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Form **990-PF**

Department of the Treasury
Internal Revenue Service (77)

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note: *The foundation may be able to use a copy of this return to satisfy state reporting requirements.*

OMB No 1545-0052

2008

For calendar year 2008, or tax year beginning 9/28 **, 2008, and ending** 9/26 **, 2009**

G Check all that apply: [ ] Initial return [ ] Final return [ ] Amended return [X] Address change [ ] Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Rosscare
43 Whiting Hill Road, Suite 400
Brewer, ME 04412

A Employer identification number: 01-0391038

B Telephone number (see the instructions): 207 973-5114

C If exemption application is pending, check here ▶ [ ]

D 1 Foreign organizations, check here ▶ [ ]
2 Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ [ ]

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ [ ]

H Check type of organization [X] Section 501(c)(3) exempt private foundation
[ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16) ▶ $ 35,164,360.

J Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) _____
(Part I, column (d) must be on cash basis.)

Part I	Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions).)	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc, received (att sch)	322,981.			
	2 Ck ▶ [ ] if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	7,712.	7,712.	7,712.	
	4 Dividends and interest from securities				
	5a Gross rents	199,000.	199,000.	199,000.	
	b Net rental income or (loss) 97,144.				
	6a Net gain/(loss) from sale of assets not on line 10				
	b Gross sales price for all assets on line 6a				
	7 Capital gain net income (from Part IV, line 2)				
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less: Cost of goods sold				
	c Gross profit/(loss) (att sch)				
	11 Other income (attach schedule) See Statement 1	5,911,180.		5,911,180.	
	12 **Total.** Add lines 1 through 11	6,440,873.	206,712.	6,117,892.	
OPERATING AND ADMINISTRATIVE EXPENSES	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages	2,372,332.		2,372,332.	2,374,124.
	15 Pension plans, employee benefits	534,188.		534,188.	534,176.
	16a Legal fees (attach schedule) See St 2	3,233.			
	b Accounting fees (attach sch) See St 3	142,208.			
	c Other prof fees (attach sch) See St 4	413,425.		413,425.	425,092.
	17 Interest	1,429,717.		1,429,717.	1,429,717.
	18 Taxes (attach schedule) See Stmt 5	211,689.			
	19 Depreciation (attach sch) and depletion	858,451.	80,831.	31,243.	
	20 Occupancy	557,979.		557,979.	554,006.
	21 Travel, conferences, and meetings	23,668.		23,668.	23,224.
	22 Printing and publications	1,340.		1,340.	1,340.
	23 Other expenses (attach schedule) See Statement 6	1,242,886.	42,003.	754,000.	1,193,238.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	7,791,116.	122,834.	6,117,892.	6,534,917.
	25 Contributions, gifts, grants paid				
	26 **Total expenses and disbursements.** Add lines 24 and 25	7,791,116.	122,834.	6,117,892.	6,534,917.
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	-1,350,243.			
	b **Net investment income** (if negative, enter -0-)		83,878.		
	c **Adjusted net income** (if negative, enter -0-)			0.	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1 Cash — non-interest-bearing	300.	1,112.	1,112.
	2 Savings and temporary cash investments	256,628.	343,647.	343,647.
	3 Accounts receivable ► 121,401.			
	Less allowance for doubtful accounts ► 2,000.	134,344.	119,401.	119,401.
	4 Pledges receivable ►			
	Less: allowance for doubtful accounts ►			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	Less: allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	446,500.	447,159.	447,159.
	10a Investments — U S. and state government obligations (attach schedule)			
	b Investments — corporate stock (attach schedule)			
	c Investments — corporate bonds (attach schedule)			
	11 Investments — land, buildings, and equipment: basis ► 1,983,265.			
	Less: accumulated depreciation (attach schedule) See Stmt 7 ► 907,122.	1,156,974.	1,076,143.	1,983,265.
	12 Investments — mortgage loans			
	13 Investments — other (attach schedule)			
	14 Land, buildings, and equipment basis ► 22,687,199.			
	Less accumulated depreciation (attach schedule) See Stmt 8 ► 4,577,336.	18,179,534.	18,109,863.	22,687,199.
	15 Other assets (describe ► See Statement 9)	9,324,920.	9,582,577.	9,582,577.
	16 **Total assets** (to be completed by all filers — see instructions Also, see page 1, item I)	29,499,200.	29,679,902.	35,164,360.
LIABILITIES	17 Accounts payable and accrued expenses	606,016.	707,457.	
	18 Grants payable			
	19 Deferred revenue	126,958.	139,306.	
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule) Stmt 10	27,001,520.	27,951,442.	
	22 Other liabilities (describe ► See Statement 11)	121,622.	203,590.	
	23 **Total liabilities** (add lines 17 through 22)	27,856,116.	29,001,795.	
NET ASSETS OR FUND BALANCES	**Foundations that follow SFAS 117, check here ► [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	-4,778,930.	-5,377,446.	
	25 Temporarily restricted	17,374.	16,171.	
	26 Permanently restricted	6,404,640.	6,039,382.	
	Foundations that do not follow SFAS 117, check here ► [ ] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see the instructions)	1,643,084.	678,107.	
	31 **Total liabilities and net assets/fund balances** (see the instructions)	29,499,200.	29,679,902.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year — Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,643,084.
2	Enter amount from Part I, line 27a	2	-1,350,243.
3	Other increases not included in line 2 (itemize) ► See Statement 12	3	851,459.
4	Add lines 1, 2, and 3	4	1,144,300.
5	Decreases not included in line 2 (itemize) ► See Statement 13	5	466,193.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	678,107.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	N/A			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) — If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7	2	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8	3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ... ☐ Yes ☒ No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2007	7,053,286.	746,456.	9.449031
2006	11,255,372.	746,925.	15.068945
2005	1,321,034.	616,966.	2.141178
2004	1,270,801.	572,199.	2.220907
2003	408,412.	556,984.	0.733256

2	**Total** of line 1, column (d)	2	29.613317
3	Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	5.922663
4	Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	656,738.
5	Multiply line 4 by line 3	5	3,889,638.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	839.
7	Add lines 5 and 6	7	3,890,477.
8	Enter qualifying distributions from Part XII, line 4	8	7,236,456.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 — see the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ► ☐ and enter 'N/A' on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary — see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☒ and enter 1% of Part I, line 27b	1	839.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	839.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	839.
6	Credits/Payments:		
a	2008 estimated tax pmts and 2007 overpayment credited to 2008 — 6a: 1,062.		
b	Exempt foreign organizations — tax withheld at source — 6b:		
c	Tax paid with application for extension of time to file (Form 8868) — 6c:		
d	Backup withholding erroneously withheld — 6d:		
7	Total credits and payments. Add lines 6a through 6d	7	1,062.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ►	9	0.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►	10	223.
11	Enter the amount of line 10 to be: **Credited to 2009 estimated tax** ► 223. **Refunded** ►	11	0.

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
	*If the answer is 'Yes' to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation ► $ 0. (2) On foundation managers ► $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► $ 0.			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If 'Yes,' attach a detailed description of the activities.*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If 'Yes,' attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b		N/A
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T.*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see the instructions) ► ME			
b	If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If 'No,' attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9	X	
10	Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

Part VII-A Statements Regarding Activities *Continued*

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions) See Statement 14	11	X	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address. ► www.emh.org/Rosscare

14 The books are in care of ► Scott A. Oxley Telephone no ► 207 973-5114

Located at ► 43 Whiting Hill Road Brewer ME ZIP + 4 ► 04412

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here . . ► ☐ N/A

and enter the amount of tax-exempt interest received or accrued during the year . . . . ► 15 N/A

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No		
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No		
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No		
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No		
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No		
	(6) Agree to pay money or property to a government official? (**Exception.** Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No		
b	If any answer is 'Yes' to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)?.	1b		N/A
	Organizations relying on a current notice regarding disaster assistance check here ► ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008?	☐ Yes ☒ No		
	If 'Yes,' list the years ► 20__ , 20__ , 20__ , 20__ .			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer 'No' and attach statement – see the instructions)	2b		N/A
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ► 20__ , 20__ , 20__ , 20__ .			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No		
b	If 'Yes,' did it have excess business holdings in 2008 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008.)*	3b		N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?	4b		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

5a During the year did the foundation pay or incur any amount to:			
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes	☒ No	
(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes	☒ No	
(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes	☒ No	
(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)	☐ Yes	☒ No	
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes	☒ No	
b If any answer is 'Yes' to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?		**5b**	N/A
Organizations relying on a current notice regarding disaster assistance check here ► ☐			
c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A.	☐ Yes	☐ No	
If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)			
6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes	☒ No	
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		**6b**	X
If you answered 'Yes' to 6b, also file Form 8870.			
7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes	☒ No	
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?		**7b**	N/A

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 15		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1– see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Amy E. Cotton 489 State Street, PO Box 404 Bangor, ME 04402	Dir of Operat 40	87,914.	22,910.	0.
Marcia L. Young 489 State Street, PO Box 404 Bangor, ME 04402	Administrator 40	53,470.	11,316.	0.

Total number of other employees paid over $50,000 ► 0

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** *(continued)*

3 Five highest-paid independent contractors for professional services — (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
Lifeline Systems, Inc. PO Box 846071 Boston, MA 02284	Monitoring Lifeline	168,738.
Total number of others receiving over $50,000 for professional services ►		0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 SYLVIA ROSS HOME-Operation of a 13-bed residential boarding home for the elderly	578,407.
2 CONTINUING CARE INFO CENTER-Resource for anyone who has questions about available hospital and community health programs	892,209.
3 LIFELINE-Home health care monitors worn by participants which signals help when activated	232,483.
4 DIRIGO PINES INN-Specialized elderly housing and assisted living Also see attached publication.	6,088,411.

Part IX-B **Summary of Program-Related Investments** (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments. See instructions 3	
Total. Add lines 1 through 3 ►	0.

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc, purposes a Average monthly fair market value of securities		1a	
b Average of monthly cash balances		1b	370,596.
c Fair market value of all other assets (see instructions)		1c	1,076,143.
d Total (add lines 1a, b, and c)		1d	1,446,739.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0.		
2 Acquisition indebtedness applicable to line 1 assets		2	780,000.
3 Subtract line 2 from line 1d		3	666,739
4 Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	10,001.
5 Net value of noncharitable-use assets Subtract line 4 from line 3 Enter here and on Part V, line 4		5	656,738.
6 Minimum investment return Enter 5% of line 5		6	32,658.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here G [X] and do not complete this part)

1 Minimum investment return from Part X, line 6 N/A		1	
2a Tax on investment income for 2008 from Part VI, line 5	2a		
b Income tax for 2008 (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	
3 Distributable amount before adjustments Subtract line 2c from line 1		3	
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	
6 Deduction from distributable amount (see instructions)		6	
7 Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc, purposes a Expenses, contributions, gifts, etc ' total from Part I, column (d), line 26		1a	6,534,917.
b Program-related investments ' total from Part IX-B		1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc, purposes		2	701,539
3 Amounts set aside for specific charitable projects that satisfy the a Suitability test (prior IRS approval required)		3a	
b Cash distribution test (attach the required schedule)		3b	
4 Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4		4	7,236,456
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)		5	839
6 Adjusted qualifying distributions Subtract line 5 from line 4		6	7,235,617.

Note The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

N/A

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2007:				
a Enter amount for 2007 only.				
b Total for prior years: 20___, 20___, 20___				
3 Excess distributions carryover, if any, to 2008:				
a From 2003				
b From 2004				
c From 2005				
d From 2006				
e From 2007				
f **Total** of lines 3a through e				
4 Qualifying distributions for 2008 from Part XII, line 4: ► $				
a Applied to 2007, but not more than line 2a				
b Applied to undistributed income of prior years (Election required — see instructions)				
c Treated as distributions out of corpus (Election required — see instructions)				
d Applied to 2008 distributable amount.				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2008 *(If an amount appears in column (d), the same amount must be shown in column (a).)*				
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount — see instructions				
e Undistributed income for 2007. Subtract line 4a from line 2a. Taxable amount — see instructions				
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2009				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see instructions)				
9 **Excess distributions carryover to 2009.** Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section [X] 4942(j)(3) or [ ] 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2008	(b) 2007	(c) 2006	(d) 2005	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	0.				0.
b 85% of line 2a					0.
c Qualifying distributions from Part XII, line 4 for each year listed	7,236,456.	7,053,732.	11,255,464.	1,322,576.	26,868,228.
d Amounts included in line 2c not used directly for active conduct of exempt activities					0.
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	7,236,456.	7,053,732.	11,255,464.	1,322,576.	26,868,228.
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test – enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	21,772.	24,814.	24,897.	20,565.	92,048.
c 'Support' alternative test – enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year – see instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

None

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

None

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:**

Check here ▶ [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc, (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed·

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment N/A

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
Total . . . . . ► **3a**				
b *Approved for future payment*				
Total . . . . . ► **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		
	(a) Business code	(b) Amount	(c) Exclu-sion code	(d) Amount	(e) Related or exempt function income (see the instructions)
1 Program service revenue:					
a See Statement 16					5,911,180.
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	7,712.	
4 Dividends and interest from securities					
5 Net rental income or (loss) from real estate:					
a Debt-financed property					97,144.
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory					
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				7,712.	6,008,324.
13 **Total.** Add line 12, columns (b), (d), and (e)				13	6,016,036.

(See worksheet in the instructions for line 13 to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See the instructions)
1a-1f	All activities contributed importantly to the exempt purpose to provide treatment and housing to elderly persons in need of long term nursing care. A telephone reassurance program (telecare) and emergency response service (Lifeline) as well as educational programs were provided. Rosscare provided elderly apartment living with varying levels of care and services, including full assisted living services, meals, activities, and 24-hour emergency response.
5a	Rental to exempt affiliate pursuant to exempt function.
	Also see Part IX-A.

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

		Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1)	Cash	1a (1)		X
(2)	Other assets	1a (2)		X
b	Other transactions:		
(1)	Sales of assets to a noncharitable exempt organization	1b (1)		X
(2)	Purchases of assets from a noncharitable exempt organization	1b (2)		X
(3)	Rental of facilities, equipment, or other assets	1b (3)		X
(4)	Reimbursement arrangements	1b (4)		X
(5)	Loans or loan guarantees	1b (5)		X
(6)	Performance of services or membership or fundraising solicitations	1b (6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is 'Yes,' complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? . . . [X] Yes [ ] No

b If 'Yes,' complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
EMH Real Estate	501(c)(2)	Sister organization ~~Holds title to real property~~
TAMC Title Corp	501(c)(2)	Sister organization Holds title to real property

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

SIGN HERE

► David B. Colley — 7-7-10 — ► Treasurer

Signature of officer or trustee — Date — Title

Paid Preparer's Use Only	Preparer's signature ► Self-Prepared	Date	Check if self-employed ► [ ]	Preparer's Identifying number (See Signature in the instrs)
	Firm's name (or yours if self-employed), address, and ZIP code ►		EIN ►	
			Phone no ►	

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

► Attach to Form 990, 990-EZ and 990-PF
► See separate instructions.

OMB No 1545-0047

2008

Name of the organization	Employer identification number
Rosscare	01-0391038

Organization type (check one):

Filers of:	Section:
Form 990 or 990-EZ	☐ 501(c)(____) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

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

General Rule –

☒ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor (Complete Parts I and II.)

Special Rules –

☐ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (**1**) $5,000 or (**2**) 2% of the amount on Form 990, Part VIII, line 1h or 2% of the amount on Form 990-EZ, line 1 Complete Parts I and II

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than $1,000 (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of $5,000 or more during the year) ► $_____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** answer 'No' on Part IV, line 2 of their Form 990, or check the box in the heading of their Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization: Rosscare

Employer identification number: 01-0391038

Part I Contributors (see instructions)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Sylvia Ross Trust PO Box 923 Bangor, ME 04402-0923	$ 318,653.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)

Name of organization	Employer identification number
Rosscare	01-0391038

Part II Noncash Property (see instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A	$	

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

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

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

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

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

Name of organization: Rosscare

Employer identification number: 01-0391038

Part III *Exclusively* **religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than $1,000 for the year.** (Complete cols (a) through (e) and the following line entry)

For organizations completing Part III, enter total of *exclusively* religious, charitable, etc, contributions of **$1,000 or less** for the year. (Enter this information once – see instructions.) .. ► $ N/A

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

Statement 1
Form 990-PF, Part I, Line 11
Other Income

	(a) Revenue per Books	(b) Net Investment Income	(c) Adjusted Net Income
Flu shots	$ 7,565.		$ 7,565.
Geriatric pt care consult	3,043.		3,043.
Interest Inc on Flex Acct	11.		11.
Lifeline units rental.	326,408.		326,408.
Patient care revenue	2,541.		2,541.
Specialized elderly hous	5,191,646.		5,191,646.
Sylvia Ross Home resident	379,966.		379,966.
Total	$ 5,911,180.	$ 0.	$ 5,911,180.

Statement 2
Form 990-PF, Part I, Line 16a
Legal Fees

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Eaton Peabody	$ 456.			
Gross, Minsky & Mogul PA.	2,777.			
Total	$ 3,233.	$ 0.	$ 0.	$ 0.

Statement 3
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Affiliated Healthcare Management bkpg	$ 100,000.			
Berry, Dunn, McNeil & Parker audit - DPI	32,535.			
Deloitte & Touche annual audit-Rosscare	9,673.			
Total	$ 142,208.	$ 0.	$ 0.	$ 0.

Statement 4
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Consulting Fees	$ 85,813.		$ 85,813.	$ 86,813.
Lifeline Monitoring Service	134,737.		134,737.	145,546.
Management Fees	156,698.		156,698.	156,698.
Medical Staff Contracted Service	17,058.		17,058.	17,058.
Other Professional Fees	19,119.		19,119.	18,977.
Total	$ 413,425.	$ 0.	$ 413,425.	$ 425,092.

Statement 5
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Corporate taxes and licenses	$ 2,122.			
Employee Credential/Licenses	355.			
Property taxes	209,163.			
Sales tax	603.			
Tax on investment income	-554.			
Total	$ 211,689.	$ 0.	$ 0.	$ 0.

Statement 6
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Advertising	$ 44,526.		$ 39,693.	$ 44,558.
Banking Services	20,351.	$ 20,351.		
Dues & Subscriptions	7,395.		7,395.	7,813.
Equipment Rental	37,198.		37,198.	37,146.
Food	295,172.		34,697.	294,643.
Information Technology	15,072.		15,072.	14,957.
Insurance	161,001.			161,001.
Laundry	5,635.		5,635.	5,775.
Miscellaneous	23,519.		2,945.	23,519.
Postage	5,682.		5,682.	5,857.
Provision for bad debts	11,231.		11,231.	
Rental Expenses	21,025.	21,025.		
Repairs	95,990.		95,990.	95,358.
Shared Services Expense	288,231.	627.	287,604.	285,384.
Supplies	210,858.		210,858.	217,227.
Total	$ 1,242,886.	$ 42,003.	$ 754,000.	$ 1,193,238.

Statement 7
Form 990-PF, Part II, Line 11
Investments - Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Machinery and Equipment	$ 25,000.	$ 19,375.	$ 5,625.	$ 25,000.
Buildings	1,958,265.	887,747.	1,070,518.	1,958,265.
Total	$ 1,983,265.	$ 907,122.	$ 1,076,143.	$ 1,983,265.

Statement 8
Form 990-PF, Part II, Line 14
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value	Fair Market Value
Machinery and Equipment	$ 2,664,557.	$ 302,726.	$ 2,361,831.	$ 2,664,557.
Buildings	17,226,849.	4,250,650.	12,976,199.	17,226,849.
Improvements	1,124,265.	21,593.	1,102,672.	1,124,265.
Land	1,663,638.		1,663,638.	1,663,638.
Miscellaneous	7,890.	2,367.	5,523.	7,890.
Total	$ 22,687,199.	$ 4,577,336.	$ 18,109,863.	$ 22,687,199.

Statement 9
Form 990-PF, Part II, Line 15
Other Assets

	Book Value	Fair Market Value
Benefit Trust Assets	$ 6,034,032.	$ 6,034,032.
Interest in net assets held at HC	21,521.	21,521.
Investment in Subsidiaries	2,778,753.	2,778,753.
Org costs & other long term investments	1,464.	1,464.
Replacement Reserve	746,326.	746,326.
Self-Insurance Funds Held by Trustee	481.	481.
Total	$ 9,582,577.	$ 9,582,577.

Statement 10
Form 990-PF, Part II, Line 21
Mortgages and Other Notes Payable

Mortgages Payable	Balance Due
Suburban Mortgage Assoc.	$ 16,386,002.
Total Mortgages Payable	$ 16,386,002.

Other Notes Payable	Balance Due
Lender's Name:	Eastern Maine Healthcare Syste
Relationship of Lender:	Parent company
Date of Note:	6/14/1999
Maturity Date:	6/14/2019
Repayment Terms:	Monthly payments

Statement 10 (continued)
Form 990-PF, Part II, Line 21
Mortgages and Other Notes Payable

Other Notes Payable		Balance Due
Interest Rate:	1.26%	
Security Provided:	None	
Purpose of Loan:	Capital project financing	
Desc. of Consideration:	None	
FMV of Consideration:	0.	
Original Amount:	1,600,000.	
Balance Due:		$ 780,000.
Lender's Name:	Eastern Maine Healthcare Syste	
Relationship of Lender:	Parent company	
Date of Note:	9/09/2008	
Maturity Date:	10/01/2009	
Repayment Terms:	Monthly interest	
Interest Rate:	1.26%	
Security Provided:	None	
Purpose of Loan:	Working capital line of credit	
Desc. of Consideration:	None	
FMV of Consideration:	0.	
Original Amount:	8,543,104.	
Balance Due:		7,898,104.
Lender's Name:	Machias Savings Bank	
Date of Note:	4/15/2005	
Maturity Date:	4/14/2011	
Repayment Terms:	Monthly principal & int	
Interest Rate:	3.25%	
Security Provided:	Real property	
Purpose of Loan:	Working capital	
Desc. of Consideration:	None	
FMV of Consideration:	0.	
Original Amount:	2,000,000.	
Balance Due:		1,999,446.
Lender's Name:	Dirigo Pines Development Compa	
Relationship of Lender:	Affiliate	
Date of Note:	4/14/2005	
Maturity Date:	4/14/2010	
Repayment Terms:	Semi-annual princ & int	
Interest Rate:	4.75%	
Security Provided:	TIF proceeds	
Purpose of Loan:	Working capital	
Desc. of Consideration:	None	
FMV of Consideration:	0.	
Original Amount:	1,000,000.	
Balance Due:		887,890.
	Total Other Notes Payable	$ 11,565,440.
	Total Mortgages and Other Notes Payable	$ 27,951,442.

Statement 11
Form 990-PF, Part II, Line 22
Other Liabilities

Reserve for Retiree Health Benefits	$	203,084.
Reserve for Self-Insurance Program		506.
Total	$	203,590.

Statement 12
Form 990-PF, Part III, Line 3
Other Increases

Transfer from exempt parent-Eastern Maine Healthcare Systems	$	147.
Transfer from Subsidiary		851,312.
Total	$	851,459.

Statement 13
Form 990-PF, Part III, Line 5
Other Decreases

Change in interest in net assets held @ Healthcare Charities	$	1,203.
Change in Unrealized Gain or Loss		365,256.
Pension Liability FAS158		99,655.
Transfer to exempt parent - Eastern Maine Healthcare Systems		79.
Total	$	466,193.

Statement 14
Form 990-PF, Part VII-A, Line 11
Controlled Entity Transfers

Transfers To Controlled Entity

Controlled Entity Name:	Eastern Maine Medical Center	
Address:	43 Whiting Hill Road	
Address:	Brewer, ME 04412	
Federal EIN:	01-0211501	
Description of Transfer:	Fees for services	
Amount of Transfer:		$ 12,339.
Controlled Entity Name:	Affiliated Materiel Services	
Address:	PO Box 1300	
Address:	Bangor, ME 04402-1300	
Federal EIN:	01-0381189	
Description of Transfer:	Purchases of supplies and services	
Amount of Transfer:		$ 3,534.
Controlled Entity Name:	Affiliated Healthcare Management	
Address:	PO Box 811	
Address:	Bangor, ME 04402-0811	
Federal EIN:	01-0349339	
Description of Transfer:	Purchases of services	

Statement 14 (continued)
Form 990-PF, Part VII-A, Line 11
Controlled Entity Transfers

Amount of Transfer:		$ 392.
Controlled Entity Name:	Affiliated Pharmacy Services	
Address:	917 Union Street, Suite 7	
Address:	Bangor, ME 04401	
Federal EIN:	01-0587230	
Description of Transfer:	Purchase of supplies	
Amount of Transfer:		$ 62.
Controlled Entity Name:	Healthcare Charities	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	22-2514163	
Description of Transfer:	Fees for services	
Amount of Transfer:		$ 1,000.
Controlled Entity Name:	Inland Hospital	
Address:	200 Kennedy Memorial Drive	
Address:	Waterville, ME 04901	
Federal EIN:	01-0217211	
Description of Transfer:	Fees for services	
Amount of Transfer:		$ 184.
Controlled Entity Name:	Eastern Maine Healthcare Systems	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	01-0527066	
Description of Transfer:	Fees for services	
Amount of Transfer:		$ 288,231.
Controlled Entity Name:	Eastern Maine Healthcare Systems	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	01-0527066	
Description of Transfer:	Self-Insurance programs	
Amount of Transfer:		$ 150,218.
Controlled Entity Name:	Eastern Maine Healthcare Systems	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	01-0527066	
Description of Transfer:	Leases	
Amount of Transfer:		$ 26,130.
Controlled Entity Name:	Eastern Maine Healthcare Systems	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	01-0527066	
Description of Transfer:	Strategic pool	
Amount of Transfer:		$ 79.
Controlled Entity Name:	Eastern Maine Healthcare Systems	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	01-0527066	
Description of Transfer:	Principal and interest	

Statement 14 (continued)
Form 990-PF, Part VII-A, Line 11
Controlled Entity Transfers

Amount of Transfer:		$ 242,963.
	Total	$ 725,132.

Transfers From Controlled Entity

Controlled Entity Name:	Eastern Maine Medical Center	
Address:	489 State Street, PO Box 404	
Address:	Bangor, ME 04402-0404	
Federal EIN:	01-0211501	
Description of Transfer:	Rent	
Amount of Transfer:		$ 199,000.
Controlled Entity Name:	Eastern Maine Medical Center	
Address:	489 State Street, PO Box 404	
Address:	Bangor, ME 04402-0404	
Federal EIN:	01-0211501	
Description of Transfer:	Fees for services	
Amount of Transfer:		$ 3,043.
Controlled Entity Name:	Healthcare Charities	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	22-2514163	
Description of Transfer:	Restricted contributions	
Amount of Transfer:		$ 4,178.
Controlled Entity Name:	Rosscare Nursing Homes Inc.	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	01-0430751	
Description of Transfer:	Distribution from nursing homes	
Amount of Transfer:		$ 350,000.
Controlled Entity Name:	Rosscare Nursing Homes, Inc.	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	01-0430751	
Description of Transfer:	Fees for services	
Amount of Transfer:		$ 15,164.
Controlled Entity Name:	Eastern Maine HomeCare	
Address:	PO Box 688	
Address:	Caribou, ME 04736-0688	
Federal EIN:	01-0328442	
Description of Transfer:	Fees for services	
Amount of Transfer:		$ 647.
Controlled Entity Name:	Eastern Maine Healthcare Systems	
Address:	43 Whiting Hill Road, Suite 400	
Address:	Brewer, ME 04412	
Federal EIN:	01-0527066	
Description of Transfer:	Strategic pool distribution	
Amount of Transfer:		$ 147.
Controlled Entity Name:	Eastern Maine Healthcare Systems	
Address:	43 Whiting Hill Road	

Statement 14 (continued)
Form 990-PF, Part VII-A, Line 11
Controlled Entity Transfers

Address:	Brewer, ME 04412	
Federal EIN:	01-0527066	
Description of Transfer:	Line of credit borrowing	
Amount of Transfer:		$ 1,190,000.
	Total	$ 1,762,179.

Statement 15
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compensation	Contribution to EBP & DC	Expense Account/ Other
Peter G. Arabadjis, MD 9 Kell St Orono, ME 04473-4241	Board Member 0.50	$ 0.	$ 0.	$ 0.
Daniel B. Coffey, Exec VP/CFO EMHS, 43 Whiting Hill Rd Brewer, ME 04412-1005	Treasurer 0.50	0.	0.	0.
Allan D. Currie, MD PO Box 2838 Bangor, ME 04402-2838	Chairman 0.50	0.	0.	0.
Leonard Giambalvo, VP/Gen Coun EMHS, 43 Whiting Hill Rd Brewer, ME 04412-1005	Secretary 0.50	0.	0.	0.
James H. Tobin, Jr. 350 Charleston Road Dexter, ME 04930-2503	Board Member 0.50	0.	0.	0.
Cynthia Hardy 34 Silver Ridge Veazie, ME 04401-7080	~~Vice Chairman~~ 0.50	0.	0.	0.
Lisa Harvey-McPherson 43 Whiting Hill Road Brewer, ME 04412	Vice President 2.00	0.	0.	0.
Mary M. Hood, President EMHS, 43 Whiting Hill Rd Brewer, ME 04412-1005	Ex-Officio 0.50	0.	0.	0.
Lenard Kaye 25 Texas Ave Bangor, ME 04401	Board Member 0.50	0.	0.	0.

Statement 15 (continued)
Form 990-PF, Part VIII, Line 1
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compensation	Contribution to EBP & DC	Expense Account/ Other
Sandra M. Leonard PO Box 755 Bangor, ME 04402-0755	Board Member 0.50	$ 0.	$ 0.	$ 0.
Gary W. Smith 133 Center Street Bangor, ME 04402-2231	Board Member 0.50	0.	0.	0.
Walter Travis 53 Stoneybrook Rd Hampden, ME 04444-1621	Board Member 0.50	0.	0.	0.
Michael Young 35 Hildreth St Bangor, ME 04401	Board Member 0.50	0.	0.	0.
Scott Oxley 43 Whiting Hill Road Brewer, ME 04412	Vice President 0.50	0.	0.	0.
	Total	$ 0.	$ 0.	$ 0.

Statement 16
Form 990-PF, Part XVI-A, Line 1
Program Service Revenue

Program Service Revenue	(A) Business Code	(B) Unrelated Business Amount	(C) Exclusion Code	(D) Excluded Amount	(E) Related or Exempt Function
Flu shots					$ 7,565.
Geriatric pt care consult					3,043.
Interest Inc on Flex Acct					11.
Lifeline units rental					326,408.
Patient care revenue					2,541.
Specialized elderly hous					5,191,646.
Sylvia Ross Home resident					379,966.
Total		$ 0.		$ 0.	$ 5,911,180.

Form **8868**
(Rev April 2009)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

► File a separate application for each return.

OMB No 1545 1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . ► [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I **Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension – check this box and complete Part I only ► [ ]

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

Electronic Filing ***(e-file).*** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits.*

Type or print / File by the due date for filing your return See instructions	Name of Exempt Organization	Employer identification number
	Rosscare	01-0391038
	Number, street, and room or suite number If a P O box, see instructions	
	43 Whiting Hill Road, Suite 400	
	City, town or post office, state, and ZIP code For a foreign address, see instructions	
	Brewer, ME 04412	

Check type of return to be filed (file a separate application for each return)

[ ] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (section 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[X] Form 990-PF	[ ] Form 1041-A	[ ] Form 8870

- The books are in the care of ► Scott A. Oxley

Telephone No. ► 207 973-5114 FAX No. ► 207 973-7139

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 5/15, 20 10, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► [ ] calendar year 20 ___ or

► [X] tax year beginning 9/28, 20 08, and ending 9/26, 20 09.

2 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	$ 0.
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	$ 1,062.
c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	$ 0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box ► [X]

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print / File by the extended due date for filing the return See instructions	Name of Exempt Organization	Employer identification number
	Rosscare Nursing Homes, Inc.	01-0430751
	Number, street, and room or suite number If a P O box, see instructions	For IRS use only
	43 Whiting Hill Road, Suite 400	
	City, town or post office, state, and ZIP code For a foreign address, see instructions	
	Brewer, ME 04412	

Check type of return to be filed (File a separate application for each return).

[X] Form 990	[ ] Form 990-PF	[ ] Form 1041-A	[ ] Form 6069
[ ] Form 990-BL	[ ] Form 990-T (section 401(a) or 408(a) trust)	[ ] Form 4720	[ ] Form 8870
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in care of ► Scott A. Oxley
  Telephone No ► 207 973-5114 FAX No. ► 207 973-7139
- If the organization does not have an office or place of business in the United States, check this box ► [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) 5247 . If this is for the whole group, check this box ► [ ] . If it is for part of the group, check this box ► [X] and attach a list with the names and EINs of all members the extension is for. Rosscare Nursing Homes, Inc. 01-0430751

4 I request an additional 3-month extension of time until 8/15 , 20 10.

5 For calendar year , or other tax year beginning 9/28 , 20 08 , and ending 9/26 , 20 09.

6 If this tax year is for less than 12 months, check reason. [ ] Initial return [ ] Final return [ ] Change in accounting period

7 State in detail why you need the extension Taxpayer respectfully requests additional time to gather information necessary to file a complete and accurate tax return.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	8a	$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b	$
c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instrs	8c	$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ► [signature] Title ► Treasurer Date ► 4-8-10

Embracing change to support our communities and enhance our connections

ANNUAL REPORT 2009

EMHS
Access to Quality Healthcare

Change is inevitable.

AS HEALTHCARE REFORM has played out on the national stage in recent months, the words of Alfred North Whitehead ring especially true today: "The art of progress is to preserve order amid change and to preserve change amid order." To avoid chaos in change, we rely on our checks and balances, and give and take, because one thing is for certain—in healthcare there is always change.

From a national perspective, no change may be greater than the prospects of national healthcare reform. While there remains great uncertainty around the next steps in the reform movement, we should be certain that these steps will likely be only the roots of continued shifts in how patient care will be delivered and financed. These changes may well alter the definition we currently apply to hospitals, and healthcare, not unlike shifts over the last century.

For example, in 1900 America's hospitals were known as places for people to go to die. The majority of patients admitted to hospitals at that time did not survive to be discharged. Obviously, advancement in medicine and technology has transformed the definition of hospitals into places of remarkable healing and life saving techniques. Our current hospitals and delivery structures were largely influenced by economic and social dynamics in the post World War II era. Federal incentives encouraged communities to build new hospitals to serve as cornerstones of their community and a focus of many healthcare related activities. Hospitals were designed to provide for the general surgical, obstetrical, and diagnostic needs of a population with an average life expectancy of 56 years of age.

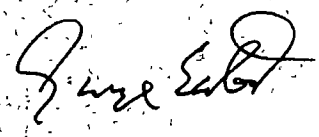
Positive changes

How we adapt is what matters.

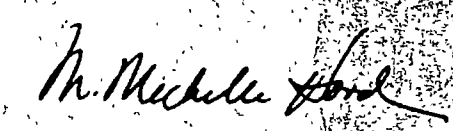
Michelle enjoys playtime with children at Parkside Daycare during the launch of EMHS' Childhood Obesity Project.

Today, we face different challenges with a population that is expected to live well and actively into their 70s and 80s. Chronic disease is epidemic, while in general hospitals have been designed to handle the crisis events around chronic disease rather than the disease itself. Reform will likely redefine the role of hospitals as we redirect resources into community settings where chronic disease can be most cost-effectively managed. Hospitals and physicians will become closely linked to home health and new forms of community-based care.

EMHS has developed a broad array of hospitals, providers, home health, and long-term care options. We are well positioned to lead the coming transition in rural Maine. We have made significant investments in clinical information technology linking these sites, which will be a required tool in a reformed healthcare continuum. While change will be constant and increasingly fast moving, we will heed Whitehead's advice and strive to preserve order. By embracing change, EMHS will continue to meet our mission to maintain and improve the health and well-being of the people of Maine. We look forward to our partnership with you in the years ahead!



George Eaton, Esq.
EMHS Chairman of the Board



M. Michelle Hood, FACHE
EMHS President and CEO

can mean better access to healthcare.

John C May, President and CEO and John Delile, Board Chair · Pittsfield, Carmel, Clinton, Detroit, Newport · 333 · 25-bed, accredited, critical access hospital with a women's health center, surgical, special care and swing bed units; rehabilitation centers, diagnostics, laboratory, cardiopulmonary service, primary care and specialty practices, diabetes and nutrition clinic, sleep study center, and community health services including dental health and transportation

Sebasticook Valley Hospital (SVH)

- Sebasticook Valley Hospital added a new Digital Mammography Unit with the first HD Digitizer in the country, and a new bone densitometry unit in the SVH Women's Health Center

An electronic patient check-in kiosk added to the SVH in the lobby is the first of its kind in Maine

- A drive-thru flu clinic was added to the lineup of seasonal influenza clinics offerings

As a member of EMHS, SVH signed an agreement with Walmart to open a Sebasticook Valley Hospital Clinic in 2010 at the Walmart Super Center in Palmyra/Newport

SVH president and CEO Jack May and Information Systems/ Central Registration director Peggy Romano demonstrates the new patient registration kiosks at a conference.

SVH began offering a new laboratory "House Call" service for patients who have challenges traveling from their home to an SVH Lab location

- Recruited general surgeon Debra Silkes, MD, FACS, primary care physician Reynaldo Arceo, DO, emergency department physician Todd Tritch, MD, and hired podiatrist Jared Wilkinson, DPM full-time Mid-level primary care provider recruitment included Lisa Gordon, PA-C

- SVH achieved a Blue Ribbon Rating (best) from Maine Health Management Coalition for patient satisfaction, patient safety, and select clinical quality with performance compared to national and state averages and top 10% of US hospitals.

- Avatar International awarded SVH the 2008 for Overall Exemplary Performance and the Five-Star Service Award for Exceeding Patient Expectations.

- Total revenue grew from fiscal year 2008 to fiscal year 2009 by more than $1 9 million and the hospital received more than $468,000 in grant funding

Nearly $65,000 was raised at the annual SVH Benefit Golf Tournament and Auction with proceeds benefiting the Digital Mammography Unit and the Make-a-Wish Foundation This was a more than 9% increase over 2008 Over $465,000 has been raised by this annual event since 2000

More than $20,000 was raised in the annual Breast Cancer Awareness Walk to fund breast care services for those without the ability to pay.

- SVH provided more than $2,086,000 in free care to those in need.

Welcoming opportunities

Geno Murray, President and CEO and Ruth McLaughlin, Board Chair
Greenville, Monson, Sangerville
170
Charles A Dean Memorial Hospital and Nursing Home provides access to quality healthcare to the residents and visitors to the Moosehead Lake region through our 14-bed critical access hospital, 24-bed nursing home, and three Northwoods Healthcare family practice clinics.

Charles A. Dean Memorial Hospital and Nursing Home

With patient safety as a top priority, CA Dean embarked on several projects to help ensure the highest level of quality care These initiatives include.

Implementation of the Pyxis medication dispensing system and remote pharmacy coverage in the hospital and emergency setting The system automatically checks for drug interactions and proper dosing, ensuring patient safety and reducing medication errors

The Northwoods Healthcare clinics instituted an electronic medical records system through their clinics in Greenville, Monson, and Sangerville The electronic record provides immediate access to hospital providers on medications, chronic diseases, and office visits, as well as Emergency Department visits or hospital admissions. The system also alerts providers when screenings or medical tests may be due or if results are out of normal range

CA Dean is also an active participant in the Maine Critical Access Hospital Patient Safety Collaborative The group, comprised of members of the critical access hospitals throughout the state, meets regularly to work on statewide issues regarding patient safety Through grant funding from the Maine Health Access Foundation, the collaborative developed medication safety projects, which were developed to provide patients with their own personal record of the medications they are currently taking If patients see multiple providers, this can become confusing for the patient as well as the other treating providers The packet provides a central repository that can be shared between providers giving a complete medication profile of the patient

Mario Turi, MD and Michael Drouin, MD specialize in orthopedics and gynecology respectively at the Northwoods Healthcare family practice in Sangerville

Looking to provide greater access to the patients of the Guilford/Sangerville region, Northwoods Healthcare opened a new provider practice in the town of Sangerville. The new office space offers patients access to expanded specialties, including physical therapy, laboratory, gynecology, orthopedics, podiatry, and general surgery, as well as additional exam rooms for quicker appointment scheduling

CA Dean welcomed two specialty providers to its growing line of services to the patients of the Moosehead Lake region Michael Drouin, MD, gynecologist and Mario Turi, MD, orthopedics, joined David Rideout, MD, general surgery, and John Toothaker, DPM, podiatry, in providing access to needed services in the Moosehead region Prior to their appointment, patients would need to travel a great distance to receive these services

to become more closely linked with our communities

David Peterson, President and CEO and Barry McCrum, Board Chair. Presque Isle 1,027

A comprehensive healthcare organization operating an 89-bed medical center, a 72-bed nursing home, a regional ambulance service, and numerous primary and specialty care practices.

The Aroostook Medical Center

Recruited 12 new physicians and mid-level providers resulting in a total of 58 active medical staff members and 48 active allied health professionals

- Inducted 20 new employees into Veterans-In-Partnership club for staff who have served more than 20 years, bringing the total membership to 185
- Coordinated the high school Healthcare Career Exploration Program and the seventh annual Survivor Aroostook Camp to encourage local youth to pursue healthcare careers.

Established a TAMC Total Health team with the goal of improving the health and wellness of TAMC staff members

Collaborated with Northern Maine Community College on continuing education courses on medical coding and critical care nursing

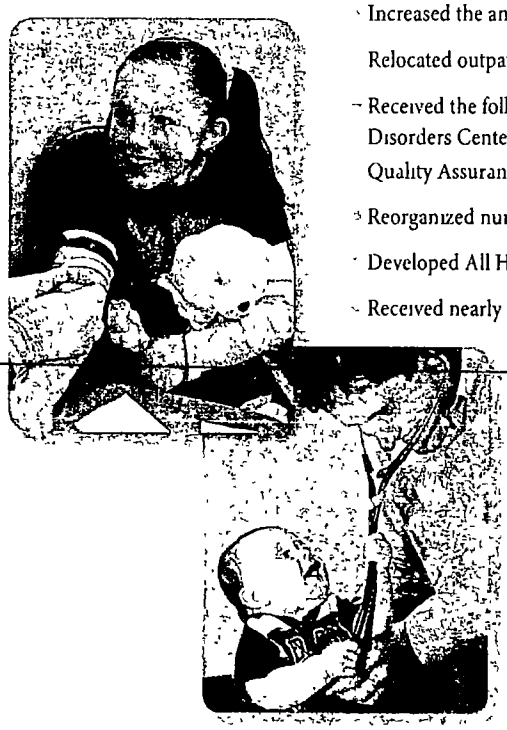
- Recognized 82 volunteers for providing more than 11,638 hours, serving 33 TAMC departments and ten special events
- Increased the annual employee retention rate to 86%

Relocated outpatient psychiatric services to Presque Isle for improved patient convenience

- Received the following awards, designations, and accreditations: Ambulance Service of the Year, Sleep Disorders Center reaccreditation, Maine "Preferred Provider" designation, and National Committee for Quality Assurance certification for North Street Healthcare family practice and internal medicine providers
- Reorganized nursing units to improve patient experience and eliminate need for traveling nurses.
- Developed All Hazards Plan to streamline response to natural disasters and other emergencies
- Received nearly $250,000 in grant funds and donations to support the capital and programmatic needs and provided over $215,000 in financial support through sponsorships and in-kind contributions to enhance community health, workforce development, and economic development in Aroostook County
- Opened North Street Healthcare to improve access to primary, pediatric, and walk-in care

Launched new website to broaden awareness of services available, provide community with public health updates, and improve understanding of health conditions

The Aroostook Medical Center caters to children



David Proffitt, PhD, CEO and John Bragg, Board Chair Bangor 679

The Acadia Hospital is Maine's comprehensive resource for information and treatment of mental illness and chemical dependency.
Acadia is also the first psychiatric hospital in the nation awarded Magnet status for nursing excellence

The Acadia Hospital

As part of its new therapeutic Adventure Program, Acadia Hospital installed an indoor climbing wall in the gym. Acadia staff received training on the wall prior to guiding clients. The Adventure Program also includes an outdoor low and high ropes course on the hospital's campus

- Acadia opened its new state of the art Pediatric and Family Center in September, 2009, which now serves hundreds of children and their families in a more natural, supportive environment The $1 2 million center was built with funds from the successful Keep the Promise Capital Campaign

  Opened a brand new ECT (Electroconvulsive Therapy) Unit which will significantly expand this valuable service to all of northern Maine

  Completed construction of a new 10-bed Psychiatric Observation Unit designed to help hospitals immediately refer people who are in psychiatric distress The observation service will provide a telemedicine outreach component to hospitals in rural Maine

  Allen Schaffer, MD was named Acadia Hospital's new chief medical officer, bringing years of clinical and administrative experience to the position.

- Re-accredited as a Magnet Hospital by the American Nurses Credentialing Center Acadia was the first and remains the only Psychiatric Magnet Hospital in the world and is currently mentoring three international psychiatric facilities and two domestic psychiatric hospitals as they work toward Magnet accreditation

- Implemented adventure-based recreational programming for teens and older children, including field trips and activities on the hospital's low ropes course, installed a climbing wall in the gym, and developed outside high ropes elements.

  Sensory integration rooms were installed. These rooms use music, soothing lighting, blankets of various textures, and calming visuals to help clients manage their emotions

  Achieved a 40% reduction in use of restraints and eliminated mechanical restraints.

  Research studies focused on sleep patterns in persons with schizophrenia, use of Lunesta (a medication to aid in sleep) for people with schizophrenia, and impact of using standardized definitions of health care acquired infections in behavioral health. Other studies included "HYPE: Helping Youth Participate in Emphasizing Strengths," "Geropsychiatric Education in Long-Term Care Facilities," and "Initiating an Educational and Mentoring Program Throughout One Magnet Hospital"

  Program evaluation work took place regarding integration of primary care services in a psychiatric hospital, and supporting the integration of medication-assisted addiction treatment into primary care settings

- Publications featuring Acadia staff included Psychiatric Services, Early Intervention in Psychiatry, and Advance for Nurses (Acadia Hospital's NTP: Strengthening Families and Alliances to Support Healing and Recovery)

  Continued its community outreach via Facebook and Twitter, Challenge Days, and support of the annual NAMI-Maine Walk and Mental Illness Awareness Week

  The Aware Program, a combined research and treatment service for young people at risk for schizophrenia, served dozens of clients, published papers, and presented at national conferences.

- The annual 3 Bands Concert and Swing Fore Life Golf Classic raised more than $35,000 in support of Acadia services

Deborah Carey Johnson, RN, President and CEO and Michael McInnis, Board Chair Bangor/Brewer

3,675 Eastern Maine Medical is the 411-bed regional referral center for the northern two-thirds of Maine, offering specialty and sub-specialty surgical and medical services, as well as a full range of primary to intensive care services.

Eastern Maine Medical Center

Clif Eames, the honorary chair of the Champion the Cure capital campaign and EMMC Healthcare Charities volunteer of the year award recipient, cuts the ribbon during the grand opening of the new Lafayette Family Cancer Center, home of EMMC's CancerCare of Maine Clif is a former EMMC and Acadia Hospital board member and a charter board member of EMHS

EMMC continues its pursuit of excellence as a national leader and role model in the use of information technology to improve the quality and safety of patient care During the past year we hosted many visits from representatives of other states and countries that wanted to see how we do things.

- EMMC was named one of the nation's 100 Most Wired hospitals again this year—the only hospital in Maine recognized with this award in 2009
- Patient satisfaction at EMMC continues to earn national recognition for service to patients, earning Overall Best Performer for the sixth year in a row
- EMMC received national accreditation for the Stroke Center, Trauma Care of Maine, and Surgical Weight Loss Program
- In December, EMMC welcomed patients to the Lafayette Family Cancer Center in Brewer, new home to CancerCare of Maine and the Maine Institute for Human Genetics and Health The commingling of the physicians and patients of CancerCare and the scientists of the institute will provide new opportunities to find breakthrough treatments for cancer
- EMMC's Way to Optimum Weight (WOW) program—a multidisciplinary intervention program for children with weight-related health problems—opened at Cutler Health Center on the University of Maine campus in Orono The first four months have produced very positive results, with children feeling supported and empowered to make changes that will mean a healthier life.
- EMMC continues to pursue a Culture of Excellence, providing the best value in healthcare treatment and access, innovation, advocacy, and employment to the communities we serve

EMMC also opened the state's first health clinics at Walmart Super Centers

- Imaging Center of Maine opened at the EMMC Healthcare Mall—a one stop center for imaging in a warm, supported atmosphere, and convenient location

Felix Hernandez, MD, chief of surgery leads a team during a delicate heart procedure at EMMC

Increasing access to healthcare throughout the

Michael Crowley, President and CEO and Barbara Fister, Board Chair Bangor 17

Healthcare Charities is the center of development and philanthropy support service for EMHS members. We remain dedicated to help ensure access to the highest quality healthcare. Together, our community leaders, donors, and volunteers bring important support to build the best rural healthcare system in America

Healthcare Charities

Blue Hill Memorial Hospital Summer stewardship events were expanded from one event to three

Inland Hospital Realized $100,000 in new endowments to support the Cardiac Rehab Program

- **Maine Institute for Human Genetics and Health** The James Sewall Company gave $38,000 gift-in-kind for development of the BioGeoBank of Maine Thirty-two thousand dollars was raised for a research study on pain management.
- **Healthcare Charities** is now accredited by the Better Business Bureau, less than five percent of Maine charities have achieved this distinction. And, during 2009 Healthcare Charities saw a nearly 40 percent jump in donors and half of them were new

Charles A Dean Memorial Hospital and Nursing Home Received a $200,000 grant from HRSA to assist with capital projects for the second year in a row. Received a $50,000 MEHAF grant for patient safety

- **The Acadia Hospital** Completed the Keep the Promise capital campaign.

EMMC Champion the Cure Capital Campaign Regional media donated expertise and promotional support totaling 11,000, sixty-second radio spots on 22 radio stations, weekly ads in the *Bangor Daily News*, monthly spots in the *Bangor Metro*, articles in the *Ellsworth American* and the *Mount Desert Islander*, and TV ads on nearly all local stations and cable Nearly $10 million in cash gifts, pledges, in-kind gifts and deferred gifts have been made to date

- **Sebasticook Valley Hospital** raised $64,900 at the SVH Annual Benefit Golf Tournament More than $23,000 was raised to provide free mammograms The SVH Auxiliary donated $6,000 for the new Digital Mammography Unit
- **Rosscare** Rosscare Telecare celebrated 30 years of well-check calls to more than 100 seniors in the greater Bangor Area.

Top photo Janet Hock, PhD, BDS welcomes Eric Hartz, MD to the Run for Hope. Bottom: Runners and walkers gather for the start of the 2009 Run for Hope

Eastern Maine HomeCare Received $25,000 from the Davis Family Foundation for information systems upgrade The Inaugural Robin Tate Brown Memorial Bowl-a-Thon supported Pathfinders Hancock County HomeCare & Hospice was this year's recipient of over $11,000 from the Annual St. Francis Fair

The Aroostook Medical Center Realized significant increase in memorial gifts through improved donor relations

- **Children's Miracle Network** The Bangor area Rite Aid stores led the entire nation in dollars raised per store The Log-a-Load golf outing raised more money than ever before, and Log-a-Load itself locally raised almost $500,000

region we serve

LEADERSHIP Miles Theeman, President and CEO and Bion Foster, Acting Board Chair [illegible] Bangor, Portland, and Rutland, Vermont [illegible] 562 [illegible] A taxable company, whose primary mission is to enhance the clinical care delivery systems within EMHS by providing cost-effective, integrated support services for its member organizations, and pursuing profitable, sustainable growth opportunities

Affiliated Healthcare Systems

2009 Best Places to Work in ME

AHS was named a "Best Places to Work in Maine 2009" by the Maine Society for Human Resources Management, one of only 31 companies statewide so honored and one of only seven with more than 250 employees

Affiliated Laboratory, Inc (ALI) became the only laboratory in the state offering molecular testing for respiratory virus detection

ALI processed more than 500,000 "orderable tests" for non-EMMC clients, the highest total in its history.

- Affiliated Collections, Inc (ACI) placements exceeded $37 6 million dollars, 16 percent higher than its previous record year
- Affiliated Materiel Services (AMS) opened a new 50,000 square foot distribution center inside the Penobscot Logistic Solutions building in Bangor Penobscot Logistic Solutions is a joint venture between AHS, Dysart's and The Cianbro Corp
- AMS Physician division won its sixteenth consecutive "Pacesetter" award from NDC; its national buying group became a Diamond Elite Club member recognizing double digit purchasing growth for three consecutive years and was one of 12 member distributors in the multi-million dollar club
- AMS physician division sales exceeded $7 5 million dollars, 6% higher than its previous record volume set the previous year

AHS employees gather outside the Douglas Brown building before festivities celebrating their "Best Workplace" status

- Affiliated Transcription Services (ATS) produced more than 29 million lines of transcription, an 11% increase over its previous record volume ATS also achieved a 99 7% accuracy rate
- ATS launched its speech/voice recognition capability, which when fully operational should be utilized for 30-40% of all dictation
- Affiliated Pharmacy Services (APS), in cooperation with EMMC, launched "First Script" program to ensure that patients have their prescriptions in hand at the time of discharge
- Capital Ambulance provided a company record 11,592 ambulance runs throughout Maine
- Capital Ambulance, in a joint effort with Sebasticook Valley Hospital, stepped up to provide EMS/911 ambulance service to the towns of Dixmont, Etna, Newburgh, and Plymouth after the previous service ceased operations
- AHS hired a sales representative to concentrate on the long-term care market and to support ACI's commercial business.
- AHS implemented a fuel assistance benefit for its employees and served sixteen employees and their families.
- AHS provided $145,000 in donations to Healthcare Charities in support of EMHS hospitals and care providers and $14,000 in charitable contributions to non-EMHS organizations.

Janet Hock, Executive Director and M. Michelle Hood, Chair. Bangor, Brewer, Bar Harbor

The institute conducts exploratory clinical research intended to drive improvements in healthcare and act as a catalyst for change by developing strategies to reduce the burden of chronic diseases, especially cancer, in rural healthcare

Maine Institute for Human Genetics and Health

- At our research facility on Sylvan Road in Bangor, we sought to understand how modifiable risks due to the environment contribute to overall cancer risk, and identify prognostic markers of early risk Several University of Maine and Husson University research faculty shared this space with the institute

The institute had a genetics research program located at The Jackson Laboratory

The institute supported community participatory research, and in partnership with the University of Maine, hosted the statewide Maine Neurogenetics Consortium with more than 140 members

The institute had three postdoctoral students and eight college interns in the past year

With its partners, University of Maine, Dahl-Chase Pathology, and Trillium Diagnostics, the Maine Institute for Human Genetics and Health secured a highly competitive $1 2 million grant from the Maine Technology Asset Fund of the Maine Institute for Technology The grant money will be used to create a Flow Cytometry Suite at the institute's Sylvan Road laboratory

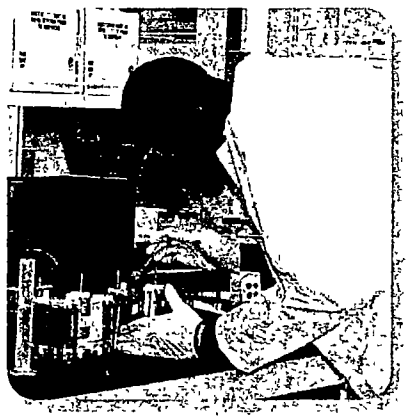
The institute's BioGeoBank opened for collection of tissues from patients with cancer and its importance was recognized on the front page of the *Bangor Daily News* with an article by Meg Haskell entitled, "Mapping Cancer"

- Xijie Yu, PhD, won a grant award from the Maine Cancer Foundation

Maine Institute for Human Genetics and Health staff moved into a new, state-of-the-art facility on Sylvan Road in Bangor, enhancing the institute's ability to collaborate and move science forward

Scientists at the Maine Institute for Human Genetics and Health were recognized as "thought leaders" and tapped by the National Institute for Health and United States Department of Defense to participate in evaluating other projects

- Numerous students from excellent schools both in state and outside (including Wellesley and University of Chicago) participated in an internship program—thus Maine Institute for Human Genetics and Health is helping to reverse the Maine's "brain drain"



Researchers at the Institute have access to the very latest scientific equipment.

Researching *new treatments to improve care*

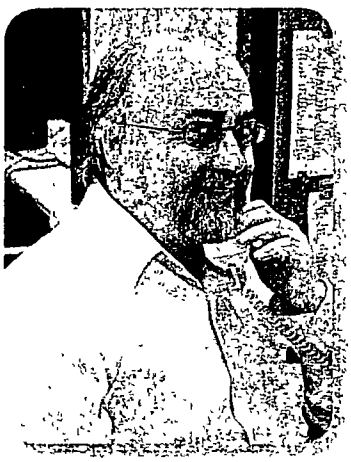
Michelle Hood, CEO and Cynthia Hardy, Board Chair

Bangor, Orono, Dexter, Lincoln

118 (includes core departments and Dirigo Pines)

Rosscare's philosophy is to value aging and strive to improve the lives of older adults through a network of senior services that provide resources, education, housing, and support services for older adults, their families, and caregivers throughout the EMHS service region.

Rosscare



Tom Battin is a trained volunteer for Telecare, a program of Rosscare. For more than thirty years, Telecare has been providing warm, friendly, daily check-in phone calls, free of charge, to seniors in greater Bangor

Amy E Cotton, MSN, FNP-BC, FNGNA, director of Rosscare, completed a fellowship in the Sigma Theta Tau International's Geriatric Nursing Leadership Academy and was awarded the first Geriatric Nursing Leadership Award at The Honor Society of Nursing, Sigma Theta Tau International (STTI) The award was made possible by a grant from The John A Hartford Foundation She also presented her leadership academy project Always/ Never Care Model© Improving Geriatric Health Care Outcomes Utilizing Gap Analysis at The Honor Society of Nursing, Sigma Theta Tau International, biennial convention held in Indianapolis

- Rosscare, Rosscare partnership homes, Acadia Hospital, and EMMC successfully completed the first year of a three year commitment to integrate comprehensive medical care combining mental and behavioral services with primary care for seniors in the EMHS service region that receive care at Eastern Maine Medical Center and the Rosscare nursing facilities All was made possible by the $297,426 grant the partnership received from Maine Health Access Foundation (MeHAF)

Rosscare and Eastern Maine Community College were awarded a grant from the Bingham Betterment Fund The fund supports charitable priorities such as education, health, and community support Rosscare will receive a payment of $10,000 over three years, for a total of $30,000 Valerie Sauda, RN, MS was selected as the Geriatric Nurse Educator to develop and implement a comprehensive geriatric education program, creating teaching and training programs for nursing students and nursing staff employed in the Rosscare nursing facilities using evidence-based geriatric care research.

- Telecare celebrated 30 years of service. Telecare is a unique program managed by a group of trained volunteers who dedicate their time providing warm, friendly daily check-in calls to more than 100 people who live alone in the Bangor region

Ross Manor under went a major renovation to upgrade its facility Renovations included a new main entrance, a new centralized nursing center, and other facility enhancements

DIRIGO PINES RETIREMENT COMMUNITY

- The Dirigo Inn celebrated its fifth anniversary October 2008 with a good old fashioned hoedown
- Maggie Michaud, RN, was selected as the new executive director to replace retired Barbara Steller, RN in January 2009 Michaud previously worked at Blue Hill Memorial Hospital and before that headed up New England Home Health Care
- The Dirigo Inn renovated one of the two assisted living wings and transformed them into 12 new independent apartments in March 2009
- Dirigo Pines staff and residents were active participants in the Bangor Memory Walk surpassing the fundraising goal by 300% in September 2009

Evolving and growing *to meet ever-changing*

Erik Steele, DO interim CEO and Charles J Hatfield II, Board Chair

Blue Hill, Bucksport, Castine, and Deer Isle/Stonington

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Blue Hill Memorial Hospital, founded in 1924, is a critical access, 25-bed rural hospital. Our mission is to provide primary and selected specialty healthcare of outstanding quality, care for our patients with respect and compassion, and improve the health of the communities we serve.

Blue Hill Memorial Hospital

Blue Hill Memorial Hospital encountered a difficult economic climate in 2009, prompting interim CEO Erik Steele, DO to charge his team with considering and capturing opportunities for organizational change and renewal While difficult business decisions were made, including the painful closure of the hospital's obstetrics program, Blue Hill Memorial Hospital is emerging stronger than ever with plans for growth and new emphasis on teamwork and accountability

Focused service expansion led to the appointment of two new surgeons, James White, MD (orthopedics), and Kathleen Ober, MD (obstetrics and gynecology), and the launch of a number of other new services including state-of-the-art bone densitometry

Blue Hill Memorial Hospital's affiliation with EMHS remains essential to the organization's ability to provide specialized care in a rural region The hospital's ongoing partnership with EMMC's CancerCare of Maine, and oncologist A Merrill Garrett, MD benefits patients and their loved ones from throughout the Blue Hill Peninsula

Blue Hill Memorial Hospital's inpatient unit implemented electronic medical records, thanks to the partnership with EMHS

As part of its commitment to growth, Blue Hill Memorial Hospital expanded its evening hours for laboratory and mammography services, women's healthcare, and primary care Patient feedback suggests that the expanded hours are seen as yet another sign of the hospital's commitment to personalized care close to home Patients who work full-time, or who have parenting or elder care responsibilities especially appreciated the new hours

Island Family Medicine's Charles Zelnick, MD continues to treat and study chronic illnesses through federally-funded grants that focus on diabetes and cardiovascular disease. Individual patients are benefitting from his commitment to helping them manage their own health Thousands of patients will benefit from Dr Zelnick's groundwork for electronic medical records in all of Blue Hill Memorial Hospital's primary care practices

Blue Hill Family practice manager April Chapman and son Evan on a tour of Blue Hill Memorial Hospital

Blue Hill Women's Health Care staff

disease prevention and healthcare needs

John Dalton, CEO and David Glenn-Lewin, Ph D., Chair, Waterville 689

A 48-bed community hospital with Lakewood, a 105-bed continuing care center offering long-term/skilled nursing/dementia care, and 16 primary and specialty care physician offices in Fairfield, Unity, Madison/Skowhegan, North Anson, Waterville and Oakland.

Inland Hospital

Wicked good hospital food Inland Food Services team leader, Jim Moore serves up Inland's Grilled Chicken Panini sandwich that won Best Sandwich at the annual Taste of Greater Waterville event in 2009.

Jim Nicholson, a Waterville CPA, Inland Hospital trustee for 13 years, and current vice chair of the EMHS Board of Directors, was named an Inland *Legend* This special status is awarded to those who have helped the organization change and improve

Avatar International, an independent company that measures patient and employee satisfaction recognized Inland with six honors· Overall Best Performer for patient satisfaction in Avatar's national database of hospitals, Exceeding Patient Expectations, Five Star Service in the inpatient and outpatients areas, and Top Performer in Satisfaction Surveys of Employees and Physicians.

Inland made progress on the journey toward zero preventable errors in the care delivered by implementing and hardwiring processes to ensure compliance with an additional nine patient safety and quality goals, bringing the current total to 19 of 34 goals completed

Created an electronic Intensive Care Unit that gives Inland medical staff immediate, 24/7 connection to expert critical care providers at EMMC

Established the Bickford Medical Simulation Program thanks to a generous donation by Chuck and Joan Bickford of Winslow Chuck is a long-time Inland trustee and Joan is a dedicated volunteer at the hospital

Began implementing Electronic Medical Record systems in our physician practices and at Lakewood that integrate with systems at Inland and providers throughout EMHS

Achieved 40% growth in provider activity and 22% growth in outpatient procedures

Began expansion of our New Horizons Health Care family practice in Unity, investing $1 million into construction and naming the new building "The Bert & Coral Clifford Health Center" thanks to a donation by the Unity Foundation in honor of the Cliffords

Opened *Heart First*, a new integrated cardiac service that offers preventive cardiology, diagnostics and cardiac rehab, all under one roof The Marden Cardiac Rehab Center at Heart First was named after the late "Mickey" Marden, whose family generously donated to the future of cardiac care in Waterville.

Added 14 healthcare providers to our employed staff, including primary care, OB/GYN, cardiology, neurology, orthopedics and rheumatology providers.

Eligible primary care and internal medicine practices received recognition by the National Committee for Quality Assurance Physician Practice Connections Program, which shows that they use systematic processes and information technology to enhance patience care

Performed nearly 1100 blood pressure screenings during 15 health events in the community, identifying more than 500 people at risk for high blood pressure and educating them about how to make healthy changes.

Introduced a successful, new prevention program through Mid-Maine Regional Adult Education called *Eight Weeks to Wellness* that guides participants to healthier lifestyles

Contributed $50,000 to Waterville area organizations and community groups through our Community Benefit program to support health initiatives, economic, educational, cultural, and other community-building efforts.

Lisa Harvey-McPherson, RN, MBA, MPPM; CEO and Edward (Ed) Gould, Board Chair. Northern, eastern, central Maine. 204 Eastern Maine Homecare sites include Bangor Area Visiting Nurses, Hancock County HomeCare & Hospice, River Valley HomeCare, and Visiting Nurses of Aroostook.

Eastern Maine HomeCare

Eastern Maine HomeCare (EMHC) staff made 67,997 homecare, hospice, and telehealth visits to 3,581 patients in northern, eastern, and central Maine Clinicians drove more than 1 35 million miles to serve their patients

EMHC reorganized to better meet the needs of patients and staff, to achieve best practices across all sites, to streamline administrative and clinical functions, and reduce costs

A $25,000 grant was received from The Davis Family Foundation to improve information system infrastructure and update phone systems to realize the goal of providing central intake to referral sources in 2010

A free, monthly healthy tips enewsletter was launched in 2009 with helpful resources of various topics posted each month to our website These tips include information to help people live more independently and/or help those who are caring for loved ones at home More information can be found at www easternmainehomecare org

- Three Eastern Maine HomeCare sites were named HomeCare Elite, a compilation of the most successful Medicare-certified home healthcare providers in the United States. Bangor Area Visiting Nurses, River Valley HomeCare, and Visiting Nurses of Aroostook.

Joanne Rauscher, PT for Hancock County HomeCare & Hospice, shares a lighthearted moment with patient Veryl Douglass who was celebrating her birthday

- Fazzi Associates, Inc , a national consulting, benchmarking and best practice research firm, awarded Hancock County HomeCare & Hospice and River Valley HomeCare each a 2008 Patient Satisfaction Award of Distinction Agencies named as national best practice agencies are proven leaders and have excelled in one of the most important measures of an agency's quality program—patient satisfaction. Both placed in the top 25% of 350 agencies
- Bangor Area Visiting Nurses programs, Hospice of Eastern Maine, and Pathfinders Support for Grieving Children received partial proceeds of the first-ever Robin L Tate-Brown Memorial Bowl-a-Thon hosted by Family Fun Bowling Center

Hancock County HomeCare & Hospice was selected as this year's recipient for proceeds generated by the popular St Francis Church Fair at the Blue Hill Fairgrounds in August Thanks to this generous support, more than $11,000 was raised for patient care initiatives

River Valley HomeCare received a 2009 Economic Development Project of the Year Award from the Central Maine Growth Council

- Visiting Nurses of Aroostook celebrated 40 years of service to Aroostook County residents. In addition, Fazzi Associates, Inc named the agency a 2008 National Best Practice Agency Based on Home Health Compare quality scores and Medicare financial viability results, Visiting Nurses of Aroostook placed in the top 25% of all agencies in the BestWorks national database to receive a BestWorks Award of Distinction

M. Michelle Hood, President and CEO, Brewer, 423, The Home Office of the EMHS works in support of the nearly 8,000 employees throughout the system, including seven hospitals, emergency transport companies, home health agencies, and numerous long-term care and assisted living facilities. EMHS offers access to high quality healthcare, while striving for efficiencies to control costs.

EMHS (Home Office)

2009 Best Places to Work in ME

BEST PLACES TO WORK

Eastern Maine Healthcare Systems (EMHS) received the prestigious National Business Group on Health/ VHA Foundation National Health System Patient Safety Leadership Award. This national award recognizes EMHS' excellence in patient safety and the system's role in making patient safety a top priority.

For the second year in a row, Home Office staff voted EMHS a "Best Place To Work in Healthcare" and for the third year in a row, a "Best Places To Work in Maine 2009."

EMHS assisted in opening clinics in Walmart Super Centers in Bangor, Brewer, Presque Isle, Waterville, and Palmyra. The clinics will be operated by EMMC, The Aroostook Medical Center, Inland Hospital, and Sebasticook Valley Hospital.

The first-ever EMHS Governance Summit was held in the spring of 2009, bringing together the volunteer board members from throughout the system for two days of learning and networking. The day was such a success that there are plans to do it again.

- Home Office staff arranged for the volunteer governing boards for each of our system members to participate in a two-day Governance Summit. Participants engaged in discussion about EMHS' goals to become the best rural healthcare system by 2012.
- The Wicked Good Behaviors—Standards of Excellence—were introduced in the Home Office, highlighting a different value each month to foster discussion among staff and raise recognition of the values: passion, integrity, innovation, respect, accountability, and partnership.
- The State of Maine asked EMHS to become the emergency receiver for Down East Community Hospital to assist with issues regarding clinical quality and governance. EMHS drew upon a wealth of clinical skills and expertise to oversee a plan of corrective action.
- The first issue of the Home Office newsletter, *The Compass*, was distributed. *The Compass* is billed as Home Office Navigation and contains timely information for staff.
- EMHS welcomed Millinocket Regional Hospital as a strategic affiliate. The hospital has had a clinical affiliation with Eastern Maine Medical Center for some time.
- In 2009, Move and Improve had more than 7200 participants, and more than 53% completed the 12-week program, representing 381 Maine towns. Move and Improve is also wrapping up a three year longitudinal study focused on demographic components of worksite participants. Results will likely be compiled in 2010.
- Raising Readers, a collaboration of EMHS and MaineHealth, distributed nearly 73,000 books to children in the nine counties served by EMHS. Raising Readers is generously funded by the Libra Foundation.
- The Patient Accounting, Revenue Cycle, and Patient Access departments worked collaboratively to develop a Patient Advocacy program at Eastern Maine Medical Center targeted to assist patients with MaineCare and disability enrollments, and secure coverage for uninsured patients.

Eastern Maine Healthcare Systems
CONSOLIDATED BALANCE SHEET
Years Ended September 26, 2009 and September 27, 2008

(in thousands of dollars)

	2009	2008
Total current assets	$197,091	$162,899
Assets limited as to use:		
Capital replacement and other designated uses	175,543	155,041
Self-insurance funds & other trusts	33,456	28,566
Donor restricted gifts	47,009	46,945
Total assets limited as to use	256,008	230,552
Property and equipment, net	349,260	283,630
Amounts due from State of Maine (Medicaid)	54,594	121,724
Other long-term assets	17,010	15,827
Total assets	$873,963	$814,632
Total current liabilities	$214,025	$175,021
Accrued post-employment benefits	120,912	87,963
Long term debt	143,505	136,238
Total liabilities	478,442	399,222
Total net assets	395,521	415,410
Total liabilities and net assets	$873,963	$814,632

Eastern Maine Healthcare Systems
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended September 26, 2009 and September 27, 2008

(in thousands of dollars)

	2009	2008
Net operating revenue	$910,979	$872,502
Operating expenses:		
Salaries and employee benefits	521,600	487,997
Supplies & other	347,940	345,139
Bad debt	30,695	28,483
Total expenses	900,235	861,619
Income from operations	10,744	10,833
Investment gains and losses	(8,395)	7,411
Excess of revenue over expenses	$2, 349	$18,294
Operating margin	1 18%	1 25%
Total margin	.26%	2.08%
Reinvestment in clinical equipment, technological advancements, and facilities	$115,319	$41,318

*2009 amount represents significant investments made by EMMC for cancer and imaging programs, and infrastructure investment.

EMHS Benefit to the Communities We Serve

FY 2009, October 2008—September 2009

EMHS SYSTEM-WIDE TOTAL BENEFIT: $107,913,498

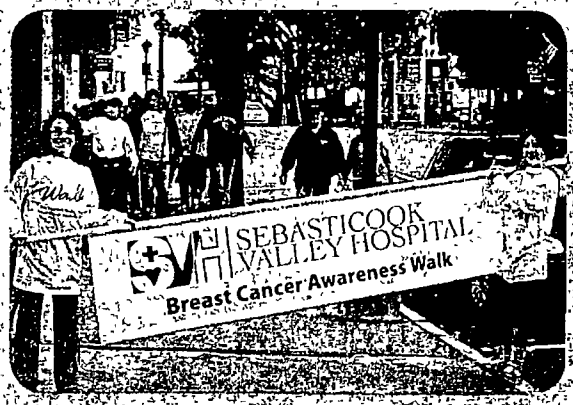
Community Health Improvement Services:	
Health Professions Education	$366,670
Subsidized Health Services:	$377,560
Research	$2,926
Financial Contributions	$3,268,619
Community-Building Activities	$180,068
Community Benefit Operations	$286,925
Charity Care	$1,548,412
Unpaid Cost of Public Programs:	
Medicare	$20,617,232
Medicaid	$37,529,799
Unrecoverable interest cost on funds used to subsidize state Mainecare/Medicaid underpayments of $86.2M	$36,793,563
	$6,941,724

$1,810,122 is the total amount of donor funds used for community benefit through Healthcare Charities of EMHS.

$2,732,337 is the total amount of funds from grants used for community benefit throughout EMHS.

EMHS MISSION:

The mission of EMHS is to maintain and improve the health and well-being of the people of Maine through a well-organized network of local healthcare providers who together offer high quality, cost-effective services to their communities.



Sebasticook Valley Hospital Breast Cancer Awareness Walk in October

MEMBER CONTRIBUTIONS TO OUR COMMUNITIES

The Acadia Hospital

Community Health Improvement Services: $12,842
Health Professions Education. $35,743
Community-Building Activities $4,740
Community Benefit Operations. $90,299

Total Community Benefit: $10,250,515
Charity Care $7,037,412
Unpaid Cost of Public Programs
Medicare $2,332,565
Unrecoverable interest cost on funds used to subsidize state
Maine care/Medicaid underpayments of $5 5M $736,914

$249,678 is the total amount of donor funds used for community benefit at The Acadia Hospital through Acadia Hospital Healthcare Charities
$293,816 is the total amount of funds from grants used for community benefit at The Acadia Hospital

The Aroostook Medical Center

Community Health Improvement Services: $67,045
Health Professions Education: $21,459
Financial Contributions: $86,522
Community-Building Activities $6,328
Community Benefit Operations $91,042

Total Community Benefit: $14,290,780
Charity Care $1,239,179
Unpaid Cost of Public Programs
Medicare $9,679,292 Medicaid $2,206,073
Unrecoverable interest cost on funds used to subsidize state
Maine care/Medicaid underpayments of $9 2M $893,840

$56,537 is the total amount of donor funds used for community benefit at The Aroostook Medical Center through The Aroostook Medical Center Healthcare Charities
$36,143 is the total amount of funds from grants used for community benefit at The Aroostook Medical Center.

Blue Hill Memorial Hospital

Community Benefit Operations: $156,592
Unpaid Cost of Public Programs:
Medicare $853,642

Total Community Benefit: $1,967,886
Charity Care $679,557
Unrecoverable interest cost on funds used to subsidize state
Maine care/Medicaid underpayments of $4.6M $278,095

$2,945 is the total amount of donor funds used for community benefit at Blue Hill Memorial Hospital through the Blue Hill Foundation
$231,564 is the total amount of funds from grants used for community benefit at Blue Hill Memorial Hospital.

Charles A Dean Hospital and Nursing Home

Community Health Improvement Services: $1,746
Financial Contributions: $3,300
Health Professions Education. $3,045
Community Benefit Operations. $26,716

Total Community Benefit: $884,612
Charity Care $261,919
Unpaid Cost of Public Programs.
Medicare $179,103. Medicaid: $330,301
Unrecoverable interest cost on funds used to subsidize state
Maine care/Medicaid underpayments of $1 2M. $78,482

$3,841 is the total amount of donor funds used for community benefit at CA Dean through CA Dean Memorial Hospital and Nursing Home Healthcare Charities
$289,507 is the total amount of funds from grants used for community benefit at C A Dean Memorial Hospital and Nursing Home.

EMHS *(data below reflects Home Office activity only)*

Community Health Improvement Services: **$12,543**
Health Professions Education: **$2,974**
Financial Contributions: **$73,247**
Community-Building Activities: **$117,483**

Total Community Benefit: $404,959
Community Benefit Operations **$198,712**

$13,189 is the total amount of donor funds used for community benefit at EMHS through EMHS Healthcare Charities
$522,377 is the total amount of funds from grants used for community benefit at EMHS

Eastern Maine Homecare

Community Benefit Operations. **$16,877**

Total Community Benefit: $327,899
Unpaid Cost of Public Programs
Medicaid: **$311,022**

$90,781 is the total amount of donor funds used for community benefit at Eastern Maine Homecare through Eastern Maine Homecare Healthcare Charities
$66,784 is the total amount of funds from grants used for community benefit at Eastern Maine Homecare

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Eastern Maine Medical Center

Community Health Improvement Services **$73,776**
Health Professions Education **$313,142**
Research **$3,268,619**
Financial Contributions: **$12,892**
Community-Building Activities **$2,309**
Community Benefits Operations. **$879,844**

Total Community Benefit: $71,898,370
Charity Care **$9,315,647**
Unpaid Cost of Public Programs:
Medicare **$21,695,808** Medicaid. **$32,038,240**
Unrecoverable interest cost on funds used to subsidize state
Mainecare/Medicaid underpayments of $56 1M **$4,298,093**

$1,167,913 is the total amount of donor funds used for community benefit at Eastern Maine Medical Center through Eastern Maine Medical Center Healthcare Charities
$753,996 is the total amount of funds from grants used for community benefit at Eastern Maine Medical Center

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Inland Hospital

Community Health Improvement Services: **$64,761**
Financial Contributions **$4,107**
Community-Building Activities **$56,568**
Community Benefit Operations **$80,784**

Total Community Benefit: $5,803,835
Charity Care **$957,919**
Unpaid Cost of Public Programs
Medicare. **$2,382,961** Medicaid: **$1,907,927**
Unrecoverable interest cost on funds used to subsidize state
Mainecare/Medicaid underpayments of $5 7M: **$348,808**

$217,614 is the total amount of donor funds used for community benefit at Inland Hospital through the Inland Foundation
$8,718 is the total amount of funds from grants used for community benefit at Inland Hospital.

Rosscare

Community Health Improvement Services: **$1,625**
Health Professions Education **$652**

Total Community Benefit: $3,036
Community-Building Activities: **$291**
Community Benefits Operations **$468**

$4,177 is the total amount of donor funds used for community benefit for Rosscare services through Rosscare Healthcare Charities this quarter
$60,904 is the total amount of funds from grants used for community benefit at Rosscare

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Sebasticook Valley Hospital

Community Health Improvement Services: **$132,332**
Health Professions Education. **$545**
Subsized Health Services: **$2,926**
Community-Building Activities: **$99,206**
Community Benefit Operations **$7,078**

Total Community Benefit: $2,081,606
Charity Care **$1,125,599**
Unpaid Cost of Public Programs:
Medicare. **$406,428**
Unrecoverable interest cost on funds used to subsidize state
Mainecare/Medicaid underpayments of $3.8M: **$307,492**

$3,447 is the total amount of donor funds used for community benefit for Sebasticook Valley Hospital services through Sebasticook Valley Hospital Healthcare Charities this quarter
$468,828 is the total amount of funds from grants used for community benefit at Sebasticook Valley Hospital

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EMHS MEMBER ORGANIZATIONS

The Acadia Hospital

Affiliated Healthcare Systems

The Aroostook Medical Center

Blue Hill Memorial Hospital

Charles A Dean Memorial Hospital and Nursing Home

Dirigo Pines Retirement Community

Eastern Maine HomeCare

Eastern Maine Medical Center

Healthcare Charities

Inland Hospital

Maine Institute for Human Genetics and Health

Rosscare

Sebasticook Valley Hospital

STRATEGIC AFFILIATES

Houlton Regional Hospital

Mayo Regional Hospital

Millinocket Regional Hospital

EMHS
Access to Quality Healthcare

Eastern Maine Healthcare Systems · The Cianchette Building · 43 Whiting Hill Road, Suite 500 · Brewer, Maine 04412

207-973-7050 · www.emh.org