND OFFICERS OF THE CORPORATION

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7b		THE SOLE STOCKHOLDER OF THE ORGANIZATION IS THE ANNE ARUNDEL HEALTH SYSTEM, INC ("AAHS"), A SECTION 501(C)(3) ENTITY THAT SERVES AS THE PARENT CORPORATION OF THE INTEGRATED HEALTH SYSTEM AAHS HAS THE EXPRESS POWER AND RESPONSIBILITY TO APPROVE DECISIONS OF THE BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		The Board has assigned responsibility for the detailed review of the Form 990 to the Finance and Audit Committee of Anne Arundel Health System, Inc (parent) The Finance and Audit Committee reviews the Form 990 and provides summary information to the full board The Form 990 is made available to the full board for review

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		THE ORGANIZATION REQUIRES THAT EACH MEMBER OF THE BOARD REVIEW THE ORGANIZATION'S CONFLICTS OF INTEREST POLICY ON AN ANNUAL BASIS AND RETURN AN ACKNOWLEDGEMENT OF RECEIPT AND DISCLOSURE OF ANY POTENTIAL CONFLICTS OF INTEREST The Board, management and the accounts payable function monitor transactions for potential excess benefit transactions/private inurement

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		Anne Arundel Medical Center's executive compensation committee determines the President's compensation following the IRC Section 4958 rebuttable presumption test All other compensation is determined through consultation with an independent outside compensation consulting firm

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		The Organization's governing documents, conflict of interest policy and financial statements are retained in the Finance office and are available for public inspection upon request FORM 990 IS AVAILABLE BY REQUEST TO THE FINANCIAL SERVICES OFFICE OR CAN BE OBTAINED ONLINE AT GUIDESTAR.ORG

Identifier	Return Reference	Explanation
FORM 990, PAGE 11, PART XI, LINE 2		Anne Arundel Medical Center, Inc is a subsidiary of the consolidated group known as Anne Arundel Health System, Inc An audit was performed and audited financial statements were issued for Anne Arundel Health System, Inc and its subsidiaries on a consolidated basis Audited financial statements were not prepared on a separate basis for each entity

Identifier	Return Reference	Explanation
FORM 990, PAGE 9, PART VIII, LINE 11		PAYROLL AND BENEFITS FOR ALL OFFICERS, DIRECTORS AND EMPLOYEES OF THE CONSOLIDATED GROUP KNOWN AS ANNE ARUNDEL HEALTH SYSTEM, INC IS ADMINISTERED THROUGH ANNE ARUNDEL MEDICAL CENTER, INC (AAMC) AAMC SUBSEQUENTLY BILLS EACH ENTITY FOR THE AMOUNT OF WAGE AND BENEFIT EXPENSE INCURRED BY THEM THIS IS REPORTED ON THE FORM 990 AS "MANAGEMENT SERVICES" ON PAGE 9

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization

ANNE ARUNDEL MEDICAL CENTER INC

Employer identification number

52-1169362

Part I Identification of Disregarded Entities					
(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations					
(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
ANNE ARUNDEL GENERAL TREATMENT SERVICES INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1722088	ALCOHOL & DRUG ABUSE TREATMENT SERVICES	MD	501(c)(3)	3	ANNE ARUNDEL MEDICAL CENTER INC
ANNE ARUNDEL HEALTH CARE SERVICES INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1467734	OUTPATIENT DIAGNOSTICS AND IMAGING SERVICES	MD	501(c)(3)	3	ANNE ARUNDEL MEDICAL CENTER INC
ANNE ARUNDEL HEALTH SYSTEMS INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1622253	SUPPORT HEALTH CARE RELATED ENTITIES	MD	501(c)(3)	9	N/A
ANNE ARUNDEL MEDICAL CENTER FOUNDATAION INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1331298	SUPPORTING ORGANIZATION OF AAHS, INC AND SUBSIDIARIES	MD	501(c)(3)	11, TYPE II	ANNE ARUNDEL HEALTH SYSTEMS INC
ANNE ARUNDEL REAL ESTATE HOLDING COMPANY INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1622251	REAL ESTATE HOLDING COMPANY	MD	501(c)(2)		ANNE ARUNDEL HEALTH SYSTEMS INC
ANNE ARUNDEL HEALTH SYSTEM RESEARCH INSTITUTE INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 26-3038406	MEDICAL RESEARCH	MD	501(c)(3)	4	ANNE ARUNDEL HEALTH SYSTEMS INC

Part III

Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner?	
							Yes	No		Yes	No
Medical Office LLC 2001 Medical Parkway Annapolis, MD21401 20-2290229	Commercial medical real estate leasing	MD	N/A								
Annapolis Exchange Lot IV LLC 2001 Medical Parkway annapolis, MD21401 52-2020156	Commercial medical real estate leasing	MD	N/A								
Annapolis Exchange Lot v LLC 2001 Medical Parkway Annapolis, MD21401 52-2020157	Commercial medical real estate leasing	MD	N/A								
Kent Island Medical Arts LLC 2001 Medical Parkway ANnapolis, MD21401 26-0623450	Commercial medical real estate leasing	MD	N/A								
BLUE BUILDING LLC 2001 Medical Parkway Annapolis, MD21401 26-3525250	Commercial medical real estate leasing	MD	N/A								

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
ANNE ARUNDEL HEALTH CARE ENTERPRISES INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1646304	MEDICAL SERVICES	MD	N/A	C			
PAVILION PARK INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1890034	REAL ESTATE LEASING	MD	N/A	C			
COTTAGE INSURANCE COMPANY LTD po Box 1109 Grand Cayman CJ KY1-110 CJ 98-0461499	CAPTIVE INSURER - PROFESSIONAL LIABILITY INSURANCE	CJ		C	1,665,000	23,924,000	100 000 %

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]

Software ID:
Software Version:
EIN: 52-1169362
Name: ANNE ARUNDEL MEDICAL CENTER INC

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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 501(c)(3))	(F) Direct Controlling Entity
ANNE ARUNDEL GENERAL TREATMENT SERVICES INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1722088	ALCOHOL & DRUG ABUSE TREATMENT SERVICES	MD	501(c)(3)	3	ANNE ARUNDEL MEDICAL CENTER INC
ANNE ARUNDEL HEALTH CARE SERVICES INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1467734	OUTPATIENT DIAGNOSTICS AND IMAGING SERVICES	MD	501(c)(3)	3	ANNE ARUNDEL MEDICAL CENTER INC
ANNE ARUNDEL HEALTH SYSTEMS INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1622253	SUPPORT HEALTH CARE RELATED ENTITIES	MD	501(c)(3)	9	N/A
ANNE ARUNDEL MEDICAL CENTER FOUNDATAION INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1331298	SUPPORTING ORGANIZATION OF AAHS, INC AND SUBSIDIARIES	MD	501(c)(3)	11, TYPE II	ANNE ARUNDEL HEALTH SYSTEMS INC
ANNE ARUNDEL REAL ESTATE HOLDING COMPANY INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 52-1622251	REAL ESTATE HOLDING COMPANY	MD	501(c)(2)		ANNE ARUNDEL HEALTH SYSTEMS INC
ANNE ARUNDEL HEALTH SYSTEM RESEARCH INSTITUTE INC 2001 MEDICAL PARKWAY ANNAPOLIS, MD21401 26-3038406	MEDICAL RESEARCH	MD	501(c)(3)	4	ANNE ARUNDEL HEALTH SYSTEMS INC

Form 990, Schedule R, Part V - Transactions with Related Organizations

(A) Name of other organization		(B) Transaction type(a-r)	(C) Amount Involved (\$)
(1)	ANNE ARUNDEL HEALTH CARE ENTERPRISES INC	I	125,600
(2)	ANNE ARUNDEL HEALTH CARE SERVICES INC	I	10,200
(3)	Pavilion Park Inc	I	150,813
(4)	Kent Island Medical Arts LLC	J	106,372
(5)	ANNE ARUNDEL HEALTH CARE ENTERPRISES INC	J	8,624
(6)	ANNE ARUNDEL HEALTH CARE ENTERPRISES INC	O	628,317
(7)	ANNE ARUNDEL HEALTH CARE ENTERPRISES INC	P	112,000
(8)	ANNE ARUNDEL HEALTH CARE SERVICES INC	P	6,176,212
(9)	ANNE ARUNDEL GENERAL TREATMENT SERVICES	P	3,629,218
(10)	Pavilion Park Inc	P	615,290
(11)	Pavilion Park Inc	J	995,934
(12)	ANNE ARUNDEL REAL ESTATE HOLDING CO INC	P	1,206,057
(13)	Cottage Insurance Company Ltd	Q	4,612,000

TY 2008 Earnings and Profits Other Adjustments Statement

Name: ANNE ARUNDEL MEDICAL CENTER INC

EIN: 52-1169362

Description	Amount
PREMIUMS EARNED	-4,612,000
UNDERWRITING EXPENSES	2,653,415

TY 2008 Itemized Other Current Assets Schedule

Name: ANNE ARUNDEL MEDICAL CENTER INC

EIN: 52-1169362

Corporation Name	Corporation EIN	Other Current Assets Description	Beginning Amount	Ending Amount
		INTEREST RECEIVABLE	44,950	31,850
		OUTSTANDING CLAIMS RESERVES RECOVERABLE	4,898,614	6,068,057
		PREPAID EXPENSES	4,976	4,976
		ESCROW ACCOUNT	0	72,129

TY 2008 Other Deductions Schedule**Name:** ANNE ARUNDEL MEDICAL CENTER INC**EIN:** 52-1169362

Description	Foreign Amount (should only be used when attached to 5471 Schedule C Line 16)	Amount
UNDERWRITING EXPENSES		2,975,000
OPERATING EXPENSES		194,666
INVESTMENT MANAGEMENT FEES		9,624

TY 2008 Itemized Other Investments Schedule**Name:** ANNE ARUNDEL MEDICAL CENTER INC**EIN:** 52-1169362

Corporation Name	Corporation EIN	Other Investments Description	Beginning Amount	Ending Amount
		U S GOVERNMENT AGENCY SECURITIES	2,915,648	0
		U S CORPORATE SECURITIES	3,915,221	0
		MUTUAL FUNDS	5,714,277	0
		U S GOVERNMENT SECURITIES	468,951	0
		EQUITY MUTUAL FUNDS	0	6,116,361
		FIXED INCOME MUTUAL FUNDS	0	9,353,439

TY 2008 Itemized Other Liabilities Schedule

Name: ANNE ARUNDEL MEDICAL CENTER INC

EIN: 52-1169362

Corporation Name	Corporation EIN	Other Liabilities Description	Beginning Amount	Ending Amount
		PROVISION FOR ADVERSE CLAIMS DEVELOPMENT	12,321,802	14,835,272
		PROVISION FOR REPORTED CLAIMS	1,348,525	1,530,563

901 MARQUETTE AVENUE S., SUITE 2100
MINNEAPOLIS, MN 55402
ph 612.339.0919 toll free 800.327.9335
fx 612.339.2569



INTEGRATED HEALTHCARE STRATEGIES™

www.IHStrategies.com

700 WEST 47TH STREET, SUITE 400
KANSAS CITY, MO 64112
ph. 816.795.1947 toll free 800 821.8481
fx. 816.795.0301

MEMORANDUM

TO: Nancy Luttrell
Vice President - Human Resources
Anne Arundel Medical Center

FROM: Darci Landvick
Integrated Healthcare Strategies

DATE: December 19, 2008

RE: Anne Arundel Medical Center Executive Benefit Plan
Loan Regime - Survivor Benefits
Loan Regime Non-recourse Split Dollar Filing Requirement

See Attached

Enclosed please find a participant memo(s) and four Representation Regarding Non-recourse Split Dollar Loan Forms for the participant(s) referenced on the following page.

The IRS requires that a copy of the representation form be attached to both the employee's and employer's Federal income tax return (or applicable tax documents) for any year in which the employer pays a premium under the survivor arrangement.

Please have a corporate officer sign all of the representation form documents on behalf of the organization (as employer) and forward to the appropriate participant for their signature (as employee), along with the enclosed memo of instruction. The participant should also sign all documents, keep two of the signed documents and return the other two to your attention. You will each attach one original representation form to your Federal income tax return (or applicable tax documents) and retain one signed copy for your records.

Once complete, please sign the enclosed certification form (certifying that you have forwarded the documents to the appropriate individuals listed) and return it in the envelope provided.

If questions arise, please don't hesitate to contact me at (800) 327-9335.

Thank you!

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**REPRESENTATION UNDER TREAS. REG. § 1.7872-15(D)(2)
REGARDING NONRECOURSE SPLIT-DOLLAR LOAN**

Employee

Martin "Chip" L. Doordan

Name

4908 Sudleys Choice Lane

Street

Harwood, MD 20776-

City/State/Zip

Social Security Number

Employer

Anne Arundel Medical Center

Name

2001 Medical Parkway

Street

Annapolis, MD 21401

City/State/Zip

52-1169362

Employer Identification Number

The Employer has paid one or more premiums into a life insurance policy owned by the Employee. The premiums are split dollar loans under Treas. Reg. § 1.7872-15. The loans are nonrecourse.

The Employer and Employee represent that a reasonable person would expect that all payments under the loan(s) will be made.

Employee Signature:



Date: 1/9/09

Employer Signature:

By 
Its Vice President - Human Resources

Date: 1/9/09

SIGN TWO COPIES OF THIS FORM - SEE BELOW

Note: Current IRS regulations require the following:

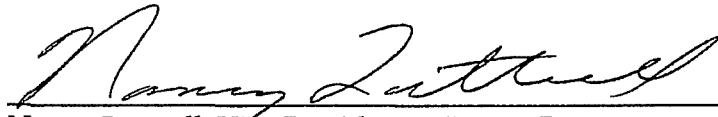
1. The employer and the employee must each sign this representation not later than the last day (including extensions) for filing the Federal income tax return of the employer or the employee (whichever is earlier) for the taxable year in which the employer pays the first premium under the arrangement.
2. The employer and the employee must each keep an original signed copy of this representation as part of their books and records.
3. The employer and the employee must each attach a copy of this representation to their Federal income tax returns for any taxable year in which the employer pays a premium under the arrangement.

Annual Representation Regarding Non-recourse Split Dollar Loan Form Certification

Calendar Year: January 1, 2008 - December 31, 2008

Anne Arundel Medical Center
Martin "Chip" L. Doordan

I certify that I have forwarded forms to the participant(s) noted above, for their signature. Once the documents are executed, I will retain two executed copies for Anne Arundel Medical Center; one for their tax return or applicable tax documents and one for their records.



Nancy Luttrell, Vice President - Human Resources

1/12/08

Date

Additional Data

Software ID:
Software Version:
EIN: 52-1169362
Name: ANNE ARUNDEL MEDICAL CENTER INC

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099MISC)	(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			
MARTIN L DOORDAN , PRESIDENT	40 00	X		X				875,942	0	265,794
BIANA J ARENTZ , BOARD MEMBER	1 00	X						0	0	0
DOROTHY ELDER , BOARD MEMBER	1 00	X						0	0	0
PAUL ELDER MD , BOARD MEMBER	1 00	X						0	0	0
ED GOSSELIN , BOARD MEMBER	1 00	X						0	0	0
JASON GROVES , BOARD MEMBER	1 00	X						0	0	0
BARRY JACKSON , BOARD MEMBER	1 00	X						0	0	0
CHARLES R LARSON , ASSISTANT TREASURER	1 00	X		X				0	0	0
KENT MCNEW , ASSISTANT SECRETARY	1 00	X		X				0	0	0
DOUG MITCHEL MD , BOARD MEMBER	1 00	X						0	0	0
GEORGE T MORAN , VICE CHAIRMAN	1 00	X		X				0	0	0
RICHARD J MORGAN , TREASURER	1 00	X		X				0	0	0
JAMES L MYERS , CHAIRMAN	1 00	X		X				0	0	0
CHRIS O'MEARA , BOARD MEMBER	1 00	X						0	0	0
PATRICIA ROCHE , SECRETARY	1 00	X		X				0	0	0
WILLIAM L HUGHES , CFO - PARTIAL YEAR	40 00			X				491,462	0	68,100
VICTORIA BAYLESS , CHIEF OPERATING OFFICER	40 00			X				450,028	0	26,732
ROBERT REILLY , cFO - PARTIAL YEAR	40 00			X				276,906	0	38,649
DOUGLAS A ABEL , CHIEF INFORMATION OFFICE	40 00				X			324,080	0	47,544
SHERRY PERKINS , CHIEF NURSING OFFICER	40 00				X			308,312	0	30,740
PAULA WADLEY , V P -CLINICAL & SUPPORT	40 00				X			282,169	0	49,979
JOSEPH D MOSER MD , V P -MEDICAL AFFAIRS	40 00					X		477,889	0	96,078
LORRAINE TAFRA MD , DIRECTOR - BREAST CENTER	40 00					X		453,707	0	22,786
CAROLYN CORE , V P -STRATEGIC PLAN	40 00					X		379,553	0	72,417
TITUS C ABRAHAM MD , PHYSICIAN	40 00					X		325,142	0	20,025
TIMOTHY G WOODS MD , PHYSICIAN	40 00					X		308,340	0	22,663

Form 990, Part VIII - Statement of Revenue - 2a - 2g Program Service Revenue -

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
a ANCILLIARY SERVICES	621,500	271,887,640	266,506,566	5,381,074	
b ADMISSION/ROOM CHARGES	621,990	73,420,485	73,420,485		
c EMERGENCY ROOM CHARGES	621,990	24,654,212	24,654,212		
d CAFETERIA	722,210	2,469,621			2,469,621
e PATIENT EDUCATION/MISC	624,100	1,095,586	1,095,586		