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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization

Mercy Medical Center

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

301 St Paul Place

Room/suite

City or town, state or country, and ZIP + 4

Baltimore, MD 21202

F Name and address of principal officer

THOMAS MULLEN

301 ST PAUL PLACE

BALTIMORE, MD 21202

H(a) Is this a group return for affiliates?

☐ Yes ☒ No

H(b) Are all affiliates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number

D Employer identification number

52-0591658

E Telephone number

(410) 332-9000

G Gross receipts \$ 389,075,442

I Tax-exempt status

☒ 501(c) (3) ☐ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website:

www.mdmercy.com

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation

1949

M State of legal domicile

MD

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities Grounded in a vision of God's healing love for all people, we are committed to providing healthcare for persons of every creed, color, and economic and social condition in Balt City, Central MD and beyond		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	7
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	1
	5	Total number of employees (Part V, line 2a)	5	3,233
	6	Total number of volunteers (estimate if necessary)	6	161
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	883,607
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	-290,565
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	5,886,074	10,673,654
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	361,121,789	361,778,126
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-4,474,247	3,206,570
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	11,611,857	11,860,031
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	374,145,473	387,518,381
	14	Benefits paid to or for members (Part IX, column (A), line 4)	275,833	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	162,572,206	166,554,477
	b	Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0	0	0
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	181,097,930	184,825,680
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	343,945,969	351,380,157
	19	Revenue less expenses Subtract line 18 from line 12	30,199,504	36,138,224
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	764,769,042	798,086,962
	21	Total liabilities (Part X, line 26)	547,565,010	552,550,779
	22	Net assets or fund balances Subtract line 21 from line 20	217,204,032	245,536,183

Part II Signature Block

Sign Here

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

Signature of officer

Date

2011-05-11

Type or print name and title

JOHN TOPPER SENIOR VP/ CFO

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed ☐

Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4

COHEN RUTHERFORD KNIGHT PC
6903 ROCKLEDGE DRIVE SUITE 500
BETHESDA, MD 208171800

EIN

Phone no (301) 828-1008

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2009)

1 Briefly describe the organization's mission

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O










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

4a	(Code) (Expenses \$ 265,641,316 including grants of \$) (Revenue \$ 361,778,126)
	<p>To provide healthcare to patients without regard to ability to pay Mercy strives to provide excellent clinical services across the life span within a community of compassionate care Mercy Medical Center (MMC) has 243 licensed beds and had 18,214 inpatient admissions for the fiscal year ending June 30, 2010 Mercy Medical Center's primary service area (PSA) which comprises 16 ZIP codes in Baltimore City, accounts for almost 60% of its total admissions The key demographic characteristics of the PSA are as follows 64% of the population is black AND approximately 59% of patients served by MMC are members of a racial or ethnic minority while 66% are women and 51% are Medicaid and/or Medicare beneficiaries 12% of the population is 65 year in age and older The median household income of the population is \$35,656, 40% of Baltimore City households reported a income of less than \$30,000 Three times as many families living in Baltimore City had income that was below the poverty level compared to all families in Maryland Within the hospital's immediate zip codes of 21201 and 21202 35% of families live below the federal poverty level definition Due to its location in center city, MMC cares for many of the at-risk, low income population in the communities that immediately surround the hospital This is best evidenced by the large percentage of emergency room visits by Medicaid, uninsured, and Medicare patients Medicaid covered and uninsured patients accounted for more than 50% of FY2010 emergency room visits In FY 2010, the supportive housing program provided a comprehensive range counseling services and community resource linkages to 166 clients These services incurred a direct costs of \$523,381 during FY 2010, or about \$3,000 per client Of the 60,787 visits to MMC emergency department (ED) in FY 2010, 39 4% were Medicaid beneficiaries and 21 3% either had no insurance or ability to pay or were underinsured The hospital's high percentage of poor persons who seek care at the ED requires substantial emergency physician salary subsidy to support the high level of uncompensated care This amounted to \$ 1,807,369 in FY2010, one of the single largest community benefit financial contributions MMC delivered more babies, 2,802, than any other hospital in Baltimore City in FY 2010 Of these babies, 11 2% were of low birth weight and 13 8% were premature 60% of the patients who delivered babies at MMC were either Medicaid beneficiaries or uninsured/self pay This population is especially linked with low birth weight and prematurity due to poverty that closely related to unhealthy lifestyles, particularly, poor nutrition and inadequate prenatal care</p>

[illegible][illegible]

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

Part IV Checklist of Required Schedules

		Yes	No	
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4		No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5		
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10		No
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.			
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.			
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No	
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	12A	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
14b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II	15		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III	16		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20	Yes	

Part IV

Checklist of Required Schedules (continued)

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

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	372	
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	3,233	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			3a	Yes
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3b	Yes
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a	Yes
b If "Yes," enter the name of the foreign country: CJ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .			5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b	No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?			6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b	
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year			7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g	Yes
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8	
9 Sponsoring organizations maintaining donor advised funds.				
a Did the organization make any taxable distributions under section 4966?			9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?			9b	
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12			10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			10b	
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders			11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year			12b	

Part VI

Governance, Management, and Disclosure

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

Section A. Governing Body and Management

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

Section B. Policies

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶MD
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ JOHN TOPPER 301 ST PAUL PLACE Baltimore, MD 21202 (410) 332-9313

Part VII

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
THOMAS MULLEN PRESIDENT AND CEO	40.0	X		X				1,095,098	0	29,127
AMY FREEMAN EXE VP/SECRETARY	40.0	X		X				951,774	0	17,868
SAMUEL MOSKOWITZ EXEC VP/VICE CHAIR	40.0	X		X				675,089	0	30,947
SCOTT SPIER md SR VP/DIRECTOR	40.0	X						408,945	0	34,011
JOHN TOPPER SR VP & CFO/TREASURER	40.0	X		X				808,444	0	27,512
SUSAN FINLAYSON SR VP/DIRECTOR	40.0	X						642,557	0	69,531
AINE OCONNOR DIRECTOR	40.0	X						0	0	0
JUDITH WEILAND SENIOR VP	40.0					X		326,240	0	17,682
ROBERT EDWARDS SENIOR VP	40.0					X		272,645	0	27,286
JAMES LEVY MD PHYSICIAN	40.0					X		272,736	0	37,488
JESSIE REED SENIOR VP	40.0					X		299,158	0	30,784
JOHN LEPLEY VP OF FINANCE	40.0					X		309,882	0	25,438

1b	Total	6,062,568	0	347,674
-----------	------------------------	-----------	---	---------

2

Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization▶128

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

Section B. Independent Contractors

1

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

(A) Name and business address	(B) Description of services	(C) Compensation
WHITING TURNER PO BOX 17596 BALTIMORE, MD 21297	CONSTRUCTION	121,106,751
ELLERBE BECKET 1001 G ST NW WASHINGTON, DC 20001	ARCHITECT	2,854,480
UNIVERSITY OF MARYLAND MEDICAL SYST PO BOX 62163 BALTIMORE, MD 212642163	MEDICAL SERVICES	3,412,892
CURA HOSPITALITY PO BOX 827276 PHILADELPHIA, PA 19182	FOOD SERVICES	3,601,746
RADAMERICA II LLC 9105 FRANKLIN SQUARE DR BALTIMORE, MD 21237	RADIATION THERAPY	2,538,811

2

Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶73

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	7,512,741				
	e	Government grants (contributions)	1e	1,179,938				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,980,975				
	g	Noncash contributions included in lines 1a-1f \$ 1,352,804						
	h	Total. Add lines 1a-1f			10,673,654			
Program Service Revenue			Business Code					
	2a	PATIENT REVENUE		361,150,197	361,150,197			
	b	PEDIATRIC REVENUE		627,929	627,929			
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			361,778,126			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			3,215,413		3,215,413	
	4	Income from investment of tax-exempt bond proceeds . . .			0			
	5	Royalties			0			
	6a	(i) Real		(ii) Personal				
		Gross Rents	1,551,099					
		b Less rental expenses	1,557,061					
		c Rental income or (loss)	-5,962					
	d	Net rental income or (loss)			-5,962	-31,182	25,220	
	7a	(i) Securities		(ii) Other				
		Gross amount from sales of assets other than inventory						
		b Less cost or other basis and sales expenses						
		c Gain or (loss)						
	d	Net gain or (loss)			-8,843		-8,843	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		a				
		b Less direct expenses	b					
		c Net income or (loss) from fundraising events . . .			0			
	9a	Gross income from gaming activities See Part IV, line 19		a				
		b Less direct expenses	b					
		c Net income or (loss) from gaming activities . . .			0			
	10a	Gross sales of inventory, less returns and allowances		a				
b Less cost of goods sold		b						
c Net income or (loss) from sales of inventory . . .				0				
Miscellaneous Revenue		Business Code						
11a	MANAGEMENT FEE	561,000	5,458,202		154,121	5,304,081		
b	TELEVISION SERVICE		92,770			92,770		
c	CAFETERIA REVENUE		1,800,990			1,800,990		
d	All other revenue		4,514,031		760,668	3,753,363		
e	Total. Add lines 11a-11d			11,865,993				
12	Total revenue. See Instructions			387,518,381	361,778,126	883,607	14,182,994	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0			
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	2,406,973	0	2,406,973	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	138,717,281	102,322,131	36,395,150	0
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,062,555	2,348,980	713,575	
9	Other employee benefits	12,376,709	9,492,935	2,883,774	
10	Payroll taxes	9,990,959	7,663,066	2,327,893	
11	Fees for services (non-employees)				
a	Management	1,382,970		1,382,970	
b	Legal	969,523	17,143	952,380	
c	Accounting	452,892	176,065	276,827	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	216,143	216,143		
g	Other	24,024,844	16,900,806	7,124,038	
12	Advertising and promotion	1,590,216	1,582,786	7,430	
13	Office expenses	76,625,207	72,256,913	4,368,294	
14	Information technology	1,052,021	1,052,021		
15	Royalties	0			
16	Occupancy	8,318,384	7,585,143	733,241	
17	Travel	412,002	276,426	135,576	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	282,949	77,309	205,640	
20	Interest	6,739,340	6,739,340		
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	20,901,059		20,901,059	
23	Insurance	5,914,741	5,185,505	729,236	
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	REPAIRS AND MAINT	7,985,962	6,995,827	990,135	
b	OTHER	5,223,208	3,679,689	1,543,519	
c	DONATIONS	97,877	97,877		
d	BAD DEBT	20,975,211	20,975,211		
e	GARAGE TOWNE PARK EXPENSES	1,661,131		1,661,131	
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	351,380,157	265,641,316	85,738,841	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			59,805,697	1	58,933,702
	2	Savings and temporary cash investments				2	
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			23,247,708	4	21,652,316
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			150,000	5	75,000
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net			222,901	7	201,120
	8	Inventories for sale or use			5,046,103	8	5,477,366
	9	Prepaid expenses and deferred charges			3,026,104	9	3,196,298
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	667,017,651			
	b	Less accumulated depreciation	10b	213,166,930	326,492,725	10c	453,850,721
	11	Investments—publicly traded securities			206,063,767	11	144,993,940
	12	Investments—other securities See Part IV, line 11			80,135,909	12	51,670,718
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			60,578,128	15	58,035,781
	16	Total assets. Add lines 1 through 15 (must equal line 34)			764,769,042	16	798,086,962
Liabilities	17	Accounts payable and accrued expenses			46,440,491	17	48,512,885
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			444,488,377	20	440,856,541
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties			362,672	23	0
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities Complete Part X of Schedule D			56,273,470	25	63,181,353
	26	Total liabilities. Add lines 17 through 25			547,565,010	26	552,550,779
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			179,182,648	27	210,431,026
	28	Temporarily restricted net assets			36,856,312	28	33,981,727
	29	Permanently restricted net assets			1,165,072	29	1,123,430
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			217,204,032	33	245,536,183
	34	Total liabilities and net assets/fund balances			764,769,042	34	798,086,962

Part XI Financial Statements and Reporting

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

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization Mercy Medical Center	Employer identification number 52-0591658
--	--

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

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

1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**

11

☐

An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box

g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage						
14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))					14	
15 Public Support Percentage for 2008 Schedule A, Part II, line 14					15	
16a 33 1/3% support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						
b 33 1/3% support test—2008. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						
17a 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization						
b 10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization						
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions						

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total. Add lines 1 through 5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
cAdd lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13Total support (Add lines 9, 10c, 11 and 12.)						
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

15Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	
16Public support percentage from 2008 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18Investment income percentage from 2008 Schedule A, Part III, line 17	18	
19a33 1/3% support tests—2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
b33 1/3% support tests—2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
20Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

Part IV

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

Additional Data

Software ID:
Software Version:
EIN: 52-0591658
Name: Mercy Medical Center

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
REPAIRS AND MAINT	7,985,962	6,995,827	990,135	
OTHER	5,223,208	3,679,689	1,543,519	
DONATIONS	97,877	97,877		
BAD DEBT	20,975,211	20,975,211		
GARAGE TOWNE PARK EXPENSES	1,661,131		1,661,131	

SCHEDULE D
(Form 990)

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization Mercy Medical Center	Employer identification number 52-0591658
---	---

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div>YesNo</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div>YesNo</div>	

Part II

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

1	Purpose(s) of conservation easements held by the organization (check all that apply) <div><div><input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure)</div><div><input type="checkbox"/> Preservation of an historically importantly land area</div><div><input type="checkbox"/> Protection of natural habitat</div><div><input type="checkbox"/> Preservation of a certified historic structure</div><div><input type="checkbox"/> Preservation of open space</div></div>											
2	Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year											
		<table><tr><td></td><td>Held at the End of the Year</td></tr><tr><td>2a</td><td></td></tr><tr><td>2b</td><td></td></tr><tr><td>2c</td><td></td></tr><tr><td>2d</td><td></td></tr></table>		Held at the End of the Year	2a		2b		2c		2d	
	Held at the End of the Year											
2a												
2b												
2c												
2d												
a	Total number of conservation easements											
b	Total acreage restricted by conservation easements											
c	Number of conservation easements on a certified historic structure included in (a)											
d	Number of conservation easements included in (c) acquired after 8/17/06											
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ►_____											
4	Number of states where property subject to conservation easement is located ►_____											
5	Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? <div>YesNo</div>											
6	Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ►_____											
7	Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ►\$ _____											
8	Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? <div>YesNo</div>											
9	In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization’s financial statements that describes the organization’s accounting for conservation easements											

Part III

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

1a	If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items	
b	If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items	
	(i) Revenues included in Form 990, Part VIII, line 1	► \$ _____
	(ii) Assets included in Form 990, Part X	► \$ _____
2	If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items	
a	Revenues included in Form 990, Part VIII, line 1	► \$ _____
b	Assets included in Form 990, Part X	► \$ _____

Part III

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

3

Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes

☐ No

Part IV

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

1a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

(ii)

related organizations

3a(i)

3a(ii)

b

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

3b

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		8,067,791		8,067,791
b Buildings		248,892,043	98,885,350	150,006,693
c Leasehold improvements				
d Equipment		154,157,999	114,281,580	39,876,419
e Other		255,899,818		255,899,818
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				453,850,721

Part XI

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

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

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
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Additional Data

Software ID:

Software Version:

EIN: 52-0591658

Name: Mercy Medical Center

Form 990, Schedule D, Part IX, - Other Assets

(a) Description	(b) Book value
INTEREST IN MERCY HEALTH FOUND	32,683,840
DUE FROM RELATED ENTITIES	9,906,910
OTHER RECEIVABLES	2,770,880
DEPOSITS	733,200
DEFERRED FINANCING COSTS	3,034,987
OTHER CURRENT ASSETS	229,274
OTHER ASSETS	179,059
INVEST UNCONSOLID SUBS	868,380
DEFERRED COMP PLAN ASSETS	5,908,447
CARDINAL SHEHAN SEC DEPOSIT	1,720,804

Form 990, Schedule D, Part X, - Other Liabilities

1 (a) Description of Liability	(b) Amount
CONSTRUCTION RETAINAGE	10,467,327
POST RETIREMENT OBLIGATION	5,537,624
DEFERRED COMPENSATION	5,908,441
MERRILL LYNCH SWAP	32,599,933
MALPRACTICE TAIL LIABILITY	327,536
CARDINAL DEPOSIT	3,436,302
RETIREMENT ANNUITY PLAN OBLIGA	3,904,190
ESTIMATED TAIL LIAB GIC	1,000,000

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990.**
▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Mercy Medical Center

Employer identification number
52-0591658

Part I

Charity Care and Certain Other Community Benefits at Cost

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

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			8,407,003		8,407,003	2 390 %
b Unreimbursed Medicaid (from Worksheet 3, column a)						
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			8,407,003		8,407,003	2 390 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			4,080,198	215,181	3,865,017	1 100 %
f Health professions education (from Worksheet 5)		15,630	13,483,181		13,483,181	3 840 %
g Subsidized health services (from Worksheet 6)	5	36,883	4,025,733	1,156,263	2,869,470	0 820 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			1,575,847		1,575,847	0 450 %
j Total Other Benefits	5	52,513	23,164,959	1,371,444	21,793,515	6 210 %
k Total. Add lines 7d and 7j	5	52,513	31,571,962	1,371,444	30,200,518	8 600 %

Part IICommunity Building Activities

Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing			1,139,782		1,139,782	
2Economic development		166	882,074	457,308	424,686	
3Community support		15	138,261		138,261	
4Environmental improvements						
5Leadership development and training for community members		135	176,049		176,049	
6Coalition building						
7Community health improvement advocacy						
8Workforce development			348,101		348,101	
9Other						
10Total		316	2,684,267	457,308	2,226,879	

Part IIIBad Debt, Medicare, & Collection Practices

Section A.Bad Debt Expense

		Yes	No
1Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		No
2Enter the amount of the organization's bad debt expense (at cost)	2	20,975,000	
3Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3		
4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.			

Section B.Medicare

5Enter total revenue received from Medicare (including DSH and IME)	5	94,723,674	
6Enter Medicare allowable costs of care relating to payments on line 5	6	73,519,537	
7Subtract line 6 from line 5. This is the surplus or (shortfall)	7	21,204,137	
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="" type="checkbox"/> Other			

Section C.Collection Practices

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

Part IVManagement Companies and Joint Ventures

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

Part V Facility Information

Name and address	Other (Describe)						
	ER-other	ER-24 hours	Research facility	Critical access hospital	Teaching hospital	Children's hospital	General medical & surgical
MERCY MEDICAL CENTER 301 ST PAUL PLACE BALTIMORE, MD 21202							

Part VI

Supplemental Information

Complete this part to provide the following information

- 1** Provide the description required for Part I, line 3c, Part I, line 6a, Part I, line 7g, Part I, line 7, column (f), Part I, line 7, Part III, line 4, Part III, line 8, Part III, line 9b, and Part V See Instructions

See additional data

- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

Additional Data

Software ID:

Software Version:

EIN: 52-0591658

Name: Mercy Medical Center

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

FINANCIAL ASSISTANCE WILL BE PROVIDED AT NO CHARGE OR AT A REDUCED CHARGE TO PATIENTS WHO ARE UNABLE TO PAY BASED ON A SLIDING SCALE THAT WILL BE APPLIED FOR INCOMES UP TO APPROXIMATELY 400% ABOVE THE HHS POVERTY GUIDELINES THE POVERTY GUIDELINES ARE ISSUED EACH YEAR BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HSS) IN ORDER TO QUALIFY FOR FINANCIAL ASSISTANCE, ONE OF THE FOLLOWING CONDITIONS MUST BE MET 1 PATIENT'S INCOME LEVEL IS UP TO 400% OF THE HHS POVERTY GUIDELINES AND THE PATIENT HAS LESS THAN \$10,000 IN NET ASSETS TO QUALIFY FOR FULL FINANCIAL ASSISTANCE 2 PATIENT'S INCOME LEVEL IS AT OR ABOVE THE PARAMETERS OF THE SLIDING SCALE, AND THEIR FINANCIAL PROFILE INDICATES THAT EXPENSES RELATED TO THE NECESSITIES OF LIFE (FOOD, HOUSING, UTILITIES, ETC) EXCEED INCOME 3 PATIENT IS HOMELESS 4 PATIENT IS DECEASED, WITH NO PERSON DESIGNATED AS DIRECTOR OF FINANCIAL AFFAIRS, OR NO ESTATE NUMBER ON FILE AT THE APPLICABLE REGISTRAR OF WILLS DEPARTMENT 5 PATIENT HAS A REMAINING BALANCE AFTER MEDICAL ASSISTANCE IN ADDITION, THE FOLLOWING CONDITIONS MUST BE MET AND IT WILL THEN BE DETERMINED IF THE PATIENT QUALIFIES FOR FULL OR PARTIAL ASSSISTANCE A) FIXED INCOME SUCH AS SOCIAL SECURITY, RETIREMENT OR DISABILITY WITH NO ADDITIONAL INCOME SOURCE AVAILABLE B) MEDICAL EXPENSES WHICH EXCEED 50% OF NET MONTHLY INCOME IN DETERMINING ELIGIBILITY, THE SIZE OF THE PATIENT'S BILL RELATIVE TO THE PATIENT'S ABILITY TO PAY WILL BE CONSIDERED FINANCIAL ASSISTANCE WILL BE GRANTED FOR NECESSARY HOSPITAL SERVICES AND IT WILL BE PROVIDED TO THOSE WHO PROPERLY DOCUMENT ELIGIBILITY AND COOPERATE WITH MERCY MEDICAL CENTER'S FINANCIAL ASSISTANCE APPLICATION PROCESS WITHIN TWO BUSINESS DAYS FOLLOWING A PATIENT'S INITIAL REQUEST FOR FINANCIAL ASSISTANCE SERVICES, APPLICATION FOR MEDICAL ASSISTANCE, OR BOTH, THE FACILITY MUST MAKE A DETERMINATION OF PROBABLE ELIGIBILITY NOTICE OF THE AVAILABILITY OF FINANCIAL ASSISTANCE IS BE POSTED IN THE ADMISSIONS OFFICE, BUSINESS OFFICE, AND EMERGENCY AREAS OF THE HOSPITAL SUCH NOTICE IS POSTED IN ENGLISH, SPANISH AND/OR ANY OTHER LANGUAGE THAT WILL BE UNDERSTANDABLE TO TARGET POPULATIONS OF PATIENTS UTILIZING HOSPITAL SERVICES INDIVIDUAL NOTICE OF THE AVAILABLILITY OF FINANCIAL ASSISTANCE, THE POTENTIAL FOR MEDICAID ELIGIBILITY, AND THE AVAILABILITY OF ASSISTANCE FROM OTHER GOVERNMENT FUNDED PROGRAMS SHALL BE PROVIDED TO EACH PERSON WHO SEEKS SERVICES IN THE HOSPITAL AT THE TIME OF COMMUNITY OUTREACH EFFORTS, PRENATAL SERVICES, PREADMISSION, OR ADMISSION SUCH NOTICE WILL BE PRINTED IN ENGLISH, SPANISH, AND/OR ANY OTHER LANGUAGE THAT WILL BE UNDERSTANDABLE TO TARGET POPULATIONS OF PATIENTS UTILIZING HOSPITAL SERVICES MERCY MEDICAL CENTER WILL MAKE AN EFFORT TO PROVIDE THE FINANCIAL ASSISTANCE APPLICATION, POLICIES, PROCEDURES, AND INFORMATION AVAILABLE IN ENGLISH, SPANISH, AND/OR ANY OTHER LANGUAGE THAT WILL BE UNDERSTANDABLE TO TARGET POPULATIONS OF PATIENTS UTILIZING HOSPITAL SERVICES

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

MERCY MEDICAL CENTER PREPARES ITS COMMUNITY BENEFIT REPORT ANNUALLY AND IT IS MADE AVAILABLE TO THE PUBLIC

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

IN TABLE 7, A COST-TO-CHARGE RATIO WAS USED IN ALL CALCULATIONS

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

THERE ARE NO COSTS REPORTED THAT ARE ATTRIBUTABLE TO A PHYSICIAN CLINIC

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

THE BAD DEBT EXPENSE AS REPORTED ON FORM 990, PART IX, IS \$20,975,211

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

THE COST OF BAD DEBTS ON LINE 2 AND 3 OF SCHEDULE H WAS DETERMINED BASED ON THE COST TO CHARGE RATIO FROM MMC'S ANNUAL FILING WITH THE MHSCRC

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

THE COSTING SOURCE IS THE MEDICARE COST REPORT AND THE METHODOLOGY IS MC ALLOWABLE COST TO MC REVENUES RECEIVED

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Once the collection process has begun, the organization continues to monitor whether the patient qualifies for charity care under the financial assistance policy. If the organization determines that a patient qualifies for financial assistance, including once the collection process has begun, the organization will approve the patient for charity care. Once charity care has been approved, there is no further attempt made by the organization to collect. Collection efforts will be stopped at any time during the collection process if the patient qualifies for charity care under the financial assistance policy. Furthermore, if a patient's financial situation changes at any point during the collection process, the patient may qualify for financial assistance at such point.

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

MERCY MEDICAL CENTER (MMC) IS A LICENSED HOSPITAL MMC PROVIDES INPATIENT, OUTPATIENT AND EMERGENCY CARE SERVICES PRIMARILY FOR THE CITIZENS OF THE BALTIMORE METROPOLITAN AREA

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

7A CHARITY CARE AT COST AND 7F HEALTH PROFESSIONS EDUCATION ARE EXPLAINED IN THE FOLLOWING MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION THE HEALTH SERVICES COST REVIEW COMMISSION, (HSCRC) DETERMINES PAYMENT THROUGH A RATE SETTING PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL MARYLAND'S UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE 7B UNREIMBURSED MEDICAID IS EXPLAINED IN THE FOLLOWING MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION THE HEALTH SERVICES COST REVIEW COMMISSION, (HSCRC) DETERMINES PAYMENT THROUGH A RATE SETTING PROCESS AND ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL MARYLAND'S UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO BREAKOUT ANY DIRECTED OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE COMMUNITY BENEFIT EXPENSES ARE EQUAL TO MEDICAID REVENUES IN MARYLAND, AS SUCH, THE NET EFFECT IS ZERO THE EXCEPTION TO THIS IS THE IMPACT ON THE HOSPITAL OF ITS SHARE OF THE MEDICAID ASSESSMENT IN RECENT YEARS, THE STATE OF MARYLAND HAS CLOSED FISCAL GAPS IN THE STATE MEDICAID BUDGET BY ASSESSING HOSPITALS THROUGH THE RATE SETTING SYSTEM

Form 990 Schedule H, Part VI - Supplemental Information, Line 2

MERCY MEDICAL CENTER EMPLOYED A MULTI-PRONGED APPROACH IN IDENTIFYING COMMUNITY NEEDS THESE APPROACHES ARE AS FOLLOWS 1 ACCESSING EXISTING DATA SOURCES ON HEALTH CARE STATUS IN PSA As previously referenced, "Baltimore City's Health Status Report 2008" was the main statistical document that provided the Hospital with key data on the most critical health care conditions affecting the population Accessed and reviewed other State of Maryland health care data bases related to health care needs of communities that Mercy Medical Center serves beyond its PSA Publications and data available from organizations in which Mercy Medical Center physician and administrative leadership are active participants and members such as B'More for Healthy Babies, Journey Home, Family Crisis Center of Baltimore, and Baltimore Homeless Services, among others 2 Partnerships, Workgroups, and Membership in Organizations Through the workgroups and partnerships that have been established with key organizations such as Health Care for the Homeless, the Hospital received significant input and feedback on the health care needs of its immediate surrounding neighborhoods and communities This was achieved through regular meetings and discussions throughout FY 2010 Through participation of the Hospital's executive leadership team in business forums such as The Downtown Partnership and membership in other organizations, significant feedback and information on health care needs and gaps was also gathered 3 Mercy Health Services Mission and Corporate Ethics Committee The Mission and Corporate Ethics Committee of the Board of Trustees meets regularly to review and coordinate issues related to mission integration and coordination This Board committee is informed and clearly understands the scope and depth of the Hospital's community benefit need initiatives In summary, through a quantitative assessment of needs based on review of current data sources and active participation in several community based organizations, Mercy Medical Center was able to determine and prioritize its community need focus

Form 990 Schedule H, Part VI - Supplemental Information, Line 3

Mercy attempts to be very proactive in communicating its charity care policy and financial assistance contact information to patients. The charity care policy and financial assistance contact information is posted in all admissions areas, including the emergency room. A copy of the policy and financial assistance contact information is also provided to patients or their families during the pre-admission, pre-surgery and admissions process. Mercy utilizes a third party, as well as in-house financial counseling staff, to contact and support patients in understanding and completing the financial assistance requirements. They also discuss with patients or their families the availability of various government benefits and assist patients with understanding the qualifications for such programs. Even after the patient is discharged, each billing statement contains an overview of Mercy's Financial Assistance Policy, a patient's rights and obligations, and contact numbers for financial assistance, financial counseling, and Maryland Medicaid. Follow-up phone calls by hospital billing/collection staff made to patients with unpaid balances also stress the availability of financial assistance and charity care availability.

MERCY MEDICAL CENTER PROVIDES AND PROMOTES HEALTH SERVICES FOR THE PEOPLE OF BALTIMORE OF EVERY CREED, RACE, ECONOMIC, AND SOCIAL CONDITION. IN THE SPIRIT OF THE SISTERS OF MERCY WHO ARE ITS SPONSORS, MERCY CONTINUES A SPECIAL COMMITMENT TO THE UNDERSERVED AND THE UNINSURED. CONSISTENT WITH THIS MISSION, IT HAS BEEN THE POLICY OF MERCY MEDICAL CENTER TO ACCEPT, WITHIN THE LIMITS OF ITS FINANCIAL RESOURCES, ALL PATIENTS WHO REQUIRE ITS SERVICES, WITHOUT REGARD TO THEIR ABILITY TO PAY FOR SUCH SERVICES. EMERGENCY CARE WILL BE RENDERED TO ALL PATIENTS WITHOUT REGARD TO THE LIMITATION OF FINANCIAL RESOURCES. THIS POLICY, HOWEVER, DOES NOT PRECLUDE AN ATTEMPT TO REVIEW 1 THE PATIENT'S ABILITY TO PAY 2 THE AVAILABILITY OF INSURANCE BENEFITS 3 THE ELIGIBILITY OF MEDICAL ASSISTANCE FOR THE PATIENT.

Form 990 Schedule H, Part VI - Supplemental Information, Line 4

LOCATED IN THE HEART OF DOWNTOWN BALTIMORE, MERCY MEDICAL CENTER DRAWS PATIENTS FROM THE GREATER BALTIMORE METROPOLITAN AREA FOR ITS LONGSTANDING TRADITION OF COMPASSIONATE CARE, COMMITMENT TO QUALITY AND PATIENT SAFETY, AS WELL AS ITS PRIMARY CARE AND SPECIALIST PHYSICIANS. MERCY MEDICAL CENTER'S PRIMARY SERVICE AREA (PSA) WHICH COMPRISES 16 ZIP CODES IN BALTIMORE CITY, ACCOUNTS FOR ALMOST 60% OF ITS TOTAL ADMISSIONS. KEY DEMOGRAPHIC CHARACTERISTICS OF THE PSA ARE AS FOLLOWS:

POPULATION 1. THE PSA 2009 POPULATION IS 535,038. 2. PSA POPULATION GROWTH IS PROJECTED TO DECLINE BY 1.2% FROM 2009 TO 2014. THIS IS IN CONTRAST TO A 3.1% PROJECTED GROWTH FOR THE STATE OF MARYLAND. 3. SINCE 1990, THE DISTRIBUTION OF BALTIMORE CITY RESIDENTS HAS SHIFTED TOWARDS OLDER AGE GROUPS WITH A 6% INCREASE IN THE 40 YEARS AND OLDER POPULATION. THIS TREND OF AN INCREASING OLDER POPULATION GROWTH IS EXPECTED THROUGH 2020.

ETHNICITY AND AGE 1. 64% BLACK, 32% CAUCASIAN IN PSA. BALTIMORE CITY'S BLACK POPULATION HAS INCREASED BY 5% SINCE 1990. 2. APPROXIMATELY 59% OF PATIENTS SERVED BY MERCY MEDICAL CENTER ARE MEMBERS OF A RACIAL OR ETHNIC MINORITIES, 66% ARE WOMEN AND 51% ARE MEDICAID AND/OR MEDICARE BENEFICIARIES. 3. 12% OF THE POPULATION IS 65 YEARS IN AGE AND OLDER.

INCOME 1. PSA MEDIAN HOUSEHOLD INCOME \$35,656. 2. 40% OF BALTIMORE CITY HOUSEHOLDS REPORTED AN INCOME OF LESS THAN \$30,000. THIS IS ONLY 44% OF THE STATEWIDE MEDIAN INCOME OF \$68,080. 3. THREE TIMES AS MANY FAMILIES LIVING IN BALTIMORE CITY HAD INCOME THAT WAS BELOW THE POVERTY LEVEL COMPARED TO ALL FAMILIES IN MARYLAND. 4. WITHIN THE HOSPITAL'S IMMEDIATE ZIP CODES OF 21201 AND 21202, 35% OF FAMILIES LIVE BENEATH THE FEDERAL POVERTY LEVEL DEFINITION. OF NOTE, THE MAJOR COMMUNITY BENEFIT PROGRAMS THAT ARE IDENTIFIED IN QUESTION #4 DIRECTLY ADDRESS KEY HEALTH CARE NEEDS OF THE POPULATION IN MERCY MEDICAL CENTER'S PSA.

KEY FINDINGS FROM THE "BALTIMORE CITY HEALTH STATUS REPORT 2008": BALTIMORE CITY VS. STATE OF MARYLAND ON KEY HEALTH OUTCOME MEASURES:

1. OVERALL MORTALITY RATE: BALTIMORE IS 37% HIGHER. 2. LIFE EXPECTANCY: BALTIMORE IS 8% LOWER. 3. INFANT MORTALITY: BALTIMORE IS 41% HIGHER. 4. LOW BIRTH WEIGHT: BALTIMORE IS 36% HIGHER. 5. TEEN BIRTH RATE: BALTIMORE IS TWICE AS HIGH. 6. HIV/AIDS MORTALITY: BALTIMORE IS FIVE TIMES HIGHER.

AS SHOWN BY THESE SELECT INDICATORS, THERE IS A SIGNIFICANT HEALTH STATUS DISPARITY BETWEEN BALTIMORE CITY'S RESIDENTS AND THE REST OF THE STATE OF MARYLAND. DUE TO ITS LOCATION IN CENTER CITY, MERCY MEDICAL CENTER CARES FOR MANY OF THE AT-RISK, LOW INCOME POPULATION IN THE COMMUNITIES THAT IMMEDIATELY SURROUND THE HOSPITAL. THIS IS BEST EVIDENCED BY THE LARGE PERCENTAGE OF EMERGENCY ROOM VISITS BY THE MEDICAID, UNINSURED, AND MEDICARE PATIENTS. MEDICAID COVERED AND UNINSURED PATIENTS ACCOUNTED FOR MORE THAN 50% OF THE FY2010 EMERGENCY ROOM VISITS. 1. BALTIMORE CITY'S LARGEST HOMELESS SHELTER AT GUILFORD AVENUE IS WITHIN THREE BLOCKS OF THE HOSPITAL. 2. MERCY MEDICAL CENTER PROVIDES ALL OF THE MEDICAL STAFF (PHYSICIANS AND NURSING PERSONNEL) FOR HEALTHCARE FOR THE HOMELESS (HCH), A FEDERALLY QUALIFIED HEALTH CENTER, WHICH DELIVERS OUTPATIENT CARE TO A LARGE NUMBER OF HOMELESS PERSONS IN BALTIMORE CITY. THE HCH CLINIC IS LOCATED TWO BLOCKS FROM THE HOSPITAL.

MERCY SUPPORTIVE HOUSING PROGRAM ----- THE SUPPORTIVE HOUSING P ROGRAM AT MERCY MEDICAL CENTER HAS A STAFF OF EIGHT EXPERIENCED HUMAN SERVICES PERSONNEL WHO WORK IN CONJUNCTION WITH OTHER HOMELESS AND HUMAN SERVICE PROVIDERS TO COORDINATE SERVI CES FOR HOMELESS FAMILIES AND FAMILIES AT RISK FOR HOMELESSNESS THE PROGRAM'S GOAL IS TO HOUSE HOMELESS FAMILIES AND TO PROVIDE SUPPORTIVE SERVICES FOR A DEFINED PERIOD TO PREVENT A RETURN TO HOMELESSNESS IN FY 2010, THE SUPPORTIVE HOUSING PROGRAM AT MERCY PROVIDED A COMPREHENSIVE RANGE OF COUNSELING SERVICES AND COMMUNITY RESOURCE LINKAGES TO 166 CLIENTS THESE SERVICES INCURRED DIRECT COSTS OF \$523,381 DURING FY2010, OR ABOUT \$3,000 PER CLIE N T MERCY FAMILY VIOLENCE RESPONSE PROGRAM THE MERCY FAMILY VIOLENCE RESPONSE PROGRAM WAS D EVELOPED BY A MULTIDISCIPLINARY STAFF TASK FORCE AT MERCY MEDICAL CENTER TO PROVIDE CRISIS INTERVENTION AND SAFETY PLANNING FOR VICTIMS OF FAMILY VIOLENCE (DOMESTIC VIOLENCE, CHILD ABUSE, ELDER AND VULNERABLE ADULT ABUSE) AND SEXUAL ASSAULT WHO COME TO MERCY MEDICAL CENT ER AND ITS PHYSICIANS FOR TREATMENT THIS PROGRAM IMPROVES BALTIMORE'S COORDINATED COMMUN ITY RESPONSE TO VICTIMS OF VIOLENCE, AND CREATES AN ALERT WORKFORCE AT MERCY MEDICAL CENTE R, SKILLED AT IDENTIFYING AND RESPONDING TO VICTIMS OF FAMILY VIOLENCE EMERGENCY DEPARTME NT SERVICES AT MERCY MEDICAL CENTER -----

-- OF THE 60,787 VISITS TO MERCY MEDICAL CENTER'S EMERGENCY DEPARTMENT (ED) IN FY 2010, 39 4% WERE MEDICAID BENEFICIARIES AND 21 3% EITHER HAD NO INSURANCE OR ABILITY TO PAY OR WERE U NDERINSURED THE HOSPITAL'S HIGH PERCENTAGE OF POOR PERSONS WHO SEEK CARE AT THE ED REQUIR ES SUBSTANTIAL EMERGENCY PHYSICIAN SALARY SUBSIDY TO SUPPORT THE HIGH LEVEL OF UNCOMPENSAT ED CARE THIS AMOUNTED TO \$1,807,369 IN FY 2010, ONE OF THE SINGLE LARGEST COMMUNITY BENEF IT FINANCIAL CONTRIBUTIONS DUE TO ITS LOCATION WITHIN THREE BLOCKS OF THE CITY'S LARGEST HOMELESS SHELTER AT GUILFORD AVENUE AND CLOSE PROXIMITY TO HCH, MERCY MEDICAL CENTER'S ED RECEIVES MANY VISITS FROM HOMELESS PERSONS WITH DECADES OF EXPERIENCE IN PROVIDING EMERGE NT AND URGENT CARE TO POOR AND HOMELESS POPULATIONS, THE HOSPITAL HAS ESTABLISHED KEY SERV ICES FOR THE MEDICALLY UNDERSERVED INCLUDING THE FOLLOWING A FULL TIME SOCIAL WORKER IS A PART OF THE ED TEAM TO COORDINATE CARE AND OTHER SERVICES FOR HOMELESS PATIENTS WHO ARRIV E AT THE ED ED PHYSICIANS AND NURSES MAKE VISITS TO BALTIMORE CITY SHELTERS TO PROVIDE TH E FOLLOWING SERVICES 1 ADMINISTRATION OF FLU VACCINATIONS TO RESIDENTS 2 PRESENTATIONS ON PARASITES AND INFECTIOUS DISEASE 3 INFECTIOUS DISEASE PREVENTION THE FORENSIC NURSE EX AMINER PROGRAM (FNE) IS HOUSED AT THE HOSPITAL'S ED AND PROVIDES 24/7 CARE TO PATIENTS WHO ARE VICTIMS OF SEXUAL, DOMESTIC, CHILD, ELDER, AND INSTITUTIONAL VIOLENCE FORENSIC NURSE S PROVIDE COMPREHENSIVE FORENSIC MEDICAL INTERVIEWS, MEDICAL ASSESSMENTS, AND EVIDENCE COL LECTION, AND ASSURE CRISIS INTERVENTION TO AN EVER INCREASING VOLUME OF UNDERSERVED PATIEN TS DURING FY 2010, THE FNE PROGRAM CONDUCTED 502 EXAMINATIONS AND IS THE DESIGNATED SITE FOR PATIENTS IN BALTIMORE CITY LOW BIRTH WEIGHT PROGRAM- DEPARTMENT OF OBSTETRICS ----- MERCY MEDICAL CENTER DELIVERED MORE BABIES, 2, 802, THAN ANY OTHER HOSPITAL IN BALTIMORE CITY IN FY 2010 OF THESE BABIES, 11 2% WERE OF LOW BIRTH WEIGHT AND 13 8% WERE PREMATURE LOW BIRTH WEIGHT AND PREMATUREITY ARE INTERTWINE D AND CORRELATED AS CITED IN QUESTION #2, LOW BIRTH WEIGHT IS A KEY HEALTH STATUS INDICAT OR THAT IS MEASURED AND TRACKED BY THE BALTIMORE CITY DEPARTMENT OF HEALTH THAT MUST BE DE CREASED IN INCIDENCE FY2010 RATE MERCY MARYLAND NATIONAL LOW BIRTH WEIGHT 11 2% 9 15% 8 2 % PREMATUREITY 13 8% 13 40% 12 7% THE HOSPITAL HAS TAKEN A LEADERSHIP ROLE THROUGH ITS ACTI VE PARTICIPATION IN "B'MORE FOR HEALTHY BABIES", A LONG TERM INITIATIVE LED BY THE MAYOR'S OFFICE AND MANAGED BY THE BALTIMORE CITY HEALTH DEPARTMENT TO REDUCE TO INCIDENTS OF LOW BIRTH WEIGHT DR ROBERT ATLAS, CHAIRMAN OF MERCY MEDICAL CENTER'S DEPARTMENT OF OBSTETRIC S AND GYNECOLOGY, HAS A LEADERSHIP ROLE WITHIN THIS WORKGROUP THE GOALS OF "B'MORE FOR HE ALTHY BABIES" ARE REDUCTION IN THE FOLLOWING 1 RATE OF PRE-TERM BIRTHS BY AT LEAST 10% 2 RATE OF LOW BIRTH WEIGHT INFANTS BY AT LEAST 10% 3 THE NUMBER OF DEATHS FROM UNSAFE SLE EP BY AT LEAST 10% OF NOTE, 60% OF THE PATIENTS WHO DELIVERED BABIES AT MERCY MEDICAL CENT ER WERE EITHER MEDICAID BENEFICIARIES OR UNINSURED/SELF PAY THIS POPULATION IS ESPECIALLY LINKED WITH LOW BIRTH RATE AND PREMATUREITY DUE TO POVERTY THAT CLOSELY RELATES TO UNHEALT HY LIFESTYLES, PARTICULARLY, POOR NUTRITION AND INADEQUATE PRENATAL CARE IN ORDER TO ENSU RE 24/7 COVERAGE FOR ITS OBSTETRICAL PATIENTS, REGARDLESS OF THEIR ABILITY TO PAY, MERCY M EDICAL CENTER PROVIDED \$1,415,617 IN PHYSICIAN SUBSIDY FOR THIS SPECIALTY, A 12% INCREASE FROM FY 2009 DETERMINING THE NEEDS IN THE COMMUNI

Form 990 Schedule H, Part VI - Supplemental Information, Line 5

TY TO BE ADDRESSED ----- SINCE THE INCEPT ION OF COMMUNITY BENEFIT REPORTING TO THE HSCRC, MERCY MEDICAL CENTER HAS CONSISTENTLY RAN KED AMONG THE TOP FIVE HOSPITALS IN THE STATE OF MARYLAND IN TERMS OF THE PERCENTAGE OF OP ERATING REVENUE DEVOTED TO COMMUNITY NEED PROGRAMS OF NOTE, COMMUNITY BENEFIT AND CHARITY CARE SPENDING AS A PERCENTAGE OF TOTAL OPERATING EXPENSES INCREASED TO 12 2% IN FY2010 FR OM 11 9% IN FY2009 A KEY REASON FOR THE HIGHER PERCENTAGE OF MONEY SPENT ON COMMUNITY NEE D PROJECTS RELATES DIRECTLY TO THE HOSPITAL'S MISSION AND VALUE STATEMENTS

ACCESS TO CARE FOR AT-RISK, UNDERSERVED POPULATIONS HAS LONG BEEN A CORNERSTONE MISSION FOR MERCY MEDICAL CENTER. MAJOR PROGRAMS TO SERVE THIS NEED INCLUDE OUR FUNDING OF DIRECT PHYSICIAN CHARITY CARE ACROSS ALL SPECIALTIES AND THE PHARMACY CHARITY FUND TO PATIENTS WHO ARE UNINSURED AND UNABLE TO PAY. IN ADDITION, THE FAMILY HEALTH CENTERS OF BALTIMORE (FCHB) IS A FEDERALLY QUALIFIED HEALTH CENTER (FQHC), WHICH RECEIVES SIGNIFICANT FINANCIAL SUPPORT FROM THE HOSPITAL. FCHB, WITH A CLINIC LOCATED ADJACENT TO THE MERCY CAMPUS, LARGELY SERVES THE MEDICAID AND UNINSURED POPULATIONS IN SURROUNDING COMMUNITIES. BASED UPON THE NEEDS ASSESSMENT, MERCY MEDICAL CENTER IDENTIFIED THREE KEY AREAS OF FOCUS FOR "MISSION DRIVEN HEALTH SERVICES" IN FY 2010, THEY ARE AS FOLLOWS: HOMELESSNESS, THE NEED TO RESPOND TO AND ACTIVELY SUPPORT THE MEDICAL PROFESSIONAL NEEDS OF ORGANIZATIONS THAT SERVE THE HOMELESS POPULATION OF BALTIMORE, EMERGENCY SERVICES AS PROVIDED THROUGH THE EMERGENCY DEPARTMENT, GIVEN THE LARGE PERCENTAGE OF POOR AND UNINSURED PATIENTS WHO ACCESS THIS SERVICE. LOW BIRTH WEIGHT: MERCY MEDICAL CENTER DELIVERS MORE BABIES TO WOMEN AT OR BELOW THE POVERTY LINE THAN ANY OTHER HOSPITAL IN BALTIMORE. A SIGNIFICANT PERCENTAGE (>10%) OF THESE BIRTHS ARE PREMATURE AND OF LOW BIRTH WEIGHT. ALL OF THESE PROGRAMS ARE INTERTWINED AS THEY SHARE A COMMON THREAD IN THAT THE UNDERSERVED AND POOR POPULATIONS OF BALTIMORE ARE THE PRIMARY RECIPIENTS OF MEDICAL SERVICES PROVIDED BY MERCY MEDICAL CENTER ON AND OFF ITS CAMPUS. HOMELESSNESS ----- THE NUMBER OF PEOPLE EXPERIENCING HOMELESSNESS HAS GROWN STEADILY OVER THE PAST 20 YEARS IN BALTIMORE AND THROUGHOUT THE ENTIRE NATION. THIS NUMBER IS EXPECTED TO CONTINUE TO RISE GIVEN THE DETERIORATING ECONOMIC CONDITIONS LOCALLY AND NATIONALLY THAT CAUSE HIGH UNEMPLOYMENT, LOSS OF HOMES, REDUCED FEDERAL ASSISTANCE TO MEDICAID AND OTHER SAFETY NET PROGRAMS. BALTIMORE'S HOMELESS POPULATION EXTENDS GREATLY BEYOND THOSE WHO CAN FIND BEDS IN CITY AND OTHER NONPROFIT RUN SHELTERS. MERCY MEDICAL CENTER IS DIRECTLY INVOLVED IN THE PROVISION OF MEDICAL SERVICES TO THE HOMELESS POPULATION THROUGH THREE KEY AREAS: HEALTH CARE FOR THE HOMELESS ----- HEALTH CARE FOR THE HOMELESS (HCH) WAS ESTABLISHED IN 1985 AND PROVIDES ADULT, PEDIATRIC, AND GERIATRIC MEDICAL CARE, DENTAL CARE, MENTAL HEALTH, HIV SERVICES, SOCIAL WORK AND CASE MANAGEMENT, ADDICTION TREATMENT, OUTREACH, PRISON RE-ENTRY, SUPPORTIVE HOUSING, AND ACCESS TO EDUCATION AND EMPLOYMENT. IN 2009, HCH SAW 6,196 PATIENTS WHO ACCOUNTED FOR 65,430 VISITS. WITH ITS NEW LOCATION TWO BLOCKS FROM MERCY MEDICAL CENTER, HCH IS EXPECTED TO PROVIDE SIGNIFICANTLY MORE CARE ACROSS ITS SPECTRUM OF SERVICES DUE TO EXPANDED SPACE AND INCREASED STAFFING. SINCE ITS INCEPTION IN 1985 (A 25-YEAR PARTNERSHIP), MERCY MEDICAL CENTER HAS DIRECTLY EMPLOYED AND PROVIDED ALL OF THE PHYSICIAN AND NURSING STAFF TO HCH FOR MEDICAL SERVICES. WHILE THE HOSPITAL IS REIMBURSED FOR THE DIRECT COSTS OF ITS EMPLOYED CLINICIANS FROM HCH, INDIRECT AND OTHER NON-COMPENSATED COSTS CONTRIBUTED TO HCH WERE \$886,762 IN FY 2010. AS OF DECEMBER 2009, THE HOSPITAL EMPLOYS AND PROVIDES FOUR PRIMARY CARE PHYSICIANS, TWO NURSE PRACTITIONERS, ONE PHYSICIAN ASSISTANT, AND THREE REGISTERED NURSES TO WORK AT HCH. IN FY2011 AND BEYOND, MERCY MEDICAL CENTER WILL RESPOND AND EXPAND ITS LEVEL OF DIRECT AND INDIRECT SUPPORT TO HCH AS NEEDED. 1. HCH PROJECTS A 10% INCREASE IN THE NUMBER OF PATIENT VISITS TO ITS MAIN CENTER IN DOWNTOWN BALTIMORE IN FY2011. 2. HCH PLANS TO PLACE MID-LEVEL PRACTITIONER STAFFING AT TWO OF THE MAIN HOMELESS SHELTERS IN THE DOWNTOWN AREA. Mercy Medical Center, through its sole member MHS, is governed by a community board comprised of civic leaders who are committed to and represent the healthcare needs of the community. Mercy Medical Center extends medical staff privileges to all qualified physicians for all of its departments. All financial surpluses Mercy Medical Center generates are used exclusively to further the mission of the organization. MERCY SUPPORTIVE HOUSING PROGRAM ----- THE SUPPORTIVE HOUSING PROGRAM AT MERCY MEDICAL CENTER HAS A STAFF OF EIGHT EXPERIENCED HUMAN SERVICES PERSONNEL WHO WORK IN CONJUNCTION WITH OTHER HOMELESS AND HUMAN SERVICE PROVIDERS TO COORDINATE SERVICES FOR HOMELESS FAMILIES AND FAMILIES AT RISK FOR HOMELESSNESS. THE PROGRAM'S GOAL IS TO HOUSE HOMELESS FAMILIES AND TO PROVIDE SUPPORTIVE SERVICES FOR A DEFINED PERIOD TO PREVENT A RETURN TO HOMELESSNESS. IN FY 2010, THE SUPPORTIVE HOUSING PROGRAM AT MERCY PROVIDED A COMPREHENSIVE RANGE OF COUNSELING SERVICES AND COMMUNITY RESOURCE LINKAGES TO 166 CLIENTS. THESE SERVICES INCURRED DIRECT COSTS OF \$523,381 DURING FY 2010, OR ABOUT \$3,000 PER CLIENT. MERCY FAMILY VIOLENCE RESPONSE PROGRAM: THE MERCY FAMILY VIOLENCE RESPONSE PROGRAM WAS DEVELOPED BY A MULTIDISCIPLINARY STAFF TASK FORCE AT MERCY MEDICAL CENTER TO PROVIDE CRISIS INTERVENTION AND

Form 990 Schedule H, Part VI - Supplemental Information, Line 6

SAFETY PLANNING FOR VICTIMS OF FAMILY VIOLENCE (DOMESTIC VIOLENCE, CHILD ABUSE, ELDER AND VULNERABLE ADULT ABUSE) AND SEXUAL ASSAULT WHO COME TO MERCY MEDICAL CENTER AND ITS PHYSICIANS FOR TREATMENT THIS PROGRAM IMPROVES BALTIMORE'S COORDINATED COMMUNITY RESPONSE TO VICTIMS OF VIOLENCE, AND CREATES AN ALERT WORKFORCE AT MERCY MEDICAL CENTER, SKILLED AT IDENTIFYING AND RESPONDING TO VICTIMS OF FAMILY VIOLENCE EMERGENCY DEPARTMENT SERVICES AT MERCY MEDICAL CENTER -----

-- OF THE 60,787 VISITS TO MERCY MEDICAL CENTER'S EMERGENCY DEPARTMENT (ED) IN FY 2010, 39.4% WERE MEDICAID BENEFICIARIES AND 21.3% EITHER HAD NO INSURANCE OR ABILITY TO PAY OR WERE UNDERINSURED THE HOSPITAL'S HIGH PERCENTAGE OF POOR PERSONS WHO SEEK CARE AT THE ED REQUIRES SUBSTANTIAL EMERGENCY PHYSICIAN SALARY SUBSIDY TO SUPPORT THE HIGH LEVEL OF UNCOMPENSATED CARE THIS AMOUNTED TO \$1,807,369 IN FY 2010, ONE OF THE SINGLE LARGEST COMMUNITY BENEFIT FINANCIAL CONTRIBUTIONS DUE TO ITS LOCATION WITHIN THREE BLOCKS OF THE CITY'S LARGEST HOMELESS SHELTER AT GUILFORD AVENUE AND CLOSE PROXIMITY TO HCH, MERCY MEDICAL CENTER'S ED RECEIVES MANY VISITS FROM HOMELESS PERSONS WITH DECADES OF EXPERIENCE IN PROVIDING EMERGENT AND URGENT CARE TO POOR AND HOMELESS POPULATIONS, THE HOSPITAL HAS ESTABLISHED KEY SERVICES FOR THE MEDICALLY UNDERSERVED INCLUDING THE FOLLOWING A FULL TIME SOCIAL WORKER IS A PART OF THE ED TEAM TO COORDINATE CARE AND OTHER SERVICES FOR HOMELESS PATIENTS WHO ARRIVE AT THE ED ED PHYSICIANS AND NURSES MAKE VISITS TO BALTIMORE CITY SHELTERS TO PROVIDE THE FOLLOWING SERVICES ADMINISTRATION OF FLU VACCINATIONS TO RESIDENTS PRESENTATIONS ON PARASITES AND INFECTIOUS DISEASE INFECTIOUS DISEASE PREVENTION THE FORENSIC NURSE EXAMINER PROGRAM (FNE) IS HOUSED AT THE HOSPITAL'S ED AND PROVIDES 24/7 CARE TO PATIENTS WHO ARE VICTIMS OF SEXUAL, DOMESTIC, CHILD, ELDER, AND INSTITUTIONAL VIOLENCE FORENSIC NURSE PROVIDE COMPREHENSIVE FORENSIC MEDICAL INTERVIEWS, MEDICAL ASSESSMENTS, AND EVIDENCE COLLECTION, AND ASSURE CRISIS INTERVENTION TO AN EVER INCREASING VOLUME OF UNDERSERVED PATIENTS DURING FY 2010, THE FNE PROGRAM CONDUCTED 502 EXAMINATIONS AND IS THE DESIGNATED SITE FOR PATIENTS IN BALTIMORE CITY LOW BIRTH WEIGHT PROGRAM- DEPARTMENT OF OBSTETRICS ----- MERCY MEDICAL CENTER DELIVERED MORE BABIES, 2,802, THAN ANY OTHER HOSPITAL IN BALTIMORE CITY IN FY 2010 OF THESE BABIES, 11.2% WERE OF LOW BIRTH WEIGHT AND 13.8% WERE PREMATURE LOW BIRTH WEIGHT AND PREMATURELY ARE INTERTWINED AND CORRELATED AS CITED IN QUESTION #2, LOW BIRTH WEIGHT IS A KEY HEALTH STATUS INDICATOR THAT IS MEASURED AND TRACKED BY THE BALTIMORE CITY DEPARTMENT OF HEALTH THAT MUST BE DECREASED IN INCIDENCE FY2010 RATE MERCY MARYLAND NATIONAL LOW BIRTH WEIGHT 11.2% 9.15% 8.2% PREMATUREITY 13.8% 13.40% 12.7% THE HOSPITAL HAS TAKEN A LEADERSHIP ROLE THROUGH ITS ACTIVE PARTICIPATION IN "B'MORE FOR HEALTHY BABIES", A LONG TERM INITIATIVE LED BY THE MAYOR'S OFFICE AND MANAGED BY THE BALTIMORE CITY HEALTH DEPARTMENT TO REDUCE TO INCIDENCE OF LOW BIRTH WEIGHT DR ROBERT ATLAS, CHAIRMAN OF MERCY MEDICAL CENTER'S DEPARTMENT OF OBSTETRICS AND GYNECOLOGY, HAS A LEADERSHIP ROLE WITHIN THIS WORKGROUP THE GOALS OF "B'MORE FOR HEALTHY BABIES" ARE REDUCTION IN THE FOLLOWING RATE OF PRE-TERM BIRTHS BY AT LEAST 10% RATE OF LOW BIRTH WEIGHT INFANTS BY AT LEAST 10% THE NUMBER OF DEATHS FROM UNSAFE SLEEP BY AT LEAST 10% OF NOTE, 60% OF THE PATIENTS WHO DELIVERED BABIES AT MERCY MEDICAL CENTER WERE EITHER MEDICAID BENEFICIARIES OR UNINSURED/SELF PAY THIS POPULATION IS ESPECIALLY LINKED WITH LOW BIRTH RATE AND PREMATURELY DUE TO POVERTY THAT CLOSELY RELATES TO UNHEALTHY LIFESTYLES, PARTICULARLY, POOR NUTRITION AND INADEQUATE PRENATAL CARE IN ORDER TO ENSURE 24/7 COVERAGE FOR ITS OBSTETRICAL PATIENTS, REGARDLESS OF THEIR ABILITY TO PAY, MERCY MEDICAL CENTER PROVIDED \$1,415,617 IN PHYSICIAN SUBSIDY FOR

Form 990 Schedule H, Part VI - Supplemental Information, Line 7

KEY MERCY HEALTH SERVICES (MHS) PARTNERSHIPS/WORK GROUPS GROUP NAME JOURNEY HOME PURPOSE AND MMC PARTICIPATION SISTER HELEN AMOS, RSM, EXECUTIVE CHAIR OF THE MERCY HEALTH SERVICES (MHS) BOARD OF TRUSTEES AND FORMER CEO OF MHS, SERVES AS CHAIR OF THE LEADERSHIP ADVISORY GROUP FOR THE ORGANIZATION WHOSE PURPOSE IS TO END HOMELESSNESS IN BALTIMORE GROUP NAME HEALTH CARE FOR THE HOMELESS PURPOSE AND MMC PARTICIPATION HEALTH CARE FOR THE HOMELESS (HCH) PROVIDES HEALTH-RELATED SERVICES TO REDUCE THE INCIDENCE AND BURDENS OF HOMELESSNESS, ITS MAIN SITE IS WITHIN TWO BLOCKS OF MERCY MEDICAL CENTER (MMC) CATHERINE KELLY, DIRECTOR OF COMMUNITY OUTREACH OF MMC SERVES ON HCH'S BOARD OF DIRECTORS GROUP NAME BALTIMORE HOMELESS SERVICES PURPOSE AND MMC PARTICIPATION A PROGRAM WITHIN THE CITY OF BALTIMORE CONSISTING OF PROVIDERS AND STAKEHOLDERS INVOLVED IN ADDRESSING HOMELESSNESS GROUP NAME GUILFORD AVENUE SHELTER PURPOSE AND MMC PARTICIPATION BALTIMORE CITY'S LARGEST SHELTER, WHERE MMC HAS ESTABLISHED CLINICAL OUTREACH SERVICES ON-SITE GROUP NAME MAYOR'S OFFICE ON EMERGENCY MANAGEMENT PURPOSE AND MMC PARTICIPATION MMC SERVES ON THE EMERGENCY PREPAREDNESS TASK FORCE FOR BALTIMORE CITY GROUP NAME SEX AND FAMILY CRIMES DIVISION OF THE BALTIMORE CITY POLICE DEPARTMENT PURPOSE AND MMC PARTICIPATION MERCY'S FAMILY VIOLENCE RESPONSE PROGRAM WORKS CLOSELY WITH THE CITY'S POLICE DEPARTMENT AS THE HOSPITAL HAS THE ONLY FORENSIC NURSE EXAMINER PROGRAM IN BALTIMORE CITY GROUP NAME FAMILY CRISIS CENTER OF BALTIMORE (FCCB) PURPOSE AND MMC PARTICIPATION FCCB IS A MAJOR REFERRAL PARTNER TO MERCY'S FORENSIC NURSE EXAMINER AND SUPPORTIVE HOUSING PROGRAMS GROUP NAME DOMESTIC VIOLENCE COORDINATING COUNCIL PURPOSE AND MMC PARTICIPATION MARY CATHERINE-WEBB, DIRECTOR OF SOCIAL SERVICES AT MMC SERVES ON THE ORGANIZATION'S STEERING COMMITTEE GROUP NAME B'MORE FOR HEALTHY BABIES (BHB) PURPOSE AND MMC PARTICIPATION BHB IS A COALITION OF PHYSICIANS AMONG BALTIMORE CITY'S MAJOR HOSPITALS THAT ADDRESS WAYS TO REDUCE INFANT MORTALITY, PREMATURITY, AND LOW BIRTH WEIGHT ROBERT ATLAS, M D , MMC'S CHAIRMAN OF OBSTETRICS AND GYNECOLOGY IS A LEADER WITHIN BHB GROUP NAME FRIENDS OF PATTERSON PARK PURPOSE AND MMC PARTICIPATION MERCY IS ACTIVELY INVOLVED IN AND FINANCIALLY SUPPORTS THE "HEALTHY LIVING INITIATIVE" OF FPP GROUP NAME FAMILY HEALTH CENTERS OF BALTIMORE (FCHB) PURPOSE AND MMC PARTICIPATION SAM MOSKOWITZ, MMC'S CHIEF OPERATING OFFICER SERVES ON THE BOARD OF DIRECTORS OF FCHB, A FEDERALLY QUALIFIED HEALTH CENTER THAT SERVES CENTRAL AND SOUTH BALTIMORE CITY

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
Mercy Medical Center

Employer identification number
52-0591658

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div></div> <div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div></div> <div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div></div> <div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div></div> <div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div></div> <div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?		No
b	Any related organization?		No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?		No
b	Any related organization?		No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	Yes	
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

Part II

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
THOMAS MULLEN	(i)	676,902	0	418,196	7,350	21,777	1,124,225	261,258
	(ii)	0	0	0	0	0	0	
AMY FREEMAN	(i)	328,859	0	622,915	7,350	10,518	969,642	571,502
	(ii)	0	0	0	0	0	0	
SAMUEL MOSKOWITZ	(i)	437,074	0	238,015	7,350	23,597	706,036	169,540
	(ii)	0	0	0	0	0	0	
SCOTT SPIER md	(i)	353,668	0	55,277	10,822	23,189	442,956	0
	(ii)	0	0	0	0	0	0	
JOHN TOPPER	(i)	336,898	0	471,546	7,350	20,162	835,956	418,969
	(ii)	0	0	0	0	0	0	
SUSAN FINLAYSON	(i)	265,726	0	376,831	38,350	31,181	712,088	311,892
	(ii)	0	0	0	0	0	0	
JUDITH WEILAND	(i)	260,723	0	65,517	13,974	3,708	343,922	31,341
	(ii)	0	0	0	0	0	0	
ROBERT EDWARDS	(i)	235,295	0	37,350	7,124	20,162	299,931	0
	(ii)	0	0	0	0	0	0	
JAMES LEVY MD	(i)	240,736	24,000	8,000	10,956	26,532	310,224	0
	(ii)	0	0	0	0	0	0	
JESSIE REED	(i)	195,546	0	103,612	19,396	11,388	329,942	84,187
	(ii)	0	0	0	0	0	0	
JOHN LEPLEY	(i)	200,022	0	109,860	6,179	19,259	335,320	78,861
	(ii)	0	0	0	0	0	0	
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III

Supplemental Information

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

Identifier	Return Reference	Explanation
NONQUALIFIED RETIREMENT PLAN	SCH J LINE 4B	The Corporation maintained a nonqualified plan of deferred compensation for certain employees. The Plan only permits deferrals (that is, no contributions are made by the Corporation). Due to the changes in tax laws, the plan was terminated during the year and participating employees were paid and taxed on the entirety of their accounts. Schedule J reports the amounts distributed, which amounts were reflected as contributions in prior periods. The following individuals received distributions from the nonqualified deferred compensation plan in the following amounts: THOMAS MULLEN \$261,258 JOHN TOPPER \$418,969 SAMUEL MOSKOWITZ \$169,540 AMY FREEMAN \$571,502 SUSAN FINLAYSON \$311,892 JUDITH WEILAND \$ 31,341 JESSIE REED \$ 84,187 JOHN LEPLEY \$ 78,861.
NON-FIXED PAYMENTS	SCH J LINE 7	The Compensation Committee approves non-fixed payments for management based on the degree of meeting corporate priorities established by the Board of Trustees. The corporate objectives are designed to advance the organization in the areas of quality care, patient safety, patient satisfaction, business development and financial strength.

Schedule K (Form 990)	<div>Supplemental Information on Tax Exempt Bonds</div> <div>▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990). ▶ Attach to Form 990. ▶ See separate instructions.</div>		OMB No 1545-0047
			2009
			Open to Public Inspection

Department of the Treasury Internal Revenue Service	
Name of the organization Mercy Medical Center	Employer identification number 52-0591658

Part I

Bond Issues

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
						Yes	No	Yes	No
A MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	574217XX8	08-03-2006	35,000,000	2006 REPLACEMENT GARAGE AND RO		X		X
B MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	574217L29	11-08-2007	155,000,000	2007 A REPLACEMENT TOWER AND R		X		X
C MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	574217L37	11-08-2007	150,000,000	2007 B C D REPLACEMENT PATIENT		X		X
D MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY	52-0936091	574217Y41	07-16-2008	35,325,000	2008 REFUNDING OF 2003 BONDS		X		X
E MARYLAND HEALTH & HIGHER EDUCATIONAL FACILITY AUTH	52-0936091	5742174Z5	12-16-2009	30,000,000	2009 PARTIAL CONVERSION 2008 BONDS		X		X

Part II

Proceeds

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Total proceeds of issue			35,952,865		168,743,062		155,940,666		35,457,518	
2 Gross proceeds in reserve funds			12,498,309		12,498,309					
3 Proceeds in refunding or defeasance escrows			8,812,500		8,812,500		35,070,000		30,000,000	
4 Other unspent proceeds			48,660,602		48,660,602		4,527,890			
5 Issuance costs from proceeds			330,107		1,508,050		896,739		387,518	
6 Working capital expenditures from proceeds										
7 Capital expenditures from proceeds			35,622,758		97,263,600		150,516,037			
8 Year of substantial completion			2008		2011		2011		2008	
9 Were the bonds issued as part of a current refunding issue?			X		X		X		X	
10 Were the bonds issued as part of an advance refunding issue?			X		X		X		X	
11 Has the final allocation of proceeds been made?	X				X		X		X	
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X				X		X		X	

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?	X		X		X		X		X	
3b	Are there any research agreements with respect to the financed property which may result in private business use?		X		X		X		X		X
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X		X		X		X		X	
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %		0 500 %		0 500 %	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0 %		0 %		0 %		0 100 %		0 100 %	
6	Total of lines 4 and 5	0 %		0 %		0 %		0 600 %		0 600 %	
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X		X	

Part IV

Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		X		X
2	Is the bond issue a variable rate issue?		X		X	X		X			X
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?	X		X		X			X		X
b	Name of provider	MERRILL LYNCH		MERRILL LYNCH		MERRILL LYNCH					
c	Term of hedge	30		30		35					
4a	Were gross proceeds invested in a GIC?		X	X		X			X		X
b	Name of provider	GE FUNDING		GE FUNDING		GE FUNDING					
c	Term of GIC	4 25		4 25		2					
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X		X		X					
5	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X		X
6	Did the bond issue qualify for an exception to rebate?	X		X		X		X		X	

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered
"Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V lines 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

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Name of the organization
Mercy Medical Center

Employer identification number
52-0591658

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

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

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
SUSAN FINLAYSON RELOCATION		X	250,000	75,000		No	Yes		Yes	
Total ▶ \$ 75,000										

Part III Grants or Assistance Benefitting Interested Persons.

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

(a) Name of interested person	(b)Relationship between interested person and the organization	(c)Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

►Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.
► Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Mercy Medical Center

Employer identification number
52-0591658

Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property	X			Cost savings
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► ()				
26 Other ► ()				
27 Other ► ()				
28 Other ► ()				
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement			29	
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?				Yes No
b If "Yes," describe the arrangement in Part II				
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?				No
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?				No
b If "Yes," describe in Part II				
33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II				

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
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Additional Data

Software ID:
Software Version:
EIN: 52-0591658
Name: Mercy Medical Center

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization Mercy Medical Center	Employer identification number 52-0591658
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Identifier	Return Reference	Explanation
DESCRIPTION OF 990 REVIEW PROCESS	PART VI, LINE 11	Mercy Health Services, Inc ("MHS"), the sole parent of the Corporation, has a policy w hich requires the Corporation's 990 to be made available for review by the MHS Board and/or the MHS Board Executive Committee prior to its filing At its March 23, 2011 meeting, MHS Board Executive Committee members received a copy of the Corporation's draft form 990 The MHS CFO provided a pow er point presentation regarding the draft and there w as an opportunity for questions and discussion Follow ing further revision of the draft 990 and prior to its filing, it w as made available in final form to all members of the MHS Board and the Corporation's Board

Identifier	Return Reference	Explanation
CONFLICTS OF INTEREST MONITORING AND ENFORCEMENT	PART VI, LINE 12C	MHS HAS A WRITTEN CONFLICT OF INTEREST POLICY THAT COVERS MHS AND ALL OF ITS DIRECT AND INDIRECT SUBSIDIARIES THE INDIVIDUALS COVERED UNDER THE POLICY INCLUDE ALL TRUSTEES, DIRECTORS, OFFICERS (INCLUDING ALL SENIOR AND EXECUTIVE VICE PRESIDENTS) AND MEMBERS OF ANY COMMITTEE WITH BOARD-DELEGATED POWERS UNDER THE POLICY, EACH SUCH PERSON IS REQUIRED TO COMPLETE AN ANNUAL DISCLOSURE FORM REGARDING BUSINESS RELATIONSHIPS THAT HE OR SHE, OR ANY FAMILY MEMBER, HAS WITH ANY OTHER ORGANIZATION THAT DOES BUSINESS WITH MHS OR ITS SUBSIDIARIES AND RELATIONSHIPS BETWEEN AND AMONG OFFICERS, TRUSTEES AND DIRECTORS THE COMPLETED DISCLOSURE FORMS ARE REVIEWED BY THE MHS BOARD CHAIR AND BY THE MHS CEO OR A DESIGNEE IN ADDITION TO THE ANNUAL DISCLOSURE, ANY PERSON WHO IS COVERED BY THE CONFLICT OF INTEREST POLICY HAS AN ONGOING OBLIGATION TO DISCLOSE THE EXISTENCE OF ANY ACTUAL OR POTENTIAL CONFLICT TO THE BOAURD OR THE BOARD COMMITTEE IN WHICH THE MATTER ARISES FOLLOWING THE DISCLOSURE, THE PERSON MAY MAKE A PRESENTATION, BUT MUST THEN LEAVE THE MEETING AND THE OTHER MEMBERS OF THE BOARD OR COMMITTEE SHALL DETERMINE WHETHER A CONFLICT EXISTS UNDER THE POLICY, A CONFLICT OF INTEREST EXISTS WHEN AN INDIVIDUAL'S OWN PERSONAL INTERST WOULD, OR MAY, INTERFERE WITH HIS OR HER IMPARTIALITY REGARDING THE MATTER IF A CONFLICT EXISTS, THE PERSON MAY NOT BY PRESENT DURING DELIBERATIONS ON THE MATTER OR VOTE ON IT THE BOARD OR COMMITTEE, AFTER CONDUCTING SUCH ADDITIONAL DUE DILIGENCE AS IT DETERMINES IS APPROPRIATE, SHALL MAKE A DECISION ON THE MATTER BASED UPON WHETHER THE PARTICULAR PROPOSAL IS FAIR, REASONABLE AND IN THE BEST INTEREST OF THE ORGANIZATION

Identifier	Return Reference	Explanation
PROCESS OF DETERMINING COMPENSATION	PART VI, LINE 15	THE ORGANIZATION'S BOARD HAS ADOPTED A COMPENSATION POLICY (THE "POLICY") FOR COVERED INDIVIDUALS PURSUANT TO THE POLICY, A COMPENATION COMMITTEE OF INDEPENDENT DIRECTORS OF THE BOARD OF THE ORGANIZATION'S PARENT CORPORATION WAS ESTABLISHED TO REVIEW THE COMPENSATION OF ALL EMPLOYEES SPECIFIED AS HAVING A SUBSTANTIAL INFLUENCE OVER THE ORGANIZATION AND WHO RECEIVE REMUNERATION FROM THE ORGANIZATION THE COMPENSATION COMMITTEE IS ADVISED BY AN INDEPENDENT COMPENSATION CONSULTANT, WHICH OPINES TO THE COMPENSATION COMMITTEE THAT THE LEVEL OF COMPENSATION PAID AND THE PROCESS BY WHICH COMPENSATION IS ESTABLISHED MEET APPLICABLE IRS REASONABLENESS AND "SAFE HARBOR" STANDARDS THE OUTSIDE COMPENSATION CONSULTANT PROVIDES DATA OF COMPENSATION PROVIDED AT SIMILAR ORGANIZATIONS TO ENSURE THAT THE ORGANIZATION DOES NOT COMPENSATE IN EXCESS OF MARKET NORMS Mercy Health Services, Inc (the Corporation's sole member) has a w ritten policy regarding the review of physician compensation titled "Amended and Restated Physician Compensation Review " The policy applies to all MHS subsidiaries, including the Corporation, and it sets out the process and procedures for ensuring that physician compensation is appropriately review ed and determned to be consistent w ith fair market value Under the policy the review and determination must be documented in w riting The policy addresses internal review s through benchmarking of physician compensation against nationally recognized compensation survey data, the use of independent compensation consultants and review by the MHS Board Compensation Committee The policy further requires that all compensation review s be performed in accordance w ith the MHS Conflict of Interest Policy

Identifier	Return Reference	Explanation
DOCUMENT AVAILABILITY	PART VI, LINE 19	The governing documents of the organization, its conflicts of interest policy, and its financial statements are available from the organization upon request

Identifier	Return Reference	Explanation
AUDITS	PART XI, QUESTIONS 2 AND 3	MERCY HEALTH SYSTEM, INC AND ITS SUBSIDIARES INCLUDING THE ORGANIZATION FILING THIS FORM 990, UNDERGO A CONSOLIDATED AUDIT OF THEIR FINANCIAL STATEMENT THAT COMPLIES WITH SINGLE AUDIT ACT/OMB CIRCULAR A-133 REQUIREMENTS DUE TO THE EXPENDITURE OF FEDERAL AWARDS THE ACCOUNTING FIRM OF COHEN, RUTHERFORD + KNIGHT P C HAS ISSUED AN UNQUALIFIED OPINION REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS IN CONFORMANCE WITH GENERALLY ACCEPTEED AUDIT STANDARDS AND THE SINGLE AUDIT ACT/OMB CIRCULAR A-133 REQUIREMENTS FOR THE FISCAL YEAR THAT CORRESPONDS TO THE TAX REPORTING YEAR GOVERNED BY THIS FORM 990

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION FOR SCHEDULE K	SCHEDULE K, PART I, COLUMN G, LINE C AND D	LINE C AND D HAS BEEN CHECKED SINCE THESE BOND ISSUES HAVE NOT BEEN FULLY REFUNDED, HOWEVER, THEY HAVE BEEN PARTIALLY REFUNDED, AND THE BOND ISSUES TO PARTIALLY REFUND BONDS LISTED ON LINES C AND D OF PART I ARE SHOWN ON LINE E AND A

Identifier	Return Reference	Explanation
SUPPLEMENTAL FOR SCHEDULE K	SCHEDULE K, PART II, LINE 3	PROCEEDS FROM THE "2007 A REPLACEMENT TOWERS" BONDS AND "2008 REFUNDING OF 2003 BONDS" WERE USED TO REFUND BOND ISSUES NOT LISTED ON SCHEDULE K BECAUSE THESE UNLISTED BOND ISSUES WERE FULLY DEFEASED AS OF JUNE 30TH, 2010

Identifier	Return Reference	Explanation
PART VI, LINE 1B		Mercy Health Services, Inc ("MHS"), a 501(c)(3) corporation, is the sole member of Mercy Medical Center, Inc ("MMC") MHS is governed by a 26-person Board of Trustees, of w hom 21 are independent board members The Board of Directors of MMC is currently made of 7 directors The President of MHS serves as an ex officio member of MMC's Board and the balance of the MMC Board members are elected by, and subject to removal by, the Board of Trustees of MHS One of the members of the MFC Board is independent Seven of the Board members are compensated as employees either of MFC or a related organization listed in Schedule R, Part II

Identifier	Return Reference	Explanation
PART VI, LINE 6		MHS is the sole member of MMC

Identifier	Return Reference	Explanation
PART VI, LINE 7A		The President of MHS serves as an ex officio voting member of the Board of Directors of MMC As the member of MMC, the Board of Trustees of MHS elects all of the other members of the Board of MMC All of the members of the MMC Board serve at the pleasure of the Board of Trustees of MHS and are subject to removal by the MHS Board

Identifier	Return Reference	Explanation
PART VI, LINE 7B		The Board of Trustees of MHS exercises authority over MMC through its right to appoint and remove MMC Board members In addition, MHS, as the member, is responsible for the follow ing actions a) to appoint members to MMC's Board of Directors, b) to review and approve or disapprove the strategic plan, annual budget and the annual operating goals and objectives of MMC as recommended to MHS by MMC's Board of Directors, c) to evaluate the performance of MMC's Board of Directors, officers, and operating management, d) to remove Board members of MMC in its discretion at any time, e) to approve the mission and vision that govern MMC's operations, f) to have ultimate responsibility for MMC's quality assurance, performance improvement, utilization review and risk management, and g) to appoint, reappoint and take any corrective action related to the Medical Staff of MMC (the "Medical Staff") in accordance w ith the Medical Staff Bylaw s of MMC The follow ing actions require the approval of and affirmative corporate action by MHS a) any disposition of all or substantially all of MMC's assets, dissolution, liquidation, winding up or abandonment of MMC, b) any amendment of the Articles of Incorporation or Bylaw s of MMC or of the Medical Staff Bylaw s of MMC, c) any borrowing or lending by MMC or the issuance of any guarantee by MMC in an amount in excess of an amount specified by MHS from time to time, d) any merger, consolidation or institutional affiliation w ith any other corporation or other entity, and e) the purchase or sale of assets for an amount in excess of an amount specified from time to time by MHS Ultimately, the Corporation is controlled by MHS's 26-person community board, w hich includes 21 independent directors as noted above

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Mercy Medical Center

Employer identification number
52-0591658

Part I

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

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

Part II

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
MERCY HEALTH SERVICES INC 301 ST PAUL PLACE BALTIMORE, MD 21202 52-2173382	SUPPORT	MD	501(c)(3)	509(A)(3)	N/A
MERCY HEALTH FOUNDATION INC 301 ST PAUL PLACE BALTIMORE, MD 21202 52-2173656	FOUNDATION	MD	501(c)(3)	170(B)(1)vi	MERCY HEALTH
SAINT PAUL PLACE SPECIALISTS INC 301 ST PAUL PLACE BALTIMORE, MD 21202 52-1495113	SPEC CARE	MD	501(c)(3)	170(B)1 iii	MERCY HEALTH
MARYLAND FAMILY CARE INC 301 ST PAUL PLACE BALTIMORE, MD 21202 52-2046586	PRIMARY CARE	MD	501(c)(3)	170(B)1 iii	MERCY HEALTH
STELLA MARIS INC 2300 DULANEY VALLEY TIMONIUM, MD 21093 52-1419602	NURSING FACLT	MD	501(c)(3)	509(A)(2)	MERCY HEALTH
MERCY TRANSITIONAL CARE SERVICES INC 301 ST PAUL PLACE BALTIMORE, MD 21202 52-1968440	SKILLED NURSE	MD	501(c)(3)	509(A)(2)	MERCY MEDICA

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
GREENLEAF INSURANCE CO LTD PO BOX 1363 GRAND CAYMAN, CAYMAN ISLANDS KY1-1108 CJ 52-0591658	INSURANCE	CJ	MERCY MEDICAL	LTD	3,502,597	37,752,778	100 000 %

Part V

Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

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

1

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

a

Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b

Gift, grant, or capital contribution to other organization(s)

c

Gift, grant, or capital contribution from other organization(s)

d

Loans or loan guarantees to or for other organization(s)

e

Loans or loan guarantees by other organization(s)

f

Sale of assets to other organization(s)

g

Purchase of assets from other organization(s)

h

Exchange of assets

i

Lease of facilities, equipment, or other assets to other organization(s)

j

Lease of facilities, equipment, or other assets from other organization(s)

k

Performance of services or membership or fundraising solicitations for other organization(s)

l

Performance of services or membership or fundraising solicitations by other organization(s)

m

Sharing of facilities, equipment, mailing lists, or other assets

n

Sharing of paid employees

o

Reimbursement paid to other organization for expenses

p

Reimbursement paid by other organization for expenses

q

Other transfer of cash or property to other organization(s)

r

Other transfer of cash or property from other organization(s)

Yes

No

1a

No

1b

No

1c

Yes

1d

No

1e

No

1f

No

1g

No

1h

No

1i

Yes

1j

No

1k

No

1l

No

1m

Yes

1n

Yes

1o

Yes

1p

Yes

1q

Yes

1r

Yes

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1) GREENLEAF INSURANCE CO LTD	P	850,211
(2) MERCY TRANSITIONAL CARE SERVICES	O	1,958,866
(3) MERCY TRANSITIONAL CARE SERVICES	M	-3,754,575
(4) MERCY TRANSITIONAL CARE SERVICES	N	1,796,593
(5)		
(6)		

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

[illegible]

Software ID:

Software Version:

EIN: 52-0591658

Name: Mercy Medical Center

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity
MERCY HEALTH SERVICES INC 301 ST PAUL PLACE BALTIMORE, MD21202 52-2173382	SUPPORT	MD	501(c)(3)	509(A)(3)	N/A
MERCY HEALTH FOUNDATION INC 301 ST PAUL PLACE BALTIMORE, MD21202 52-2173656	FOUNDATION	MD	501(c)(3)	170(B)(1)vi	MERCY HEALTH
SAINT PAUL PLACE SPECIALISTS INC 301 ST PAUL PLACE BALTIMORE, MD21202 52-1495113	SPEC CARE	MD	501(c)(3)	170(B)1 iii	MERCY HEALTH
MARYLAND FAMILY CARE INC 301 ST PAUL PLACE BALTIMORE, MD21202 52-2046586	PRIMARY CARE	MD	501(c)(3)	170(B)1 iii	MERCY HEALTH
STELLA MARIS INC 2300 DULANEY VALLEY TIMONIUM, MD21093 52-1419602	NURSING FACLT	MD	501(c)(3)	509(A)(2)	MERCY HEALTH
MERCY TRANSITIONAL CARE SERVICES INC 301 ST PAUL PLACE BALTIMORE, MD21202 52-1968440	SKILLED NURSE	MD	501(c)(3)	509(A)(2)	MERCY MEDICA

Form

4797

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

OMB No 1545-0184

2009

Attachment Sequence No 27

Department of the Treasury

Internal Revenue Service (99)

▶ Attach to your tax return.

▶ See separate instructions.

Name(s) shown on return

Mercy Medical Center

Identifying number

52-0591658

1

Enter the gross proceeds from sales or exchanges reported to you for 2009 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions)

1

Part I

Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)
2							

3

Gain, if any, from Form 4684, line 43

3

4

Section 1231 gain from installment sales from Form 6252, line 26 or 37

4

5

Section 1231 gain or (loss) from like-kind exchanges from Form 8824

5

6

Gain, if any, from line 32, from other than casualty or theft

6

7

Combine lines 2 through 6 Enter the gain or (loss) here and on the appropriate line as follows

7

Partnerships (except electing large partnerships) and S corporations.

Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9 Skip lines 8, 9, 11, and 12 below

Individuals, partners, S corporation shareholders, and all others.

If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9 If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below

8

Nonrecaptured net section 1231 losses from prior years (see instructions)

8

9

Subtract line 8 from line 7 If zero or less, enter -0- If line 9 is zero, enter the gain from line 7 on line 12 below If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)

9

Part II

Ordinary Gains and Losses (see instructions)

10

Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less)

SALE OF FIXED ASSETS						8,843

11

Loss, if any, from line 7

11

()

12

Gain, if any, from line 7, or amount from line 8, if applicable

12

13

Gain, if any, from line 31

13

14

Net gain or (loss) from Form 4684, lines 35 and 42a

14

15

Ordinary gain from installment sales from Form 6252, line 25 or 36

15

16

Ordinary gain or (loss) from like-kind exchanges from Form 8824

16

17

Combine lines 10 through 16

17

-8,843

18

For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below For individual returns, complete lines a and b below

a

If the loss on line 11 includes a loss from Form 4684, line 39, column (b)(ii), enter that part of the loss here Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23 Identify as from "Form 4797, line 18a " See instructions

18a

b

Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a Enter here and on Form 1040, line 14

18b

Part III

Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19	(a) Description of section 1245, 1250, 1252, 1254, or 1255 property	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)
A			
B			
C			
D			

These columns relate to the properties on lines 19A through 19D		Property A	Property B	Property C	Property D
20	Gross sales price (Note: See line 1 before completing)	20			
21	Cost or other basis plus expense of sale . . .	21			
22	Depreciation (or depletion) allowed or allowable	22			
23	Adjusted basis Subtract line 22 from line 21 . . .	23			
24	Total gain Subtract line 23 from line 20 . . .	24			
25	If section 1245 property:				
a	Depreciation allowed or allowable from line 22	25a			
b	Enter the smaller of line 24 or 25a	25b			
26	If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291				
a	Additional depreciation after 1975 (see instructions) . . .	26a			
b	Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b			
c	Subtract line 26a from line 24 If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c			
d	Additional depreciation after 1969 and before 1976 . . .	26d			
e	Enter the smaller of line 26c or 26d	26e			
f	Sections 291 amount (corporations only) . . .	26f			
g	Add lines 26b, 26e, and 26f	26g			
27	If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership)				
a	Soil, water, and land clearing expenses . . .	27a			
b	Line 27a multiplied by applicable percentage (see instructions) . . .	27b			
c	Enter the smaller of line 24 or 27b	27c			
28	If section 1254 property:				
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion (see instructions)	28a			
b	Enter the smaller of line 24 or 28a	28b			
29	If section 1255 property:				
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	29a			
b	Enter the smaller of line 24 or 29a (see instructions)	29b			

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.			
30	Total gains for all properties Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b Enter here and on line 13	31	
32	Subtract line 31 from line 30 Enter the portion from casualty or theft on Form 4684, line 37 Enter the portion from other than casualty or theft on Form 4797, line 6	32	

Part IV

Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

		(a) Section 179	(b) Section 280F(b)(2)
33	Section 179 expense deduction or depreciation allowable in prior years . . .	33	
34	Recomputed depreciation (see instructions)	34	
35	Recapture amount Subtract line 34 from line 33 See the instructions for where to report . . .	35	