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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)  
 The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047  
**2008**  
**Open to Public Inspection**

**A For the 2008 calendar year, or tax year beginning 10-01-2008 and ending 09-30-2009**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>Please use IRS label or print or type. See Specific Instructions.</b>	<b>C</b> Name of organization COVE'S EDGE INC	<b>D</b> Employer identification number 01-0382340
		Doing Business As	<b>E</b> Telephone number (207) 563-4600
		Number and street (or P O box if mail is not delivered to street address) Room/suite 26 SCHOONER STREET	<b>G</b> Gross receipts \$ 13,778,088
		City or town, state or country, and ZIP + 4 DAMARISCOTTA, ME 04543	
<b>F</b> Name and address of Principal Officer JAMES DONOVAN 26 SCHOONER STREET DAMARISCOTTA, ME 04543		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No (If "No," attach a list See instructions ) <b>H(c)</b> Group Exemption Number	
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c) ( 3 ) (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
<b>J</b> Web site: WWW MILESHEALTHCARE ORG			
<b>K</b> Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> trust <input type="checkbox"/> association <input type="checkbox"/> other		<b>L</b> Year of Formation 1981	<b>M</b> State of legal domicile ME

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities See Additional Data Table		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	20
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	17
	<b>5</b> Total number of employees (Part V, line 2a)	<b>5</b>	284
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	44
	<b>7a</b> Total gross unrelated business revenue from Part VIII, line 12, column (C)	<b>7a</b>	0
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>		
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	14,197	57,639
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,423,269	13,594,886
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	12,008	-138,367
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	10,449,474	13,514,158
	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3)		0
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		0
<b>Expenses</b>	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	6,274,652	9,394,355
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		0
	<b>b</b> (Total fundraising expenses, Part IX, column (D), line 25 <sup>0</sup> )		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	4,028,556	4,697,871
	<b>18</b> Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	10,303,208	14,092,226
	<b>19</b> Revenue less expenses Subtract line 18 from line 12	146,266	-578,068
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	Beginning of Year	End of Year
	<b>21</b> Total liabilities (Part X, line 26)	8,720,992	10,268,445
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20	7,621,097	7,808,317
		1,099,895	2,460,128

**Part II Signature Block**

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

<b>Please Sign Here</b>	Signature of officer	Date 2010-07-29		
	WAYNE R PRINTY CHIEF FINANCIAL OFFICER Type or print name and title			
<b>Paid Preparer's Use Only</b>	Preparer's signature	Date 2010-07-29	Check if self-employed <input type="checkbox"/>	Preparer's PTIN (See Gen Inst )
	Firm's name (or yours if self-employed), address, and ZIP + 4	MAINEHEALTH 901 WASHINGTON AVE PORTLAND, ME 04103		EIN
				Phone no

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

See Additional Data Table

**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 \$ 8,326,902 including grants of \$ ) (Revenue \$ 7,579,847 )  
 LONG TERM CARE - COVE'S EDGE, INC LONG TERM CARE PROGRAM SERVICES INCLUDE A 76 BED, DUALY LICENSED FACILITY THAT PROVIDES BOTH SKILLED AND LONG TERM NURSING CARE TO ITS RESIDENTS FOR THE YEAR ENDING SEPTEMBER 30, 2009, COVE'S EDGE HAD 26,474 PATIENT DAYS OF THOSE DAYS, 45% REPRESENTED MEDICARE PATIENTS AND 25% MAINECARE SEE ATTACHED COMMUNITY BENEFIT STATEMENT

**4b** (Code ) (Expenses \$ 1,548,479 including grants of \$ ) (Revenue \$ 2,937,890 )  
 RESIDENTIAL CARE - COVE'S EDGE, INC PROVIDES RESIDENTIAL CARE AT ITS CHASE POINT FACILITY CHASE POINT CONSISTS OF 24 RESIDENTIAL CARE APARTMENTS AND 18 DEMENTIA CARE BEDS FOR THE YEAR ENDED SEPTEMBER 30, 2009, CHASE POINT HAD 8,293 RESIDENTIAL CARE PATIENT DAYS AND 6,451 DEMENTIA CARE PATIENT DAYS OF THE DEMENTIA CARE DAYS, 30% REPRESENTED MAINECARE PATIENTS

**4c** (Code ) (Expenses \$ 1,797,209 including grants of \$ ) (Revenue \$ 2,553,313 )  
 HOME HEALTH - COVE'S EDGE, INC PROVIDES HOME HEALTH SERVICES UNDER ITS D/B/A MILES & ST ANDREWS HOME HEALTH & HOSPICE SERVICES DURING THE YEAR ENDING SEPTEMBER 30, 2009 INCLUDED 10,844 PROFESSIONAL VISITS (65% MEDICARE), 5,208 PRIVATE DUTY VISITS, 3,226 HOSPICE CARE DAYS, AND 2,622 LIFELINE MONTHLY SUBSCRIBERS

(Code ) (Expenses \$ 515,923 including grants of \$ ) (Revenue \$ 523,836 )  
 THE ORGANIZATION PROVIDES ADULT DAYCARE DURING THE YEAR ENDED SEPTEMBER 30, 2009 THE ORGANIZATION PROVIDED 9,614 DAYCARE HOURS DURING 535 VISITS

**4d** Other program services (Describe in Schedule O )  
 (Expenses \$ 515,923 including grants of \$ ) (Revenue \$ 523,836 )

**4e** Total program service expenses \$ 12,188,513 *Must equal Part IX, Line 25, column (B).*

**Part IV Checklist of Required Schedules**

		Yes	No
<b>1</b>	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	Yes	
<b>2</b>	Is the organization required to complete Schedule B, Schedule of Contributors?	Yes	
<b>3</b>	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		No
<b>4</b>	Section 501(c)(3) organizations Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>	Yes	
<b>5</b>	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? <i>If "Yes," complete Schedule C, Part III</i>		
<b>6</b>	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? <i>If "Yes," complete Schedule D, Part I</i>		No
<b>7</b>	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		No
<b>8</b>	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		No
<b>9</b>	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? <i>If "Yes," complete Schedule D, Part IV</i>		No
<b>10</b>	Did the organization hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	Yes	
<b>11</b>	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	Yes	
<b>12</b>	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? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>		No
<b>13</b>	Is the organization a school as described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		No
<b>14a</b>	Did the organization maintain an office, employees, or agents outside of the U S ?		No
<b>b</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 ? <i>If "Yes," complete Schedule F, Part I</i>		No
<b>15</b>	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? <i>If "Yes," complete Schedule F, Part II</i>		No
<b>16</b>	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? <i>If "Yes," complete Schedule F, Part III</i>		No
<b>17</b>	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i>		No
<b>18</b>	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		No
<b>19</b>	Did the organization report more than \$15,000 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		No
<b>20</b>	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		No
<b>21</b>	Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		No
<b>22</b>	Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
<b>23</b>	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i>	Yes	
<b>24a</b>	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i>		No
<b>b</b>	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
<b>c</b>	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
<b>d</b>	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
<b>25a</b>	Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		No
<b>b</b>	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? <i>If "Yes," complete Schedule L, Part I</i>		No
<b>26</b>	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? <i>If "Yes," complete Schedule L, Part II</i>		No
<b>27</b>	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? <i>If "Yes," complete Schedule L, Part III</i>		No

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

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

**Part V** Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
<b>1a</b>	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 . . . . .		
	<b>1a</b> 0		
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .		
	<b>1b</b> 0		
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	Yes	
<b>2a</b>	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 . . . . .		
	<b>2a</b> 284		
<b>b</b>	If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . . . . <b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.	Yes	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .		No
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .		
<b>4a</b>	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)? . . . . .		No
<b>b</b>	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</b> .		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .		No
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? . . . . .		No
<b>c</b>	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> ? . . . . .		
<b>6a</b>	Did the organization solicit any contributions that were not tax deductible? . . . . .		No
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .		
<b>7</b>	<i>Organizations that may receive deductible contributions under section 170(c).</i>		
<b>a</b>	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more? . . . . .		No
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .		
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .		No
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year . . . . .		
	<b>7d</b>		
<b>e</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .		No
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .		No
<b>g</b>	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .		No
<b>h</b>	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .		No
<b>8</b>	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</i> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .		No
<b>9</b>	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</i>		
<b>a</b>	Did the organization make any taxable distributions under section 4966? . . . . .		No
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .		No
<b>10</b>	<i>Section 501(c)(7) organizations.</i> Enter		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .		
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .		
<b>11</b>	<i>Section 501(c)(12) organizations.</i> Enter		
<b>a</b>	Gross income from members or shareholders . . . . .		
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . .		
<b>12a</b>	<i>Section 4947(a)(1) non-exempt charitable trusts.</i> Is the organization filing Form 990 in lieu of Form 1041? . . . . .		
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .		
	<b>12b</b>		

**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**

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.

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body . . . . .		
<b>1b</b>	Enter the number of voting members that are independent . . . . .		
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .		No
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .		No
<b>4</b>	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . . . .		No
<b>5</b>	Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .		No
<b>6</b>	Does the organization have members or stockholders? . . . . .	Yes	
<b>7a</b>	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	Yes	
<b>7b</b>	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	Yes	
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
<b>8a</b>	a the governing body? . . . . .	Yes	
<b>8b</b>	b each committee with authority to act on behalf of the governing body? . . . . .	Yes	
<b>9a</b>	Does the organization have local chapters, branches, or affiliates? . . . . .		No
<b>9b</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? . . . . .		
<b>10</b>	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 . . . . .	Yes	
<b>11</b>	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 . . . . .		No

**Section B. Policies**

		Yes	No
<b>12a</b>	Does the organization have a written conflict of interest policy? If "No", go to line 13 . . . . .	Yes	
<b>12b</b>	a Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	Yes	
<b>12c</b>	c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	Yes	
<b>13</b>	Does the organization have a written whistleblower policy? . . . . .	Yes	
<b>14</b>	Does the organization have a written document retention and destruction policy? . . . . .	Yes	
<b>15</b>	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision		
<b>15a</b>	a The organization's CEO, Executive Director, or top management official? . . . . .	Yes	
<b>15b</b>	b Other officers or key employees of the organization? . . . . . Describe the process in Schedule O	Yes	
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .		No
<b>16b</b>	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? . . . . .		

**Section C. Disclosure**

- 17** List the States with which a copy of this Form 990 is required to be filed \_\_\_\_\_
- 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  
 WAYNE R PRINTY  
 6 ST ANDREWS LANE  
 BOOTHBAY HARBOR, ME 04538  
 (207) 633-8413





**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	
<b>Contributions, gifts, grants and other similar amounts</b>	<b>1a</b>	Federated campaigns . . . <b>1a</b>					
	<b>b</b>	Membership dues . . . . .					
	<b>c</b>	Fundraising events . . . . .					
	<b>d</b>	Related organizations . . . <b>1d</b>					
	<b>e</b>	Government grants (contributions) <b>1e</b>					
	<b>f</b>	All other contributions, gifts, grants, and similar amounts not included above 57,639 <b>1f</b>					
	<b>g</b>	Noncash contributions included in lines 1a-1f \$ _____					
	<b>h</b>	<b>Total (Add lines 1a-1f)</b> . . . . .	57,639				
<b>Program Service Revenue</b>	<b>2a</b>	PATIENT SERVICE REVENUE					
		Business Code 623,000	10,206,482	10,206,482			
	<b>b</b>	RESIDENT SERVICE REVENUE	623,000	2,928,752	2,928,752		
	<b>c</b>	DIETARY AND OTHER REVENUE	722,210	459,652	459,652		
	<b>d</b>						
	<b>e</b>						
	<b>f</b>	All other program service revenue					
<b>g</b>	<b>Total. Add lines 2a-2f</b> . . . . .						
		\$ 13,594,886					
<b>Other Revenue</b>	<b>3</b>	Investment income (including dividends, interest other similar amounts) . . . . .	44,407			44,407	
	<b>4</b>	Income from investment of tax-exempt bond proceeds . . . . .					
	<b>5</b>	Royalties . . . . .					
	<b>6a</b>	Gross Rents	(i) Real				
			(ii) Personal				
	<b>b</b>	Less rental expenses					
	<b>c</b>	Rental income or (loss)					
	<b>d</b>	Net rental income or (loss) . . . . .					
	<b>7a</b>	Gross amount from sales of assets other than inventory	(i) Securities	81,156			
			(ii) Other				
	<b>b</b>	Less cost or other basis and sales expenses	261,733	2,197			
<b>c</b>	Gain or (loss)	-180,577	-2,197				
<b>d</b>	Net gain or (loss) . . . . .	-182,774	-182,774				
<b>8a</b>	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000 . . . . . <b>a</b>						
<b>b</b>	Less direct expenses . . . <b>b</b>						
<b>c</b>	Net income or (loss) from fundraising events . . . . .						
<b>9a</b>	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000 <b>a</b>						
<b>b</b>	Less direct expenses . . . <b>b</b>						
<b>c</b>	Net income or (loss) from gaming activities . . . . .						
<b>10a</b>	Gross sales of inventory, less returns and allowances . . . <b>a</b>						
<b>b</b>	Less cost of goods sold . . . <b>b</b>						
<b>c</b>	Net income or (loss) from sales of inventory . . . . .						
	Miscellaneous Revenue	Business Code					
<b>11a</b>							
<b>b</b>							
<b>c</b>							
<b>d</b>	All other revenue _____						
<b>e</b>	<b>Total. Add lines 11a-11d</b> . . . . .						
<b>12</b>	<b>Total Revenue.</b> Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e . . . . .		13,514,158	13,412,112		44,407	

**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).**

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>		<b>(A)</b> Total expenses	<b>(B)</b> Program service expenses	<b>(C)</b> Management and general expenses	<b>(D)</b> Fundraising expenses
<b>1</b>	Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
<b>2</b>	Grants and other assistance to individuals in the U S See Part IV, line 22				
<b>3</b>	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16				
<b>4</b>	Benefits paid to or for members				
<b>5</b>	Compensation of current officers, directors, trustees, and key employees . . . . .				
<b>6</b>	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b>	Other salaries and wages	7,159,410	6,293,970		
<b>8</b>	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	149,529	131,454	18,075	
<b>9</b>	Other employee benefits . . . . .	1,577,200	1,386,546	190,654	
<b>10</b>	Payroll taxes . . . . .	508,216	446,782	61,434	
<b>11</b>	Fees for services (non-employees)				
<b>a</b>	Management . . . . .				
<b>b</b>	Legal . . . . .				
<b>c</b>	Accounting . . . . .	108,231		108,231	
<b>d</b>	Lobbying . . . . .				
<b>e</b>	Professional fundraising See Part IV, line 17 . . . . .				
<b>f</b>	Investment management fees . . . . .				
<b>g</b>	Other . . . . .	1,421,239	943,840	477,399	
<b>12</b>	Advertising and promotion . . . . .	26,704	12,822	13,882	
<b>13</b>	Office expenses . . . . .	891,958	876,558	15,400	
<b>14</b>	Information technology . . . . .	122,808	122,808		
<b>15</b>	Royalties . . . . .				
<b>16</b>	Occupancy . . . . .	463,996	443,221	20,775	
<b>17</b>	Travel . . . . .	85,710	84,989	721	
<b>18</b>	Payments of travel or entertainment expenses for any Federal, state or local public officials . . . . .				
<b>19</b>	Conferences, conventions and meetings . . . . .	21,797	6,480	15,317	
<b>20</b>	Interest . . . . .	336,637	336,637		
<b>21</b>	Payments to affiliates . . . . .				
<b>22</b>	Depreciation, depletion, and amortization . . . . .	573,201	503,901	69,300	
<b>23</b>	Insurance . . . . .	70,575	59,333	11,242	
<b>24</b>	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 )				
<b>a</b>	STATE NURSING HOME TAXES	481,825	481,825		
<b>b</b>	DUES AND SUBSCRIPTIONS	36,267	12,096	24,171	
<b>c</b>	BAD DEBT EXPENSE	29,045	29,045		
<b>d</b>	PATIENT ACTIVITIES	14,339	14,339		
<b>e</b>	MISCELLANEOUS	13,539	1,867	11,672	
<b>f</b>	All other expenses				
<b>25</b>	<b>Total functional expenses.</b> Add lines 1 through 24f	14,092,226	12,188,513	1,903,713	0
<b>26</b>	<b>Joint Costs.</b> Check <input type="checkbox"/> 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
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	6,606	<b>1</b>	575
	<b>2</b> Savings and temporary cash investments . . . . .	551,187	<b>2</b>	598,164
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .	505,389	<b>4</b>	1,454,770
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i> . . . . .		<b>5</b>	
	<b>6</b> 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> . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .	36,013	<b>8</b>	37,228
	<b>9</b> Prepaid expenses and deferred charges . . . . .	19,340	<b>9</b>	44,105
	<b>10a</b> Land, buildings, and equipment cost basis			
		<b>10a</b> 17,091,647		
	<b>b</b> Less accumulated depreciation <i>Complete Part VI of Schedule D</i> . . . . .			
		<b>10b</b> 10,908,615	5,453,694	<b>10c</b> 6,183,032
	<b>11</b> Investments—publicly traded securities . . . . .		<b>11</b>	1,238,001
	<b>12</b> Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i> . . . . .		<b>12</b>	
	<b>13</b> Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i> . . . . .		<b>13</b>	
<b>14</b> Intangible assets . . . . .		<b>14</b>		
<b>15</b> Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i> . . . . .	2,148,763	<b>15</b>	712,570	
<b>16 Total assets. Add lines 1 through 15 (must equal line 34)</b>	8,720,992	<b>16</b>	10,268,445	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	794,643	<b>17</b>	1,109,867
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities . . . . .	6,563,251	<b>20</b>	6,238,788
	<b>21</b> Escrow account liability <i>Complete Part IV of Schedule D</i> . . . . .		<b>21</b>	
	<b>22</b> Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i> . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable . . . . .		<b>24</b>	
	<b>25</b> Other liabilities <i>Complete Part X of Schedule D</i> . . . . .	263,203	<b>25</b>	459,662
	<b>26 Total liabilities. Add lines 17 through 25</b>	7,621,097	<b>26</b>	7,808,317
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	979,110	<b>27</b>	2,054,101
	<b>28</b> Temporarily restricted net assets . . . . .	29,434	<b>28</b>	122,865
	<b>29</b> Permanently restricted net assets . . . . .	91,351	<b>29</b>	283,162
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
<b>33</b> Total net assets or fund balances . . . . .	1,099,895	<b>33</b>	2,460,128	
<b>34</b> Total liabilities and net assets/fund balances . . . . .	8,720,992	<b>34</b>	10,268,445	

**Part XI Financial Statements and Reporting**

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990 <input type="checkbox"/> cash <input checked="" type="checkbox"/> accrual <input type="checkbox"/> other		
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .		No
<b>2b</b>	Were the organization's financial statements audited by an independent accountant? . . . . .		No
<b>2c</b>	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? . . . . .		
<b>3a</b>	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? . . . . .		No
<b>3b</b>	If "Yes," did the organization undergo the required audit or audits? . . . . .		

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

**Public Charity Status and Public Support**

OMB No 1545-0047

**2008**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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.

Name of the organization  
COVE'S EDGE INC

Employer identification number

01-0382340

**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?

	Yes	No
<b>11g(i)</b>		
<b>11g(ii)</b>		
<b>11g(iii)</b>		

- (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

(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	
<b>Total</b>									

**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
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>4 Total.</b> Add line 1-3						
<b>5</b> 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)						
<b>6 Public Support</b> 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
<b>7</b> Amounts from line 4						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on						
<b>10</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
<b>11 Total Support</b> (Add lines 7 through 10)						
<b>12</b> Gross receipts from related activities, etc (See instructions )					<b>12</b>	
<b>13 First Five Years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and <b>stop here</b>						<input type="checkbox"/>

**Computation of Public Support Percentage**

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

**Part III Support Schedule for Organizations Described in 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
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total</b> Add lines 1-5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
<b>c</b> Total of lines 7a and 7b						
<b>8 Public Support</b> (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
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total Support</b> (Add lines 9, 10c, 11 and 12)						
<b>14 First Five Years</b> 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 <b>stop here</b> <input type="checkbox"/>						

**Computation of Public Support Percentage**

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

**Computation of Investment Income Percentage**

<b>17</b> Investment Income Percentage for <b>2008</b> (line 10c column (f) divided by line 13 column (f))	<b>17</b>	
<b>18</b> Investment Income Percentage from <b>2007</b> Schedule A, Part IV-A, line 27h	<b>18</b>	

- 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)

<b>Facts and Circumstances Test</b>

SCHEDULE C (Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No 1545-0047

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

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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 990-EZ, 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 COVE'S EDGE INC

Employer identification number

01-0382340

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 function 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

Table with 5 columns: (a) Name, (b) Address, (c) EIN, (d) Amount paid from filing organization's internal funds, (e) Amount of political contributions received and promptly and directly delivered to a separate political organization.

**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

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

**4-Year Averaging Period Under Section 501(h)**  
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 1a through 1f of the instructions.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
<b>2a</b> Lobbying non-taxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots non-taxable amount					
<b>e</b> Grassroots ceiling amount (150% of line d, column (e))					
<b>f</b> 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
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
<b>a</b> Volunteers?		No	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines c through i)?		No	
<b>c</b> Media advertisements?		No	
<b>d</b> Mailings to members, legislators, or the public?		No	
<b>e</b> Publications, or published or broadcast statements?		No	
<b>f</b> Grants to other organizations for lobbying purposes?		No	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		No	
<b>i</b> Other activities. If "Yes," describe in Part IV	Yes		2,649
<b>j</b> Total lines 1c through 1i			2,649
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
<b>b</b> If "Yes" enter the amount of any tax incurred under section 4912			
<b>c</b> If "Yes" enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No	

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

**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.)

<b>1</b> Dues, assessments and similar amounts from members	1 \$
<b>2</b> 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> ).	
<b>a</b> Current Year	2a \$
<b>b</b> Carryover from last year	2b \$
<b>c</b> Total	2c \$
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3 \$
<b>4</b> If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4 \$
<b>5</b> Taxable amount of lobbying and political expenditures (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
	SCHEDULE C, PART II-B, LINE 1I	33 97% OR 1,883 OF MEMBER DUES PAID TO MAINE HEALTH CARE ASSOCIATION (MHCA) IS ALLOCATED TO LOBBYING ACTIVITIES 33 79% OR 532 OF MEMBER DUES PAID TO THE AMERICAN HEALTH CARE ASSOCIATION (AHCA) IS ALLOCATED TO LOBBYING ACTIVITIES 4 13% OR 233 OF MEMBER DUES PAID TO THE HOME CARE & HOSPICE ALLIANCE OF MAINE IS ALLOCATED TO LOBBYING ACTIVITIES



SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2008

Open to Public Inspection

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.

Department of the Treasury Internal Revenue Service

Name of the organization COVE'S EDGE INC

Employer identification number 01-0382340

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

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4 for total number, aggregate contributions, aggregate grants, and aggregate value.

- 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?
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?

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)
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

Table titled 'Held at the End of the Year' with rows 2a, 2b, 2c, 2d.

- 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?
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)?
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
1b 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
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

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

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

Table with 2 columns: Description (1c-1f) and Amount

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.

Table with 6 columns: (a) Current Year, (b) Prior Year, (c) Two Years Back, (d) Three Years Back, (e) Four Years Back. Rows 1a-1g.

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment 10 690 %, b Permanent endowment 89 310 %, c Term endowment

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

Table with 3 columns: Description (3a(i), 3a(ii), 3b), Yes, No

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.

Table with 5 columns: Description of investment, (a) Cost or other basis (Investment), (b) Cost or other basis (other), (c) Depreciation, (d) Book value. Rows 1a-1e and Total.



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

<b>1</b>	Total revenue (Form 990, Part VIII, column (A), line 12)	<b>1</b>	
<b>2</b>	Total expenses (Form 990, Part IX, column (A), line 25)	<b>2</b>	
<b>3</b>	Excess or (deficit) for the year Subtract line 2 from line 1	<b>3</b>	
<b>4</b>	Net unrealized gains (losses) on investments	<b>4</b>	
<b>5</b>	Donated services and use of facilities	<b>5</b>	
<b>6</b>	Investment expenses	<b>6</b>	
<b>7</b>	Prior period adjustments	<b>7</b>	
<b>8</b>	Other (Describe in Part XIV)	<b>8</b>	
<b>9</b>	Total adjustments (net) Add lines 4 - 8	<b>9</b>	
<b>10</b>	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	<b>10</b>	

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

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

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

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

**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
INTENDED USES FOR ENDOWMENT FUNDS	SCHEDULE D, PAGE 2, PART V, LINE 4	BOARD DESIGNATED FUNDS-COVE'S CARE AND THE MCLAUGHLIN FUND -INTEREST EARNED ON THE COVE'S CARE FUND IS EARMARKED SPECIFICALLY FOR EDUCATION OF STAFF IN LONG TERM CARE OR ASSISTED LIVING, AND -INTEREST EARNED ON THE MCLAUGHLIN FUND IS EARMARKED FOR THE COURTYARD UPKEEP PERMANENT ENDOWMENT - HOSPICE FUND -3% OF THE MARKET VALUE OF THE FUND IS USED FOR MISCELLANEOUS HOSPICE NEEDS AS APPROVED BY THE BOARD



**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				
MARK FOURRE MD	(i)							
	(ii)	270,764			7,475	14,908	293,147	
DR STEPHEN COOK	(i)							
	(ii)	237,948			6,900	14,866	259,714	
JAMES DONOVAN	(i)							
	(ii)	222,245	47,884	10,189	2,467	27,686	310,471	
WAYNE PRINTY	(i)							
	(ii)	145,933	4,818	14,282	4,985	6,848	176,866	
JUDITH MCGUIRE	(i)							
	(ii)	160,139	19,818	23,100	5,926	16,309	225,292	
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							



**SCHEDULE O**  
(Form 990)

**Supplemental Information to Form 990**

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 to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

**Name of the organization**  
COVE'S EDGE INC

**Employer identification number**

01-0382340

Identifier	Return Reference	Explanation
ORGANIZATION'S MISSION	FORM 990 - ORGANIZATION'S MISSION	(CONTINUED FROM PAGES 1 AND 2, LINE 1 OF FORM 990) FROM WELL-TRAINED PROFESSIONALS -THAT THE INDEPENDENCE AND DIGNITY OF OUR PATIENTS, RESIDENTS, AND CLIENTS WILL ALWAYS BE RESPECTED, -AND PROMOTING OPEN COMMUNICATION IN ALL CARE DECISIONS -THAT, AS A NOT-FOR-PROFIT ORGANIZATION, WE WILL BE TRUSTWORTHY STEWARDS OF OUR RESOURCES -OUR ACTIVE PARTICIPATION AND SUPPORT OF THE MAINEHEALTH FAMILY

Identifier	Return Reference	Explanation
ALL OTHER ACHIEVEMENTS DESCRIPTION	FORM 990, PAGE 2, PART III, LINE 4D	THE ORGANIZATION PROVIDES ADULT DAYCARE DURING THE YEAR ENDED SEPTEMBER 30, 2009 THE ORGANIZATION PROVIDED 9,614 DAYCARE HOURS DURING 535 VISITS

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	LINCOLN COUNTY HEALTH CARE, INC (EIN 26-1475629) IS THE SOLE MEMBER OF THE ORGANIZATION

Identifier	Return Reference	Explanation
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	THE SOLE MEMBER OF THE ORGANIZATION, LINCOLN COUNTY HEALTH CARE, INC (EIN 26-1475629)CAN ELECT ONE OR MORE MEMBERS OF THE ORGANIZATION'S BOARD OF TRUSTEES

Identifier	Return Reference	Explanation
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PAGE 6, PART VI, LINE 7B	DECISIONS OF THE GOVERNING BODY SUCH AS BUDGETS, BUSINESS STRATEGIES, SIGNIFICANT FINANCIAL COMMITMENTS, AMENDMENTS TO THE ARTICLES OF INCORPORATION, AND ELECTION OF THE CEO AMONG OTHER DECISIONS, ARE SUBJECT TO APPROVAL BY LINCOLN COUNTY HEALTHCARE, INC AND MAINEHEALTH

Identifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 10	EDUCATION WAS PROVIDED TO THE FINANCE COMMITTEE CONCERNING THE REVISED IRS FORM 990 THE FINANCE COMMITTEE PERFORMS A DETAILED REVIEW OF THE FORM 990 THE FORM 990 IS THEN PROVIDED TO THE FULL BOARD

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	ANY DUALITY OF INTEREST OR POSSIBLE CONFLICT OF INTEREST ON THE PART OF A TRUSTEE, PHYSICIAN, OFFICER OR MANAGER (E G , A MEMBER OF LINCOLN COUNTY HEALTHCARE LEADERSHIP TEAM, DIRECTOR OR PERSON RESPONSIBLE FOR PURCHASING) MUST BE DISCLOSED TO THE APPLICABLE BOARD, BOARD COMMITTEE OR, IN THE CASE OF AN ADMINISTRATIVE DECISION THAT IS NOT SUBJECT TO BOARD OR COMMITTEE APPROVAL, TO THE MANAGER'S IMMEDIATE SUPERVISOR SUCH DISCLOSURES SHALL BE MADE A MATTER OF RECORD DISCLOSURE WILL BE MADE AT THE TIME OF INITIAL AFFILIATION WITH LINCOLN COUNTY HEALTHCARE, ANNUALLY AND WHEN THE INTEREST BECOMES A MATTER FOR THE BOARD OR COMMITTEE ACTION OR ADMINISTRATIVE DECISION DISCLOSURE FORMS SHALL BE COMPLETED ANNUALLY BY TRUSTEES AND OFFICERS AT THE TIME OF THE ANNUAL MEETING, AND ANNUALLY BY VICE PRESIDENTS, DIRECTORS, AND MANAGERS IN CONJUNCTION WITH THEIR ANNUALY PERFORMANCE REVIEW

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	IN CONSULTATION WITH TOWERS PERRIN, THE MAINEHEALTH BOARD'S COMPENSATION COMMITTEE ESTABLISHES APPROPRIATE COMPENSATION PARAMETERS FOR EACH MEMBER ORGANIZATION'S CEO AND CERTAIN MEMBERS OF THEIR SENIOR MANAGEMENT TEAM WORKING WITHIN THOSE PARAMETERS, THE LINCOLN COUNTY HEALTHCARE BOARD DETERMINES THE LEVEL OF COMPENSATION FOR ITS CEO THE FINDINGS OF THE COMPENSATION COMMITTEE ARE MADE TRANSPARENT TO, AND VOTED ON BY, THE FULL GOVERNING BOARD THIS "TOTAL EXECUTIVE COMPENSATION" IS FILED PUBLICLY BY THE ORGANIZATION, AND INCLUDES "TOTAL CASH COMPENSATION" AND THE "TOTAL VALUE OF ALL BENEFITS AND PERQUISITES ASSOCIATED WITH THAT POSITION (SUCH AS HOUSING ALLOWANCES, SOCIAL CLUB MEMBERSHIPS AND SIGNING BONUSES ETC )" THE BOARD TAKES NECESSARY ACTION TO PREVENT THE CEO FROM VOTING OR DIRECTLY PARTICIPATING IN THE FINAL COMMITTEE DETERMINATION OF (HIS/HER) OWN COMPENSATION THE ORGANIZATION'S EXECUTIVE COMPENSATION PROCEDURE RELIES UPON APPROPRIATE DATA FOR COMPARABILITY (E G COMPENSATION LEVELS PAID BY BOTH TAXABLE AND TAX-EXEMPT SIMILARLY SITUATED ORGANIZATIONS AND INDEPENDENT COMPENSATION SURVEYS BY NATIONALLY RECOGNIZED INDEPENDENT FIRMS) FINALLY, THE ORGANIZATION REFRAINS FROM ALLOWING EXECUTIVE COMPENSATION TO BE BASED SOLELY ON LCHC'S REVENUES OR OTHER SIMILAR PROFIT SHARING STRATEGIES

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	SEE SCHEDULE O, PART VI, LINE 15A FOR THE COMPENSATION PROCESS FOR OFFICERS AND KEY EMPLOYEES OF THE ORGANIZATION

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	DOCUMENTS THAT ARE REQUIRED TO BE OPEN FOR PUBLIC INSPECTION ARE MADE AVAILABLE UPON REQUEST

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	SCHEDULE O	FORM 990, PART XI, LINE 2 THE ORGANIZATION WAS AUDITED AS PART OF A CONSOLIDATED AUDIT OF ITS PARENT ORGANIZATION, LINCOLN COUNTY HEALTH CARE, INC THE CHIEF FINANCIAL OFFICER ASSUMES RESPONSIBILITY FOR THE OVERSIGHT OF THE AUDIT OF THE FINANCIAL STATEMENTS AND IS PART OF THE SELECTION PROCESS FOR AN INDEPENDENT ACCOUNTANT SCHEDULE R, PART II LINCOLN COUNTY HEALTH CARE, INC (EIN 26-1475629) IS WAITING FINAL APPROVAL OF THEIR PUBLIC CHARITY TAX-EXEMPT STATUS FROM THE IRS LINCOLN COUNTY MEDICAL GROUP (EIN 26-3878235) WILL BE APPLYING FOR PUBLIC CHARITY TAX-EXEMPT STATUS WITHIN THE DUE DATE REQUIRED TO RECEIVE IRS APPROVAL RETROACTIVE TO THE LEGAL DATE OF FORMATION

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No 1545-0047

**2008**

**Open to Public Inspection**

▶ **Attach to Form 990. To be completed by organizations that answer "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.**  
▶ **See separate instructions.**

Department of the Treasury  
Internal Revenue Service

**Name of the organization**  
COVE'S EDGE INC

**Employer identification number**  
01-0382340

**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
LINCOLN COUNTY HEALTH CARE INC 6 ST ANDREWS LANE BOOTHBAY HARBOR, ME04538 26-1475629	HEALTHCARE	ME	501	11C	NA
MILES MEMORIAL HOSPITAL 35 MILES STREET DAMARISCOTTA, ME04543 01-0211796	HOSPITAL	ME	501	3	NA
ST ANDREWS HOSPITAL PO BOX 417 BOOTHBAY HARBOR, ME04538 01-0153960	HOSPITAL	ME	501	3	NA
MILES HEALTH CARE INC 35 MILES STREET DAMARISCOTTA, ME04543 01-0382339	HEALTHCARE	ME	501	7	NA
MAINEHEALTH 465 CONGRESS STREET SUITE 600 PORTLAND, ME04101 01-0431680	HEALTHCARE	ME	501	11C	NA
LINCOLN COUNTY MEDICAL GROUP 6 ST ANDREWS LANE BOOTHBAY HARBOR, ME04538 26-3878235	PHY SVCS	ME	501	7	NA
MILES MEDICAL GROUP LLC PO BOX 745 NEWCASTLE, ME04553 01-0530751	PHY SVCS	ME	501	7	NA

**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

**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

**Part V Transactions with Related Organizations**

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

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

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
  
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
  
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
  
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
  
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

	Yes	No
<b>1a</b>		No
<b>1b</b>		No
<b>1c</b>		No
<b>1d</b>		No
<b>1e</b>		No
<b>1f</b>		No
<b>1g</b>		No
<b>1h</b>		No
<b>1i</b>		No
<b>1j</b>		No
<b>1k</b>		No
<b>1l</b>		No
<b>1m</b>		No
<b>1n</b>		No
<b>1o</b>	Yes	
<b>1p</b>		No
<b>1q</b>		No
<b>1r</b>		No

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

	(B) Transaction type(a-r)	(C) Amount Involved
(A) Name of other organization(s)		
<b>(1)</b>		
<b>(2)</b>		
<b>(3)</b>		
<b>(4)</b>		
<b>(5)</b>		
<b>(6)</b>		



**Software ID:**  
**Software Version:**  
**EIN:** 01-0382340  
**Name:** COVE'S EDGE INC

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

<b>(A)</b> Name, address, and EIN of related organization	<b>(B)</b> Primary Activity	<b>(C)</b> Legal Domicile (State or Foreign Country)	<b>(D)</b> Exempt Code section	<b>(E)</b> Public charity status (if 501(c)(3))	<b>(F)</b> Direct Controlling Entity
LINCOLN COUNTY HEALTH CARE INC  6 ST ANDREWS LANE BOOTHBAY HARBOR, ME04538 26-1475629	HEALTHCARE	ME	501	11C	NA
MILES MEMORIAL HOSPITAL  35 MILES STREET DAMARISCOTTA, ME04543 01-0211796	HOSPITAL	ME	501	3	NA
ST ANDREWS HOSPITAL  PO BOX 417 BOOTHBAY HARBOR, ME04538 01-0153960	HOSPITAL	ME	501	3	NA
MILES HEALTH CARE INC  35 MILES STREET DAMARISCOTTA, ME04543 01-0382339	HEALTHCARE	ME	501	7	NA
MAINEHEALTH  465 CONGRESS STREET SUITE 600 PORTLAND, ME04101 01-0431680	HEALTHCARE	ME	501	11C	NA
LINCOLN COUNTY MEDICAL GROUP  6 ST ANDREWS LANE BOOTHBAY HARBOR, ME04538 26-3878235	PHY SVCS	ME	501	7	NA
MILES MEDICAL GROUP LLC  PO BOX 745 NEWCASTLE, ME04553 01-0530751	PHY SVCS	ME	501	7	NA

# **Lincoln County Health Care, Inc. – FY09 Community Benefits**

## **I. Why create a Community Benefits report?**

Lincoln County Health Care, Inc.'s (LCH) day-to-day operations as a tax-exempt organization include many system-wide initiatives to provide inpatient, outpatient, chronic and acute health care services to the people of Lincoln County, Maine. With these programs, LCH hopes to fill existing local gaps, while making a positive impact in the communities we serve. This report will summarize Lincoln County Health Care Inc.'s community benefits efforts over the last year. The final section (VII) will also provide a financial summary of charity care, bad debt, government-sponsored healthcare, and all subsidized community programs and other support.

## **II. Organizational Description and Information**

Lincoln County Health Care, Inc. is the parent company for Miles Memorial Hospital, Inc., St. Andrews Hospital and Healthcare Center, Cove's Edge, Inc., and Lincoln County Medical Group, Inc.

**In the Damariscotta Region:** Miles Memorial Hospital, a 38-bed community hospital; Miles & St. Andrews Home Health and Hospice; Lincoln County Medical Group, an employer of physicians and mid-level staff providing those professions to the physician practices of Miles Memorial Hospital; Cove's Edge, a skilled rehabilitation and long-term care facility, Chase Point, an assisted living facility which includes a residential and adult day care program for people living with Alzheimer's and related dementia.

**In Boothbay Harbor:** St. Andrews Hospital and Healthcare Center, a 25-bed Critical Access Hospital; St. Andrews Village Community, which includes assisted living, independent living, Alzheimer's care, adult day services, and long-term nursing care; Miles & St. Andrews Home Health & Hospice; Lincoln County Medical Group, an employer of physicians and mid-level staff providing those professions to the physician practices of St. Andrews Hospital; and the John F. Andrews Family Care Center; a multi-specialty medical arts facility.

Our hospitals provide a broad array of primary health care services to our region including: emergency medicine, acute and rehabilitative inpatient care, laboratory, diagnostic imaging, and orthopedic surgery and general surgical services; a palliative care program; social services; rehabilitation services including physical therapy, occupational therapy, speech and language therapy, plus outpatient cardiac and pulmonary rehabilitation, outpatient oncology programs, and obstetrics care.

Lincoln County Health Care's mission is to ensure access to high-quality, patient-centered and affordable health care to the people of our region. As renowned rural healthcare centers, St. Andrews' and Miles' primary focus is patient care, comfort, and safety provided by a personable, professional staff, utilizing the finest technology and equipment. We are active members of the MaineHealth® Family of healthcare providers and function in collaboration with other member organizations throughout southern, western, and central Maine.

The Lincoln County Health Care Leadership Team, under the governance of a Board of Trustees, is responsible for the coordination, quality and efficiency of care provided.

### **III. Community Needs Assessment**

The Board of Trustees is made up of a diverse set of community members. The Board requires a thorough Community Needs Assessment on behalf of the organization, and directs the organization to analyze and respond to the current needs assessment. Lincoln County Health Care and its subsidiaries also participate in various initiatives and continuous research to keep those assessments up-to-date. Some of these programs include:

- Clinical Strategic Planning
- Financial Strategic Planning
- Facility Planning
- Manpower Planning
- Physician Recruitment Strategic Planning
- Emergency Preparedness Planning

In addition to those internal assessment groups, Lincoln County Health Care also recognizes and acts on many of the recommendations provided by external state groups such as the Maine Center for Disease Control and Prevention and the “State Health Plan” created by the Advisory Committee of Health Systems Development.

### **IV. Subsidized Lincoln County Health Care Community Programs and Other Support \***

#### *Subsidized Health Services*

- Lincoln Academy School-Based Health Clinic – Lincoln Medical Partners provides a mid-level clinician for the clinic at no charge. Miles provides medical supplies at no charge.
- Mammography Clinic -- Offered once a year at a subsidized fee
- Breast Health Case Management -- These services are offered free of charge
- Weekly blood pressure screening clinic -- Offered every week in 2 locations at no charge
- Hepatitis B vaccination program, TB Testing, and blood-borne pathogen and exposure testing -- For health care volunteers at no charge
- CarePartners Program – Administered through Lincoln County Health Care at no cost. This program provides free medical care and medications to qualified candidates. The program administered and coordinated \$874,793 of donated medical services.
- Hepatitis B vaccination program – Offered to Lincoln Home employees
- Maine Breast and Cervical Health Program – Reduced fees services for women
- Foot Clinics -- Offered weekly in Damariscotta and Wiscasset for a subsidized fee
- Boothbay High School-Based Health Clinic -- Lincoln Medical Partners provides a mid-level clinician for the clinic at no charge
- Skin Cancer Screening /Education -- American Cancer Society “No Sun for Babies” Program – provided free of charge.
- Subsidized Community Physician Services -- Lincoln County has few private practice physicians. In order to ensure access to primary care and certain specialty care physicians, Lincoln County Health Care employs physicians and provides their services through its hospital based practices at St. Andrews Hospital and Miles Memorial

Hospital. Services include: Family Medicine, General Surgery, Orthopedic Surgery, Pediatrics, Internal Medicine, Obstetrics and Gynecology. Services are provided without regard to ability to pay. Given the demographics of Lincoln County, these services – although critical – are not self-sufficient.

### ***Community Health Services***

- Free Bi-Weekly Grief Support Group -- Provided to anyone in the community who has suffered a recent loss
- Hospice Community Education – Five presentations by Dr Robert Hunold at no cost
- Childbirth Classes offered through the Obstetrics Unit at Miles at a subsidized cost
- Physician referral answering service and physician referral guide -- Mailed to all residents of Lincoln County at no charge
- Local Speaker's Bureau -- Staff provided health-related presentations for nonprofit and service organizations
- Monthly Alzheimer's Support Group -- Provided for free to the community
- Provides class space for Emergency Medical Technician Training (no charge)
- Provides C.P R courses to local nonprofit agencies at a minimal cost
- Provides Infant and Child CPR classes and course materials for parents and family members at no charge
- Miles Memorial Hospital Emergency Department is a clinical site for Emergency Medical Technician Training.
- American Red Cross Babysitting Course – Provides babysitting skills course to children 11 years and older around safe babysitting care
- Hospice Volunteer Training -- Seminars offered in the spring and fall (40 hour course) are provided free of charge.
- Weekly Telephone Grief Support & Referral Service -- Provided through Miles & St. Andrews Home Health & Hospice
- Miles Memorial Hospital Laboratory provides clinical training to EMTs.
- Memory screenings - Held annually in conjunction with the Alzheimer's Foundation of America
- H1N1 vaccination services – MMH handled the ordering, storing, distribution and administration to schools, EMS groups, Mobius, and area health professional offices.
- Matter of Balance - A fall prevention program targeted to seniors hosted by St. Andrews Village in partnership with the Boothbay YMCA
- Pre-Diabetes Classes – Offered to community organizations at no cost
- Community Sharps Disposal Program – Offered four times per year at no cost
- Blood Pressure Screenings
- Nutritional Counseling Services
- Dental Hygiene Program – Offered through the Family Care Center and the School Health Center

### ***Community-building activities***

- Lincoln County Healthy Maine Partnership -- As a co-sponsor for this organization, Miles co-develops, provides funding and staffing, and implements a winter community health event each year. Miles staff members participate on their Advisory Group and on various committees.
- Sweetser -- Sweetser's adult community-based services provide support and resources for individuals with behavioral and mental health needs who are eligible for services under state guidelines, to assist them in remaining in the community of their choice. These

individuals are placed in volunteer positions at LCH, and LCH staff work with these individuals to assist them in developing job skills.

- ASPIRE/ TANF: Maine's Welfare Program -- The TANF Program provides cash assistance; employment, training and education opportunities; and work supports, such as childcare, to low-income parents with children. Most parents receiving TANF are required to participate in a work activity for 30 hours per week. Failure to participate results in a loss of benefits to the family. Parents are placed as volunteers for 30 hours a week at Miles.
- Senior Community Service Employment Program -- The goals are the enhancement of employment opportunities for older Americans and the promotion of older workers as a solution for businesses seeking a trained, qualified, and reliable workforce. The strategy is to utilize a service approach that can respond quickly and effectively to the changing needs of business.
- High School Job Fairs and Career Days -- Human Resources and various departments at Miles go to area high schools presenting health care career opportunities and provide job interview training and other job-seeking skills.
- Boothbay Region Land Trust -- St. Andrews Hospital is a grantee providing approximately 25 acres of land set aside for nature trails and land preservation.
- Participate and support disaster preparedness in community - provides three employees quarterly to represent hospitals in disaster support and training
- Remembrance Gathering -- Memorial Service sponsored by MSAHHH
- Meals On Wheels
- Friends in Service Helping (FISH) - In partnership with FISH, St. Andrews Village coordinates scheduling of drivers.
- Domestic Abuse Prevention Council - Partnership with community groups/individuals to address domestic violence

### ***Charitable Giving***

- Host/sponsor of the American Cancer Society Making Strides against Breast Cancer -- LCHC is a sponsor for this event, providing volunteer leadership and meeting facilities.
- Host and sponsor of the American Cancer Society Daffodil Days
- Healthy Kids (Child Abuse and Neglect Council of Lincoln County) -- Miles Health Care is a Corporate Sponsor of the programs "Strawberry Shuffle" fundraiser.
- American Diabetes Association -- Miles Medical Group in Wiscasset actively raises funds in support of diabetes research and participates in the "Walk with your Doc Event."
- Salvation Army, Holiday Wish Tags in Lincoln County -- Provides volunteers and leadership to collect toys/gifts throughout Lincoln County Health Care for area needy families
- Food Donations -- The Dietary Departments donates extra food to Meals-on-Wheels, the local food pantry and the Salvation Army.
- Skidompha Summer Reading Program -- Miles sponsors this local Children's literacy program.
- Support of the Boothbay Region Ambulance Service - Providing the Medical Director, supplies and pharmaceuticals.
- Donation of medical supplies for local and overseas missions
- United Way Campaign -- LCHC staff provide their time (within their regular paid work time) to help coordinate the campaign and process the results.

### ***Health Professions Education***

- Internships – Lincoln County Health Care provides internship opportunities for nursing, social services, pharmacy and resident physicians who are completing their rural rotations.
- ACLS classes – Classes are offered for employees as well as ambulance service providers in the area and any other health care provider that wished to attend.
- CNA Training – Provided three 12-week CNA classes at no charge to students
- ED Training for EMS personnel – 4 reviews and in-services in trauma care for 20 E.M.S. personnel. 12 students also participated in an EMS EKG course.
- LCH Professional Development Program – Miles provided scholarships and continuing education opportunities to its employees and members of the community.
- Nursing Program – Provided medical supplies and equipment; lease of classrooms, computer lab and clinical labs; and communications at no charge in partnership with CMCCs nursing program.
- Nursing School Clinical Placements – Provided 3 to 12 week clinical placements for nursing school students in long-term care and in the hospital
- Job Shadow Experience – Provided half-day to day-long experiences to community members and high school students interested in pursuing a health care career
- Certified Residential Medication Aide Full Certification – Provided a 40-hour course and the re-certification course at a reduced rate to community members and area assisted living facilities
- Personal Support Specialist – Provided a 50-hour course at a reduced rate to community members
- The Lincoln County Healthcare Education Center is a collaborative effort of Central Maine Community College and Lincoln County Healthcare. The new school, the first college degree program in Lincoln County, opened in September 2008 to eight students. First year students have the option to earn a Licensed Practical Nursing (LPN) within a year and will have a five year grace period to complete the requirements for the RN credential, should they choose, or continue on for a second year to become a Registered Nurse. The program collaboratively works with colleges, clinical departments of the hospital, long term care facilities, MaineHealth, Lincoln Academy, and local businesses. Students receive classroom training at Central Maine Community College and in classrooms at the Lincoln County Healthcare Education Center located at 66A Chapman Street, in Damariscotta. An agreement with Lincoln Academy will allow students to use their labs for a percentage of their work. Clinical training will be at Miles Memorial Hospital, St. Andrews Hospital, and at our long-term facilities in both communities. Lincoln County Health Care provides administration services, clinical training, equipment, supplies, technical support, and two full scholarships to the school.

**Lincoln County Health Care's Aggregate "Net Community Benefit Investment" = \$ 7,108,718**

\* In addition to the aforementioned programs, Lincoln County Health Care, Inc. provides its proportional share of support for the annual budget of the following programs, through both "member dues" and "fund balance transfers". While all member organizations may not participate directly in the following initiatives, all members provide some level of financial support to help sustain and grow these MaineHealth programs.

### **Clinical Integration**

**AH! Asthma Health** – The AH! Program improves the care and outcomes for Maine people with asthma. The program not only develops and coordinates asthma treatment education for Physicians, but also sends asthma educators into schools and community organizations to provide further information. In addition, the Program lends support and expertise to the local asthma “HelpLine” for Somali and Latino community members in collaboration with the City of Portland, Health and Human Services.

**TARGET Diabetes** – The TARGET Diabetes Program improves care and outcomes for Maine people with diabetes. The program provides learning opportunities and support for primary care practices, helps Physicians utilize an electronic registry to track outcome measures for patients, and creates/distributes patient health education booklets for the community.

**Healing Hearts** – Healing Hearts improves heart failure care and outcomes for Maine people with the condition. The program coordinates the distribution of pamphlets, scales, and any other resources intended to help people manage heart failure. Hospitals engaged in this program track patient progress and consistently score above national averages on quality measures for patients with heart failure.

**Cardiovascular Health Program** – The Cardiovascular Health program improves the care and outcomes for Maine patients with cardiovascular disease (CVD). Along with an electronic registry for Physicians, the program produced an online blood pressure training module for providers to ensure accurate blood pressure measurement as well as patient educational material. The Cardiovascular Health program also supports the efforts of hospitals in offering preventative screenings to thousands of people with CVD through risk screening and reduction programs.

**Acute Myocardial Infarction (AMI)** – The AMI program improves outcomes of individuals that experience a certain type of heart attack (STEMI) by redesigning systems to ensure high quality, timely, and coordinated care. Through the AMI program’s “Rapid Response” packets, health systems met goals for decreasing the transport time to treat patients. Program staff also informs hospitals of cardiology literature and clinical practice guidelines.

**Mental Health Integration** – MaineHealth, in partnership with Spring Harbor and MMC Mental Health Network, developed a pilot program to improve primary care/mental health integration and helps people with depression and those who care for and about them. The program trains primary care providers on the diagnosis and treatment of patients, and many physicians use an electronic registry to track outcome measures. The program conducts a collaborative “Learning Community” exploring the effectiveness, efficiency and cost/benefit of integration with 6 pairs of primary care/mental health partners.

**Stroke Care** – The MaineHealth Stroke Care Initiative seeks to improve the care and outcomes of patients who suffer from ischemic stroke, hemorrhagic stroke, and TIA. The program offers a set of provider education (e.g. pathways, guidelines) materials and patient education materials. Staff are working to develop systems to coordinate services and efficiently transfer patients across the system, while increasing access to neurology services for hospitals in need.

**Preventive Health** – The Preventive Health program seeks to improve adherence to adult and pediatric clinical preventive health guidelines. The program has created a preventive health module in the Clinical Improvement Registry (CIR); has developed patient oriented adult and pediatric preventive health guidelines and tracking tools so as to monitor preventive measures by

population; and also has developed tools to support patient self management and provider education. In FY09, the Osteoporosis program was integrated into preventive health with work continuing in the areas of identification, education/self management, and fall prevention.

**Palliative Care** – The Palliative Care program seeks to improve the care of patients who have limited life expectancy and require comprehensive biomedical, psychosocial, and spiritual support as they enter the terminal stage of illness or condition. The program also supports family members coping with the complex consequences of illness, disability, and aging as death nears, while addressing the bereavement needs of family following the death of the patient.

**Oncology** – The Oncology program is looking to improve access to high quality cancer services throughout the MaineHealth region; to improve capacity to deliver patient centered care and coordination of cancer care services; and to develop additional infrastructure needed to support defined levels of cancer care.

**Infection Prevention and Control Consortium** – This program coordinates infection prevention and control initiatives in MaineHealth hospitals. The program focuses on quality improvement and measures the impact of its efforts at both the hospital and system level.

**Emergency Department Psychiatric Care Program (ED Psych)** – The goal of this program is to improve the quality and standardization of psychiatric patient care in all MaineHealth EDs. Systemwide accomplishments include the development of standard medical clearance protocols, implementation of a common and effective approach to treating the agitated patient, and collection/tracking of data around length of stay.

### *Health Status Programs*

**Healthy Weight Initiative** – This initiative targets both children and adults in the community. The key parts of the initiative include clinical, community, and environmental/policy interventions. MaineHealth's financial support for this initiative recognizes the importance of preventing obesity as a major driver of health care costs, a major risk factor for chronic diseases, and a well-documented community epidemic. In FY09, MaineHealth also made a significant financial contribution to the Maine Youth Overweight Collaborative.

### *Community Education Programs*

**MaineHealth Learning Resource Centers** – With four locations in Maine, the LRCs provide patients, health care providers, and community members with easy access to quality health information and a wealth of educational reference material. In addition, the LRCs offer the public over 100 unique classes taught by professionals (e.g. healthy cooking, yoga, chronic disease self-management, cancer prevention, and mental health awareness).

**Parkinson's Information and Referral Center** – The Center is a primary resource for people with Parkinson's disease, as well as their families and healthcare providers. Assistance includes "patron requests" for information, direct physician referrals, educational outreach to health care facilities, coordinating support groups, and specialized classes for newly-diagnosed individuals.

### *Access to Care Programs*

**CarePartners** – The program arranges the provision of donated healthcare services for low income uninsured Mainers in Cumberland, Kennebec, Lincoln, and Waldo Counties.

CarePartners also provides administrative support to help serve the target population, including comprehensive eligibility assessment, care management, and access to low cost or free pharmaceuticals.

**MedAccess** – The program provided access to approximately \$2.2 million of free medications in FY09. CarePartners provides this community resource to uninsured and underinsured community members through the Patient Assistance Programs (PAPs). In addition to this service, MedAccess offers application assistance for other prescription access programs (Medicare Part D, etc), local low-cost generic programs, and other state and federal programs either in-person or through a toll-free number.

### **Partnership for Healthy Aging**

PHA leads the implementation of evidence-based prevention programs for older adults (Living Well, A Matter of Balance, EnhanceWellness, EnhanceFitness, Healthy IDEAS) throughout Maine. The efforts of Elder Care Services focus upon improving transitions, prevention, and quality across the care continuum. Initiatives include Care Transitions coaching, Community Links, and Falls Prevention Tools for providers and patients.

### **VitalNetwork**

The enhanced-ICU (E-ICU) initiative allows audio/video patient monitoring to coincide with real time display of information trend and condition changes. The system is staffed by expert ICU Physicians and Nurses in a central station, allowing enhanced remote monitoring of patients in multiple locations. Similar systems have been proven to reduce ICU mortality by 25%. MaineHealth was the first healthcare system in New England to implement the e-ICU program.

## **V. Billing and Collection Practices**

### **Billing**

Lincoln County Health Care charges all patients the same price for the same services, regardless of payor source. Individuals are not required to pay or make arrangements to pay prior to the services being provided. On average, the first bill is sent to a patient 7-10 days after services are provided. After that initial billing date, the patient has 30 days to pay for those services. Before collection action is taken, three notices must be sent to patients informing them of their lack of proper payments and continued attempts to communicate with them about a solution. In the absence of either full payment or a patient's attempts to communicate in order to resolve the situation, LCH does use a responsible and professional collection agency if necessary. A bill will become classified as "bad debt" if a patient has not paid the full amount within 120 days. MaineHealth hospitals may pursue legal action for collecting an outstanding bill only with prior Board approval. The LCH Board has not voted to pursue such legal action in the past several years. Member organizations offering long-term and residential care services have, from time to time, taken legal action to collect amounts due from patients or residents who are not covered under the MaineCare program and have the sufficient resources to pay for the services they received.

## **VI. Charity Care Policies**

### **Charity Care**

Lincoln County Health Care's policy of charity care and financial assistance is easily understood, prominently posted, and publicly available. A process exists for offering charity care or financial

assistance to patients who are unable to pay after they have already been billed. In addition to monitoring collection practices, copies of the charity care policy are made available to patients at the main entrance and with bill/collection notices. The organization uses simple application procedures for charity care or financial assistance that do not intimidate or confuse applicants. LCH's employees who work in billing, and accounts receivable are fully informed and educated about all financial assistance policies. These staff members identify unpaid bills where persons are unable to pay, and separates these potential "charity care" bills from other bad debt accounts.

**NOTICE OF AVAILABILITY OF UNCOMPENSATED SERVICES**

Miles Memorial Hospital and St. Andrews Hospital are required by law to give a reasonable amount of its services without charge to eligible persons who can not afford to pay for care. To be eligible to receive uncompensated service, your family income must be at or below the following levels:

	<b>100% write off</b>	<b>75% write off</b>	<b>50% write off</b>
1	0 – \$18,953	up to \$21,660	up to \$24,368
2	0 - \$25,498	up to \$29,140	up to \$32,783
3	0 - \$32,043	up to \$36,630	up to \$41,198
4	0 - \$38,588	up to \$44,100	up to \$49,613
5	0 - \$45,133	up to \$51,580	up to \$58,028
6	0 - \$51,678	up to \$59,060	up to \$66,443
7	0 - \$58,223	up to \$66,540	up to \$74,858
8	0 - \$64,768	up to \$74,020	up to \$83,273

**VII. Good Governance and Executive Compensation Policies**

**Good Governance**

LCH has a Board of 20 community members, a majority of whom are not practicing physicians, officers, department heads, or other employees with a financial connection or otherwise affiliated with the organization itself. The Board meets 12 times a year (on average), and has a written "conflict of interest" policy in place. The Board understands the specific mission of the organization, and approves strategic planning initiatives aimed at carrying out this mission. Trustees understand their fiscal and other specific responsibilities while serving on the Board, and further education/information is provided to Board members if requested. Trustees and Executive Officers of LCH do not receive loans on behalf of the organization. The organization ensures that a substantial part of its activities do not involve attempts to influence legislation, and that it will not take an official position or provide direct support for or against a political candidate. Moreover, in addition to the CEO, CFO, or both officially signing-off on the yearly 990s and audited financial statements, the Board of Trustees must also have final approval of the yearly audited financial statements. The Board has also adopted and maintains a corporate compliance program that includes a Code of Conduct for all staff education and training, monitoring for compliance, and a Helpline for staff to call, all intended to produce continual compliance with organizational policies and the law.

**Executive Compensation**

LCH has a formal written compensation policy in place. In consultation with Towers Perrin, The MaineHealth Board Compensation Committee establishes appropriate compensation parameters for each member organization's CEO and certain members of their Senior Management team.

Working within those parameters, the LCH Board determines the level of compensation for its CEO. The findings of the Compensation Committee are made transparent to, and voted on by, the full Governing Board. This "total executive compensation" is filed publicly by the organization, and includes "total cash compensation" and "total value of all benefits and perquisites associated with position (such as housing allowances, social club memberships, signing bonuses, etc.)". The Board takes necessary action to prevent the CEO from voting or directly participating in the final Committee determination of (her/his) own compensation. The organization's executive compensation procedure relies upon appropriate data for comparability (e.g. compensation levels paid by both taxable and tax-exempt similarly situated organizations and independent compensation surveys by nationally recognized independent firms). Finally, the organization refrains from allowing executive compensation to ever be based solely on LCH's revenues or other similar profit-sharing strategies.

### VIII. Aggregate Financial Data

#### Lincoln County Health Care's Community Benefit Summary \*\*

1. Charity care (at cost)	\$ <u>1,205,304</u>
2. Bad debt (at cost)	\$ <u>1,871,128</u>
3. Government-sponsored health care (shortfall) - Unpaid cost of Medicare, MaineCare, and other hospital-specific indigent care programs	\$ <u>5,824,116</u>
4. Net Community Benefit Investment Programs (net expense), e.g.	\$ <u>7,108,718</u>

<b><i>Total Value of Quantifiable Benefits Provided to the Community</i></b>	<b>\$ <u>16,009,266</u></b>
--	-----------------------------

\*\* Form created based on AHA guidelines

# Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 01-0382340  
**Name:** COVE'S EDGE 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			
MARK FOURRE MD , TRUSTEE	2	X						0	270,764	22,383
DR STEPHEN COOK , TRUSTEE	2	X						0	237,948	21,766
ALAN BARKER MD , TRUSTEE	2	X						0	135,370	6,325
DANIEL FRIEDLAND MD , TRUSTEE	2	X						0	126,318	16,565
PHIL LATHROP , CHAIR	2	X		X				0	0	0
PETER MUNDY , VICE-CHAIR	2	X		X				0	0	0
DANIEL PYKETT , SECRETARY	2	X		X				0	0	0
ROBERT CONN , TREASURER	2	X		X				0	0	0
LEWIS BROWN , TRUSTEE	2	X						0	0	0
WILLIAM BUTLER , TRUSTEE	2	X						0	0	0
JEFF CURTIS , TRUSTEE	2	X						0	0	0
CATHERINE GREGG , TRUSTEE	2	X						0	0	0
NORMAN HOCHGRAF , TRUSTEE	2	X						0	0	0
JAMES HUNT , TRUSTEE	2	X						0	0	0
JANE HURD , TRUSTEE	2	X						0	0	0
PATRICK LYDON , TRUSTEE	2	X						0	0	0
BARBARA MITCHELL , TRUSTEE	2	X						0	0	0
JOHN PEACOCK , TRUSTEE	2	X						0	0	0
JANE G SMITH , TRUSTEE	2	X						0	0	0
DAVID TRAHAN , TRUSTEE	2	X						0	0	0
REV DR MARY JO ZIMMERLI , TRUSTEE	2	X						0	0	0
JAMES DONOVAN , CEO LCHC	15			X				0	280,318	30,153
WAYNE PRINTY , CFO	2			X				0	165,033	11,833
JUDITH MCGUIRE , SVP HH/SR SV	60				X			203,057	0	22,235

**Form 990, Part I, Line 1 - Briefly describe the Organization's mission or most significant activities:**

COVE'S EDGE, INC. WILL UPHOLD THE TRUST PLACED IN US BY ASSURING: -THE BEST AND MOST COMPASSIONATE SKILLED NURSING, LONG TERM-CARE, ASSISTED LIVING AND ADULT DAY CARE SERVICES (CONTINUED ON SCHEDULE O) (CONTINUED FROM PAGES 1 AND 2, LINE 1 OF FORM 990) FROM WELL-TRAINED PROFESSIONALS. -THAT THE INDEPENDENCE AND DIGNITY OF OUR PATIENTS, RESIDENTS, AND CLIENTS WILL ALWAYS BE RESPECTED, -AND PROMOTING OPEN COMMUNICATION IN ALL CARE DECISIONS -THAT, AS A NOT-FOR-PROFIT ORGANIZATION, WE WILL BE TRUSTWORTHY STEWARDS OF OUR RESOURCES. -OUR ACTIVE PARTICIPATION AND SUPPORT OF THE MAINEHEALTH FAMILY.

**Form 990, Part III, Line 1 - Briefly describe the organization's mission:**

COVE'S EDGE, INC. WILL UPHOLD THE TRUST PLACED IN US BY ASSURING: -THE BEST AND MOST COMPASSIONATE SKILLED NURSING, LONG TERM-CARE, ASSISTED LIVING AND ADULT DAY CARE SERVICES (CONTINUED ON SCHEDULE O) (CONTINUED FROM PAGES 1 AND 2, LINE 1 OF FORM 990) FROM WELL-TRAINED PROFESSIONALS. -THAT THE INDEPENDENCE AND DIGNITY OF OUR PATIENTS, RESIDENTS, AND CLIENTS WILL ALWAYS BE RESPECTED, -AND PROMOTING OPEN COMMUNICATION IN ALL CARE DECISIONS -THAT, AS A NOT-FOR-PROFIT ORGANIZATION, WE WILL BE TRUSTWORTHY STEWARDS OF OUR RESOURCES. -OUR ACTIVE PARTICIPATION AND SUPPORT OF THE MAINEHEALTH FAMILY.