



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 2010 Open to Public Inspection
	The organization may have to use a copy of this return to satisfy state reporting requirements	

A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011		D Employer identification number 02-0232673	
B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER		E Telephone number (603) 663-2033
	Doing Business As		
	Number and street (or P O box if mail is not delivered to street address) 1 ELLIOT WAY		G Gross receipts \$ 344,208,458
	Room/suite		
City or town, state or country, and ZIP + 4 MANCHESTER, NH 03103			
F Name and address of principal officer DOUGLAS DEAN 1 ELLIOT WAY MANCHESTER, NH 03103		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)	
I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () ◀(Insert no) ☐ 4947(a)(1) or ☐ 527		H(c) Group exemption number ▶	
J Website: ▶ ELLIOT-HS.ORG			
K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶		L Year of formation 1942	M State of legal domicile NH

Part I		Summary	
Activities & Governance	1 Briefly describe the organization's mission or most significant activities HOSPITAL SERVICES		
	2 Check this box ☐ 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	24
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	19
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	3,155
	6 Total number of volunteers (estimate if necessary)	6	0
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	6,167,114	
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	937,241	599,090
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	302,860,034	321,386,340
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,869,189	5,998,990
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	14,891,261	16,179,365
		324,557,725	344,163,785
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	467,405	581,686
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	153,637,660	167,657,511
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ☐ 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	162,703,631	169,848,856
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	316,808,696	338,088,053
	19 Revenue less expenses Subtract line 18 from line 12	7,749,029	6,075,732
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	349,524,251	354,022,964
	21 Total liabilities (Part X, line 26)	267,460,033	239,186,805
	22 Net assets or fund balances Subtract line 21 from line 20	82,064,218	114,836,159

Part II Signature Block	
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
Sign Here	***** Signature of officer 2012-04-30 Date
	RICHARD EWELL CFO Type or print name and title
Paid Preparer Use Only	Print/Type preparer's name MICHAEL A BARBARITA CPA Preparer's signature MICHAEL A BARBARITA CPA Date Check if self-employed ☒ PTIN
	Firm's name  WILLIAM STEELE & ASSOCIATES PC Firm's EIN 
	Firm's address  40 STARK STREET MANCHESTER, NH 03101 Phone no  (603) 622-8881
May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No	

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐

1

Briefly describe the organization's mission

ELLIOT HOSPITAL OF THE CITY OF MANCHESTER, A LEADER IN HEALTHCARE, IS DEDICATED TO PROVIDING IT'S COMMUNITY WITH EXCELLENT SERVICES OFFERED WITH DIGNITY, CARING, AND RESPECT

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 \$ 269,276,181 including grants of \$) (Revenue \$ 321,386,340)

MEDICAL SERVICES PROVIDED TO 14,271 IN-PATIENTS AND 489,920 OUT-PATIENTS INCLUDING FREE CARE IN THE AMOUNT OF 10,537,000 (AT COST) AND CONTRIBUTIONS TO COMMUNITY PROGRAMS

4b

(Code) (Expenses \$ 581,686 including grants of \$) (Revenue \$)

CONTRIBUTIONS TO CHILD HEALTH SERVICES, MANCHESTER COMMUNITY HEALTH CENTER, AND I-IMAGINE CAMPAIGN

4c

(Code) (Expenses \$ 3,935,912 including grants of \$) (Revenue \$)

COMMUNITY BENEFITS INCLUDING EDUCATIONAL PROGRAMS, HEALTH SCREENINGS, HEALTH PUBLICATIONS, PATIENT TRANSPORT SERVICE AND OTHER HEALTH INFORMATION SERVICES

4d

Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses \$ 273,793,779

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 (see instruction)? 	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, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II 	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	
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 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI. 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII. 	11b Yes	
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII. 	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX. 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X. 	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional 	12b	No
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
b 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, Parts I and IV	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, Parts II and IV	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, Parts III and IV	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 (see instructions)	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
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20a Yes	
b If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b 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	Yes	
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	Yes	
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 lines 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		No
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	Yes	
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 (or a family member thereof) was an officer, director, trustee, or direct or indirect 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		No
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)?	35	Yes	
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>			
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			
Check if Schedule O contains a response to any question in this Part V ☐			
		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	232
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
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	3,155
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	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	No
b	If "Yes," enter the name of the foreign country: _____ See instructions for 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?	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 receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds 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	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b	
c	Enter the amount of reserves on hand.	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b	

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.
Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	24		
b	Enter the number of voting members included in line 1a, above, who are independent	19		
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 governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant 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		No
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		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this 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 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		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▶NH
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ MARC CULLEROT 1070 HOLT AVENUE UNIT 1 SUITE 2100 MANCHESTER, NH 03109 (603) 663-2033

Check if Schedule O contains a response to any question in this Part VII ☐ ☒

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

Form **990** (2010)

Part VII

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: 111

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>
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>
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>

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
AW ROSE CONSTRUCTION LLC 33 SOUTH COMMERCIAL STREET MANCHESTER, NH 03101	CONSTRUCTION	3,286,448
MARTINI NORTHERN LLC 299 HANOVER STREET PORTSMOUTH, NH 03801	GENERAL CONTRACTOR	2,384,938
CEG ADVISORY 152 WASHINGTON STREET NEWTON, MA 02458	CLINICAL AND BUSINESS SOLUTIONS	892,264
CUBE 3 STUDIO LLC 360 MERRIMACK STREET LAWRENCE, MA 01843	ARCHITECTURAL DESIGN SERVICES	834,441
BIANCO PROFESSIONAL ASSOCIATION 18 CENTRE STREET CONCORD, NH 03301	CONSULTING	669,160
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 29		

Part VIII

Statement of Revenue

					(A)	(B)	(C)	(D)			
					Total revenue	Related or exempt function revenue	Unrelated business revenue	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								
	e	Government grants (contributions)	1e								
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	599,090							
	g	Noncash contributions included in lines 1a-1f \$									
	h	Total. Add lines 1a-1f							599,090		
	Program Service Revenue	2a	Business Code								
PROG SERV REVENUE-RELA			621110	321,386,340	321,386,340						
b											
c											
d											
e											
f		All other program service revenue									
g		Total. Add lines 2a-2f			321,386,340						
Other Revenue		3	Investment income (including dividends, interest and other similar amounts)								
					2,924,964		2,924,964				
	4	Income from investment of tax-exempt bond proceeds . . .									
	5	Royalties									
	6a	(i) Real									
		1,413,301									
		b Less rental expenses									
		c Rental income or (loss)									
	d Net rental income or (loss)			1,368,628		1,368,628					
	7a	(i) Securities									
		3,074,026									
		b Less cost or other basis and sales expenses									
		c Gain or (loss)									
	d Net gain or (loss)			3,074,026		3,074,026					
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18									
		a									
		b Less direct expenses									
	c Net income or (loss) from fundraising events . . .										
	9a	Gross income from gaming activities See Part IV, line 19									
		a									
		b Less direct expenses									
c Net income or (loss) from gaming activities . . .											
10a	Gross sales of inventory, less returns and allowances										
	a										
	b Less cost of goods sold										
c Net income or (loss) from sales of inventory . . .											
Miscellaneous Revenue			Business Code								
11a MISCELLANEOUS OTHER			900099					6,506,960	6,506,960		
b LABORATORY SERVICES			621500					5,512,754	5,512,754		
c CAFETERIA REVENUE			722210					1,497,600	1,497,600		
d All other revenue								1,293,423	148,062	654,360	491,001
e Total. Add lines 11a-11d				14,810,737							
12 Total revenue. See Instructions				344,163,785	328,041,362	6,167,114	9,356,219				

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	581,686	581,686		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees				
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	1,871,459		1,871,459	
7	Other salaries and wages	129,165,509	96,874,132	32,291,377	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	13,056,773	9,792,580	3,264,193	
9	Other employee benefits	13,899,711	10,424,783	3,474,928	
10	Payroll taxes	9,664,059	7,248,044	2,416,015	
a	Fees for services (non-employees)				
	Management				
b	Legal	278,105		278,105	
c	Accounting	157,900		157,900	
d	Lobbying				
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other				
12	Advertising and promotion	2,554,543		2,554,543	
13	Office expenses				
14	Information technology				
15	Royalties				
16	Occupancy	4,712,259	3,534,194	1,178,065	
17	Travel	148,166	111,124	37,042	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	419,202	314,402	104,800	
20	Interest	5,357,184	4,017,888	1,339,296	
21	Payments to affiliates	19,863,681	19,863,681		
22	Depreciation, depletion, and amortization	14,740,175	11,055,131	3,685,044	
23	Insurance	4,076,399	3,057,299	1,019,100	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	PROVISION FOR BAD DEBTS	29,570,066	29,570,066		
b	SUPPLIES	20,015,215	20,015,215		
c	DRUGS & PHARMACEUTICUL	14,099,230	14,099,230		
d	IMPLANTS & PROTHESIS	9,577,011	9,577,011		
e	MAINTENANCE & SERVICE C	8,466,417	6,349,814	2,116,603	
f	All other expenses	35,813,303	27,307,499	8,505,804	
25	Total functional expenses. Add lines 1 through 24f	338,088,053	273,793,779	64,294,274	0
26	Joint costs. Check here ☒ if following SOP 98-2 (ASC 958-720) 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) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing			12,739,160	1	14,174,647
	2	Savings and temporary cash investments			15,669,787	2	11,013,768
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			29,248,241	4	30,971,984
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			2,094,294	8	2,184,163
	9	Prepaid expenses and deferred charges			2,889,049	9	3,574,037
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	339,174,159	122,689,368	10c	176,603,568
	b	Less accumulated depreciation	10b	162,570,591			
	11	Investments—publicly traded securities				11	
	12	Investments—other securities See Part IV, line 11			153,002,696	12	101,624,135
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			11,191,656	15	13,876,662
	16	Total assets. Add lines 1 through 15 (must equal line 34)			349,524,251	16	354,022,964
Liabilities	17	Accounts payable and accrued expenses			35,673,540	17	31,791,324
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			152,703,888	20	153,194,328
	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				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities Complete Part X of Schedule D			79,082,605	25	54,201,153
	26	Total liabilities. Add lines 17 through 25			267,460,033	26	239,186,805
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			69,293,191	27	100,975,670
	28	Temporarily restricted net assets			1,406,996	28	1,722,983
	29	Permanently restricted net assets			11,364,031	29	12,137,506
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			82,064,218	33	114,836,159
	34	Total liabilities and net assets/fund balances			349,524,251	34	354,022,964

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	344,163,785
2	Total expenses (must equal Part IX, column (A), line 25)	2	338,088,053
3	Revenue less expenses Subtract line 2 from line 1	3	6,075,732
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	82,064,218
5	Other changes in net assets or fund balances (explain in Schedule O)	5	26,696,209
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	114,836,159

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ 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 separate basis, consolidated basis, or both ☐ Separate basis ☒ Consolidated basis ☐ 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

2010

Open to Public
Inspection

Name of the organization THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER	Employer identification number 02-0232673
---	--

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 described in **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 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 Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	

13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶

Section C. Computation of Public Support Percentage		
14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2009 Schedule A, Part II, line 14	15	
16a 33 1/3% support test—2010. 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—2009. 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—2010. 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—2009. 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 Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						

Section B. Total Support						
Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11 and 12.)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here 						

Section C. Computation of Public Support Percentage		
15 Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2010. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization 		
b 33 1/3% support tests—2009. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization 		
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions 		

Part IV

Supplemental Information. Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2010

Open to Public Inspection

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

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

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

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

If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then

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

Name of the organization THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER	Employer identification number 02-0232673
---	--

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

1

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

2

Political expenditures

▶ \$ _____

3

Volunteer hours

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

1

Enter the amount of any excise tax incurred by the organization under section 4955

▶ \$ _____

2

Enter the amount of any excise tax incurred by organization managers under section 4955

▶ \$ _____

3

If the organization incurred a section 4955 tax, did it file Form 4720 for this year?

☐ Yes ☐ No

4a

Was a correction made?

☐ Yes ☐ No

b

If "Yes," describe in Part IV

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

1

Enter the amount directly expended by the filing organization for section 527 exempt function activities

▶ \$ _____

2

Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities

▶ \$ _____

3

Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b

▶ \$ _____

4

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

☐ Yes ☐ No

5

Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization’s funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

Part II-A

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

A

Check

☒

if the filing organization belongs to an affiliated group

B

Check

☐

if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		33,158	33,158												
b Total lobbying expenditures to influence a legislative body (direct lobbying)		311,478	311,478												
c Total lobbying expenditures (add lines 1a and 1b)		344,636	344,636												
d Other exempt purpose expenditures		332,034,991	414,409,132												
e Total exempt purpose expenditures (add lines 1c and 1d)		332,379,627	414,753,768												
f Lobbying nontaxable amount Enter the amount from the following table in both columns		1,000,000	1,000,000												
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)		250,000	250,000												
h Subtract line 1g from line 1a If zero or less, enter -0-		0	0												
i Subtract line 1f from line 1c If zero or less, enter -0-		0	0												
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		☐ Yes ☐ No													

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying non-taxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	412,757	238,276	348,114	344,636	1,343,783
d Grassroots non-taxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures	25,967	29,212	32,124	33,158	120,461

Part II-B

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

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities? If "Yes," describe in Part IV			
j	Total lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

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

Part III-B

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

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	2a	
a	Current year		
b	Carryover from last year		
c	Total		
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
------------	------------------	-------------

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

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

2010

Open to Public Inspection

Name of the organization
THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER

Employer identification number
02-0232673

Part I

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

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

Part II

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically importantly land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2

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

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4

Number of states where property subject to conservation easement is located ► _____

5

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

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)? ☐ Yes ☐ No

9

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

Part III

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

1a

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

b

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

(i)

Revenues included in Form 990, Part VIII, line 1

► \$ _____

(ii)

Assets included in Form 990, Part X

► \$ _____

2

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

a

Revenues included in Form 990, Part VIII, line 1

► \$ _____

b

Assets included in Form 990, Part X

► \$ _____

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

	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	12,771,028	12,420,985	14,078,246	
b	Contributions	50,000	174,500		
c	Investment earnings or losses	1,039,463	175,543	-1,657,261	
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance	13,860,491	12,771,028	12,420,985	

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

	Yes	No
(i) unrelated organizations	3a(i)	No
(ii) related organizations	3a(ii)	No
b	3b	

b

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

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		6,681,464		6,681,464
b Buildings		163,607,768	43,157,943	120,449,825
c Leasehold improvements		4,213,786	1,678,704	2,535,082
d Equipment		155,411,452	114,146,635	41,264,817
e Other		9,259,689	3,587,309	5,672,380
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				176,603,568

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	344,163,785
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	338,088,053
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	6,075,732
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	26,696,209
9	Total adjustments (net) Add lines 4 - 8	9	26,696,209
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	32,771,941

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	343,750,366
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	0
3	Subtract line 2e from line 1	3	343,750,366
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	413,418
c	Add lines 4a and 4b	4c	413,418
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	344,163,784

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	317,810,953
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	0
3	Subtract line 2e from line 1	3	317,810,953
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	20,277,099
c	Add lines 4a and 4b	4c	20,277,099
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	338,088,052

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
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	INCOME OF THE FUNDS HAS BEEN USED FOR OPERATING AND CAPITAL EXPENDITURES
PART XI, LINE 8 - OTHER ADJUSTMENTS		UNREALIZED GAIN/LOSS - UNRESTRICTED FUND 6,610,387 PENSION ADJUSTMENT 19,166,314 UNREALIZED GAIN/LOSS - TEMPORARILY RESTRICTED FUNDS 202,096 UNREALIZED GAIN/LOSS - PERMANENTLY RESTRICTED FUNDS 717,412 GRANT PROCEEDS RECEIVED FOR CAPITAL PURCHASE
PART XII, LINE 4B - OTHER ADJUSTMENTS		EXPENSE RECLASS 413,418
PART XIII, LINE 4B - OTHER ADJUSTMENTS		EXPENSE RECLASS 413,418 PAYMENTS TO AFFILIATES 19,863,681

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

2010

Open to Public
Inspection

Name of the organization
THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER

Employer identification number
02-0232673

Part I

Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	Yes	
b	If "Yes," is it a written policy?	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals		
3	Answer the following based on the the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year 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 FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☐ 200% ☒ Other <u>400.000000000000 %</u> b Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☒ 400% ☐ Other _____ % c If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		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?		
6a	Does the organization prepare a community benefit report during the tax year?	Yes	
6b	If "Yes," did the organization make it available to the public? Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	Yes	

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance 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 Financial Assistance at cost (from Worksheets 1 and 2)		21,527	9,065,582		9,065,582	2 680 %
b Unreimbursed Medicaid (from Worksheet 3, column a)		37,591	27,225,480	10,340,367	16,885,113	4 990 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)		0				
d Total Financial Assistance and Means-Tested Government Programs		59,118	36,291,062	10,340,367	25,950,695	7 670 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	23	3,768	3,319,096	185,543	3,133,553	0 930 %
f Health professions education (from Worksheet 5)	12	831	2,045,975	436,804	1,609,171	0 480 %
g Subsidized health services (from Worksheet 6)	7	0	7,971,843	2,538,137	5,433,706	1 610 %
h Research (from Worksheet 7)	1	0	26,849		26,849	0 010 %
i Cash and in-kind contributions to community groups (from Worksheet 8)	12	351	752,373		752,373	0 220 %
j Total Other Benefits	55	4,950	14,116,136	3,160,484	10,955,652	3 250 %
k Total. Add lines 7d and 7j	55	64,068	50,407,198	13,500,851	36,906,347	10 920 %

Part II

Community Building Activities during the tax year, and describe in Part VI how its community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					
2	Economic development					
3	Community support	1	12,850		12,850	0 %
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total	1	12,850		12,850	

Part III

Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	No
2	Enter the amount of the organization's bad debt expense (at cost)	2	13,897,931
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy	3	
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit		

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	67,421,982
6	Enter Medicare allowable costs of care relating to payments on line 5	6	87,752,060
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-20,330,078
8	Describe 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: ☐ Cost accounting system ☒ Cost to charge ratio ☐ Other		

Section C. Collection Practices

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

Part IV

Management 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				

Section A. Hospital Facilities

How many hospital facilities did the organization operate during the tax year? 1

1	THE ELLIOT HOSPITAL OF CITY OF MANCHSTR 1 ELLIOT WAY MANCHESTER, NH 03103
---	---

Other (Describe)

EH-other
ER-24 hours
Research facility
Critical access hospital
Teaching hospital
Children's hospital
General medical & surg
Licensed hospital

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, measured by total revenue per facility, from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? _____

Name and address	Type of Facility (Describe)
1	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2
- Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 3
- Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4
- Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5
- Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g, open medical staff, community board, use of surplus funds, etc)
- 6
- Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7
- State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		PART II THE HEALTH OF THE COMMUNITY WE SERVE IS PROMOTED THROUGH EHS BUILDING ACTIVITIES WITH ORGANIZATIONS SUCH AS THE CHILD ADVOCACY CENTER, THE HOMELESS SHELTER AND OTHERS IN PROBABLY THE MOST IMPORTANT AND BASIC MANNER, NAMELY, WE DIRECTLY IMPACT BASIC LIVING (AND IN SOME CASES SURVIVAL) NEEDS CHILDREN, YOUNG ADULTS, ADULTS AND THE ELDERLY SHARE THE NEED FOR BASIC NUTRITION, SAFETY, AND SHELTER THE ORGANIZATIONS WE CHOOSE TO SUPPORT OFFER AND PROVIDE SOME OF THESE NECESSITIES FOR A LARGE PORTION OF THE POPULATION IN THE GREATER MANCHESTER AREA FURTHER, WE PROVIDE SUPPORT FOR ORGANIZATIONS THAT UNDERSTAND THE IMPORTANCE OF EDUCATION AND PROVIDE THE SKILLS, TOOLS AND THE INFORMATION TO PEOPLE SO THAT THEY CAN ACCESS EVERYTHING FROM FOOD FOR THE HUNGRY, SHELTER, SAFETY FROM PHYSICAL AND MENTAL HARM AS WELL AS HEALTH CARE EH TREATS MANY OF THESE INDIVIDUALS IN OUR EMERGENCY DEPARTMENT IN WORKING WITH THESE PEOPLE TO HELP THEM RECOVER FROM ILLNESSES OR INJURIES, WE HAVE COME TO UNDERSTAND THE IMPORTANCE AND THE ROLE OTHER ORGANIZATIONS PLAY IN THE LIVES OF THESE SAME PEOPLE BY SUPPORTING THESE ORGANIZATIONS, WE KNOW THAT BASIC NEEDS ARE BEING MET, AND IMPROVED HEALTH AND WELLNESS FOR EVERYONE REGARDLESS OF PERSONAL HARDSHIP OR STATUS MAY BE ACHIEVED

Identifier	ReturnReference	Explanation
		PART III, LINE 4 BAD DEBT AND CHARITY CARE COST DETERMINED USING INTERNAL COST ACCOUNTING SYSTEM SELF PAY ACCOUNTS GIVEN AUTOMATIC 15% DISCOUNT OFF CHARGES, SELF PAY ACCOUNTS THAT DO NOT MAKE PAYMENT ARE TRANSFERRED TO BAD DEBT ORGANIZATION NOT CURRENTLY DETERMINING BAD DEBT ACCOUNTS THAT MAY HAVE BEEN CHARITABLE CARE BAD DEBT FOOTNOTE OUR AUDITED FINANCIAL STATEMENTS DO NOT CURRENTLY, NOR HAVE THEY IN THE PAST, CONTAINED A FOOTNOTE FOR BAD DEBTS

Identifier	ReturnReference	Explanation
		PART III, LINE 8 ALLOWABLE COSTS DETERMINED USING CMS METHODOLOGY UTILIZED IN COMPLETING COST REPORT, MEDICARE SHORTFALL TO BE INCLUDED IN COMMUNITY BENEFITS

Identifier	ReturnReference	Explanation
		PART III, LINE 9B COLLECTIONS ARE NOT PURSUED ON CHARITY CARE PATIENTS COLLECTIONS AGENCY IS SUPPLIED INFORMATION THAT ALLOWS THEM TO IDENTIFY ONLY THOSE ACCOUNTS UPON WHICH COLLECTION EFFORTS SHOULD BE PURSUED

Identifier	ReturnReference	Explanation
		PART VI, LINE 2 IN 2009, THE DEVELOPMENT OF A COMMUNITY NEEDS ASSESSMENT TITLED "BELIEVE IN A HEALTHY COMMUNITY" WAS COMPLETED BY A COLLABORATIVE COMMUNITY GROUP, THE MANCHESTER SUSTAINABLE ACCESS PROJECT (MSAP) THE DATA ANALYSIS AND REPORT DESIGN WAS DEVELOPED UNDER THE OVERSIGHT OF THE CITY OF MANCHESTER HEALTH DEPARTMENT AND THE NH DEPARTMENT OF HEALTH AND HUMAN SERVICES FUNDING FOR THIS PROJECT WAS PROVIDED BY ELLIOT HEALTH SYSTEM (EHS), CATHOLIC MEDICAL CENTER (ANOTHER ACUTE CARE HOSPITAL IN MANCHESTER), AND DARTMOUTH-HITCHCOCK-MANCHESTER (A COMMUNITY EXTENSION OF DARTMOUTH-HITCHCOCK MEDICAL CENTER) THE PROCESS BEGAN WITH A REVIEW OF THE HEALTHY MANCHESTER 2015 STRATEGIC IMPERATIVES FRAMEWORK BY THE MEMBERS OF THE MANCHESTER SUSTAINABLE ACCESS PROJECT (MSAP) DATA SUB-COMMITTEE THE STRATEGIC IMPERATIVES PROVIDED THE PLANNING AND ORGANIZATIONAL STRUCTURE FOR THE REPORT ONE HUNDRED AND FIFTEEN INDIVIDUALS FROM THIRTEEN COMMUNITIES PARTICIPATED IN THIRTEEN COMMUNITY FOCUS GROUPS BETWEEN MARCH AND MAY 2009, THE COMMUNITY HEALTH INSTITUTE (CHI) STAFF INTERVIEWED TWENTY-SIX KEY LEADERS FROM THE MANCHESTER HEALTH SERVICE AREA IDENTIFIED BY THEIR PEERS AS BEING LEADERS WHO UNDERSTOOD CURRENT AND EMERGING ISSUES FOR THE GREATER MANCHESTER COMMUNITY THE KEY LEADERS REPRESENTED CITY/TOWN GOVERNMENT, EDUCATION, HEALTH CARE DELIVERY, BUSINESSES, NON-PROFIT ORGANIZATIONS AND MUNICIPALITIES IN ADDITION, EACH KEY LEADER COMPLETED A STANDARD PAPER SURVEY FOR EACH FOCUS GROUP, AND KEY LEADER INTERVIEW, A NOTE TAKER DOCUMENTED THE MAJOR THEMES AND POINTS AT EACH DISCUSSION ALL FOCUS GROUPS WERE RECORDED AND NOTES WERE INPUT INTO NVIVO 8 STATISTICAL SOFTWARE AND AN SPSS DATABASE WAS USED FOR DESCRIPTIVE ANALYSIS OF THE DATA COLLECTED A FULL COPY OF "BELIEVE IN A HEALTHY COMMUNITY" IS AVAILABLE AT THE CITY OF MANCHESTER, MANCHESTER HEALTH DEPARTMENT WEBSITE HTTP //WWW.MANCHESTERNH.GOV/WEBSITE/DEPARTMENTS/HEALTH/TABID/177/DEFAULT.ASPX

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 PATIENT REGISTRATION AREAS HAVE SIGNAGE INDICATING THE AVAILABILITY OF FINANCIAL ASSISTANCE THROUGH THE ORGANIZATION'S CHARITY CARE POLICY PATIENT BILLS AND STATEMENTS HAVE LANGUAGE THAT OFFERS THE OPPORTUNITY TO APPLY FOR CHARITABLE CARE FINANCIAL ASSISTANCE OPTIONS ARE ALSO DESCRIBED ON THE ORGANIZATION'S WEB-SITE

Identifier	ReturnReference	Explanation
		PART VI, LINE 4 THE DESCRIPTION BELOW INCLUDES SOME REVISED EXCERPTS FROM BELIEVE IN A HEALTHY COMMUNITY MANCHESTER AND THE SURROUNDING TOWNS OF AUBURN, BEDFORD, CANDIA, DEERFIELD , GOFFSTOWN, HOOKSETT AND NEW BOSTON MAKE UP WHAT IS KNOWN AS THE MANCHESTER HEALTH SERVICE AREA (HSA) THE HSA HAS A POPULATION OF 179,894 PERSONS (2007), REPRESENTING APPROXIMATELY 14% OF THE NH STATE POPULATION (1,315,829) AND MAKES UP MOST OF THE MAJOR SERVICE AREA OF EHS, THE UMBRELLA ORGANIZATION UNDER WHICH ELLIOT HOSPITAL (EH) OPERATES IN 2006, THE HSA EXPERIENCED 11.3% OF THE STATES TOTAL BIRTHS AND 10% OF THE STATES TOTAL DEATHS THE CITY OF MANCHESTER IS THE LARGEST COMMUNITY IN NORTHERN NEW ENGLAND WITH A TOTAL POPULATION OF 108,874 RESIDENTS, MANCHESTER REPRESENTS 60.5% OF THE HSA AND 8.3% OF THE STATES TOTAL POPULATION THE TABLE BELOW DISPLAYS HOW THE POPULATION OF MANCHESTER IS DISTRIBUTED BY AGE AND GENDER MORE PEOPLE ARE LIVING LONGER AND INDIVIDUALS IN THE LARGE BABY BOOMER AGE GROUP ARE NOW REACHING THE AGE OF 65 IN THE NEXT FORTY YEARS, THE NUMBER OF PEOPLE IN THE NATION AGE 65 AND OLDER IS EXPECTED TO MORE THAN DOUBLE AND THE POPULATION OF THE MANCHESTER HSA IS EXPECTED TO EXPERIENCE THE SAME TYPE OF GROWTH FOR EXAMPLE, THE NUMBER OF MANCHESTER ADULTS AGES 65 AND OLDER GREW BY 13% FROM 1980 TO 2000 IT IS PROJECTED THAT THIS POPULATION WILL GROW BY ANOTHER 85% FROM 2000 TO 2020 THE POPULATION OF OLDER ADULTS IN THE OTHER HSA TOWNS GREW BY 82% FROM 1980 TO 2000 AND IS PROJECTED TO MORE THAN DOUBLE FROM 2000 TO 2020 THIS HIGH GROWTH RATE OF THE ELDERLY GROUP IN THE MANCHESTER HSA SUGGESTS HEALTH CARE LEADERS SHOULD ANTICIPATE AND PLAN FOR AN INCREASED DEMAND FOR SERVICES THAT ADEQUATELY ADDRESS THE NEEDS OF OLDER ADULTS OVER THE LAST DECADE, IN ADDITION TO GROWING IN SIZE, MANCHESTER HSAS POPULATION HAS BECOME MORE DIVERSE IN ITS CULTURES, LANGUAGES, RELIGIOUS BELIEFS AND OTHER IDEOLOGIES THIS IS ESPECIALLY TRUE FOR MANCHESTER, WHICH IS A REFUGEE RESETTLEMENT SITE AS OF 2007, NEARLY 10% OF MANCHESTERS RESIDENTS WERE BORN OUTSIDE OF THE UNITED STATES, WHICH IS TWICE THE PERCENT OF PEOPLE IN ALL OF NH WHO ARE FOREIGN BORN OVER 17% OF MANCHESTERS RESIDENTS SPEAK A LANGUAGE OTHER THAN ENGLISH AT HOME AROUND 5% OF HOUSEHOLDS ARE LINGUISTICALLY ISOLATED, MEANING THAT ALL MEMBERS OF THE HOUSEHOLD AGES 14 AND OLDER HAVE AT LEAST SOME DIFFICULTY WITH ENGLISH ACROSS THE UNITED STATES, FAMILY HOUSEHOLDS TAKE A VARIETY OF FORMS HOUSEHOLDS MAY BE HEADED BY MARRIED OR UNMARRIED PARTNERS AS WELL AS BY INDIVIDUALS THEY MAY OR MAY NOT HAVE SCHOOL-AGE CHILDREN PRESENT THEY MAY BE HEADED BY GRANDPARENTS THEY MAY CONTAIN FOSTER CHILDREN OVER THE PAST SEVEN YEARS, THE PERCENT OF HOUSEHOLDS IN MANCHESTER COMPOSED OF TWO MARRIED PARENTS WITH THEIR OWN SCHOOL-AGE CHILDREN HAS DECREASED FROM 19.2% TO 14.8% WITHIN THE HSA, BEDFORD HAS THE HIGHEST MEDIAN HOUSEHOLD INCOME AND THE CITY OF MANCHESTER HAS THE LOWEST SIMILARLY, MANCHESTER HAS THE HIGHEST PERCENTAGE OF FAMILIES LIVING IN POVERTY, WHILE DEERFIELD HAS THE LOWEST IN 2005 IN MANCHESTER, A FAMILY OF FOUR WITH BOTH PARENTS WORKING NEEDED TO MAKE \$50,031 ANNUALLY (\$12.03 PER HOUR) TO MEET BASIC NEEDS THAT SAME YEAR THE MEDIAN HOUSEHOLD INCOME IN MANCHESTER (\$50,199) WAS A BIT ABOVE THE BASIC NEEDS LEVEL (\$50,404) HOWEVER, IN 2007, ONLY 55% OF THE HOUSEHOLDS IN MANCHESTER REACHED THE LIVABLE WAGE LEVEL, WHICH HAD INCREASED TO \$53,192 (EQUIVALENT WAGE OF \$12.79 PER HOUR) ACCORDING TO THE AMERICAN COMMUNITY SURVEY, THE MOST COMMON TYPE OF EMPLOYMENT IN MANCHESTER IS IN EDUCATIONAL SERVICES, HEALTH CARE, AND SOCIAL ASSISTANCE (20.3%) MANCHESTER MAKES UP 8.2% OF THE STATES LABOR FORCE THE POPULATION OF THE GREATER MANCHESTER HSA IS GROWING IN SIZE, AND LIVING LONGER, IS INCREASINGLY MULTICULTURAL WITH RESIDENTS REFLECTING A VARIETY OF NATIONALITIES, LANGUAGES, ETHNIC TRADITIONS, RELIGIOUS BELIEFS AND IDEOLOGIES, AND IS COMPOSED OF MANY DIFFERENT FAMILY STRUCTURES THE MANCHESTER HSA HAS THE LARGEST POPULATION AND NUMBER OF JOBS, BUT ALSO HAS THE LOWEST AVERAGE INCOME LEVELS IN THE STATE INCREASINGLY, INCOMES ARE FAILING TO MEET THE COSTS OF LIVING, INCLUDING THE COSTS OF STAYING HEALTHY AND PREPARING FOR EMERGENCIES POVERTY IS HIGHLY ASSOCIATED WITH RISKY BEHAVIORS, EDUCATIONAL ATTAINMENT, HEALTH STATUS, EMPLOYMENT, AND SELF-REPORTED QUALITY OF LIFE RESIDENTS EXPERIENCE DISCREPANCIES IN HEALTH AND HEALTH CARE ACCESS THAT ARE ASSOCIATED WITH THEIR AGE, INCOMES, EDUCATIONAL ATTAINMENT AND NEIGHBORHOOD THIS ASSESSMENT IDENTIFIES A VARIETY OF HEALTH-RELATED CONCERNS IN THE CITY OF MANCHESTER AND THE HEALTH SERVICE AREA INCLUDING HEART DISEASE, MENTAL HEALTH, AMBULATORY-CARE SENSITIVE CONDITIONS, HEALTH RISK BEHAVIORS, SEXUAL HEALTH, SUBSTANCE ABUSE, EMERGENCY DEPARTMENT USE AND PREMATURE DEATH INADEQUATE TRANSPORTATION, HIGH COST OF HEALTH CARE, AND MEDICALLY UNDERSERVED AREAS EXIST IN THE REGION, AS DOES UNDER AND OVERUSE OF EXISTING HEALTH SERVICES RESULTING IN A

Identifier	ReturnReference	Explanation
		FINANCIAL BURDEN FOR THE WHOLE COMMUNITY

Identifier	ReturnReference	Explanation
		PART VI, LINE 6 EH BELIEVES STRONGLY THAT OUR INVOLVEMENT IN COMMUNITY ORGANIZATIONS SUCH AS CHILD HEALTH SERVICES, MANCHESTER COMMUNITY HEALTH CENTER, MANCHESTER MENTAL HEALTH CENTER, YMCA AND MANY MORE, IS CRITICAL TO OUR EXEMPT PURPOSE WE DEPLOY HUNDREDS OF VOLUNTEERS THROUGHOUT THE STATE TO WORK WITH NON-PROFIT ORGANIZATIONS THAT ARE DOING THEIR PART TO HELP ERADICATE ILLNESSES AND POOR HEALTH CONDITIONS OR IMPROVE THE HEALTH AND WELLNESS OF PEOPLE MANY OF OUR LEADERS SERVE ON THE BOARDS OF THESE ORGANIZATIONS TO SHARE INSIGHT AND TO PARTICIPATE IN HELPING THEM ACHIEVE THEIR MISSION IN ADDITION TO THE VOLUNTEER TIME AND ENERGY, EH ALSO PROVIDES HUNDREDS OF THOUSANDS OF DOLLARS IN FINANCIAL SUPPORT TO ENSURE THAT THE CRITICAL WORK OF THESE ORGANIZATIONS IS ACHIEVED AND PEOPLE ARE HELPED WITH A RANGE OF ISSUES FROM MENTAL HEALTH CARE TO OBTAINING FOOD AND SHELTER ADDITIONALLY, GIVEN OUR HEALTH CARE SYSTEM AND HOW WIDESPREAD EH HAS BECOME IN THE COMMUNITY, WE OPEN OUR DOORS AND PROVIDE THE STAFF AND THE RESOURCES FOR LOCAL ISSUES THAT ARE UNFORESEEN BUT CREATE URGENT SITUATIONS FOR EXAMPLE, WHEN NH RESIDENTS WERE STRUCK BY POWER OUTAGES FROM AN ICE STORM LASTING DAYS, EH KEPT PATIENTS (FREE OF CHARGE) IN THE HOSPITAL UNTIL POWER IN THE HOME WAS RESTORED SO THAT THEY WOULD NOT SUFFER THE HARDSHIP OF LIVING WITHOUT HEAT AND POWER FOR DAY-TO-DAY STRUGGLES, EITHER WITH HOW TO COPE WITH THE LOSS OF A LOVED ONE OR WITH HOW TO COPE WITH CANCER, EH STAFF AND PROFESSIONALS OFFER FREE COMMUNITY SUPPORT GROUPS AND CLASSES TO REACH PEOPLE WHO ARE IN NEED OF HELP EH PRIDES ITSELF ON THESE ACTS OF HUMANITY BECAUSE IT DOES MEET OUR PURPOSE AND MISSION AND, WITHOUT QUESTION, PROMOTES THE HEALTH OF THE COMMUNITY

Identifier	ReturnReference	Explanation
		PART VI, LINE 7 EHS IS THE UMBRELLA ORGANIZATION UNDER WHICH ELLIOT HOSPITAL (EH), ELLIOT PHYSICIAN NETWORK (EPN), ELLIOT PROFESSIONAL SERVICES (EPS), THE VISITING NURSE ASSOCIATION OF MANCHESTER AND SOUTHERN NH (VNA), AND THE MARY & JOHN ELLIOT CHARITABLE FOUNDATION OPERATE ELLIOT HEALTH SYSTEM IS A HEALTH CARE SYSTEM THAT PROVIDES CARE TO RESIDENTS OF SOUTHERN NH SERVING A REGIONAL POPULATION OF OVER 250,000 RESIDENTS, MAKING IT ONE OF THE LARGEST PROVIDERS OF COMPREHENSIVE HEALTH CARE SERVICES IN SOUTHERN NH EACH OF THESE ORGANIZATIONS PLAYS A CRITICAL ROLE IN THE CONTINUUM OF CARE EHS DELIVERS TO THE COMMUNITY THUS PROMOTING HEALTH THE CORNERSTONE OF EHS IS EH, A PRIVATE, NOT FOR PROFIT HOSPITAL ESTABLISHED IN 1890, AND NOW A 296-BED ACUTE CARE FACILITY LOCATED IN MANCHESTER (NH'S LARGEST CITY) ON EHSS MAIN CAMPUS EH IS A PREMIER HEALTH CARE PROVIDER IN MANY DISCIPLINES, SERVING AS THE DESIGNATED TRAUMA CENTER FOR THE MANCHESTER HSA, AND DESIGNATED RECEIVING FACILITY FOR PSYCHIATRIC PATIENTS IN THE REGION IN ADDITION EH PROVIDES MATERNITY AND PEDIATRIC SERVICES, NEWBORN INTENSIVE CARE, SURGERY, PAIN MANAGEMENT, WOUND MANAGEMENT, CARDIAC CARE, AND MUCH MORE EHS THROUGH THE EPN AND EPS, BOTH PRIVATE, NOT FOR PROFIT PHYSICIAN GROUPS, PROVIDES PRIMARY CARE AND SPECIALTY CARE VIA OVER 170 EMPLOYED PHYSICIANS AS FAR NORTH AS HOOKSETT, EAST TO RAYMOND, SOUTH TO WINDHAM AND WEST TO NEW BOSTON THE EPN HAS 22 PHYSICIAN PRACTICES IN THE GREATER MANCHESTER AREA PROVIDING ACCESS TO PROVIDERS THROUGHOUT THE LOCAL COMMUNITY IS CRITICAL TO SUPPORTING THE NEED TO HELP INDIVIDUALS BECOME ACTIVE IN THEIR HEALTH CARE AND VIGILANT ABOUT THEIR YEARLY EXAMS, VACCINES, AND MEDICATIONS EHS HAS A ROBUST ELECTRONIC MEDICAL RECORD (EMR) LINKING ALL OF THESE PROVIDERS WITH EH ALLOWING THE PROVIDER A COMPLETE UNDERSTANDING OF ANYTHING THAT MAY HAVE OCCURRED THROUGH THE EMERGENCY DEPARTMENT OR URGENT CARE THROUGHOUT THE YEAR THE EMR IS COMPLETE WITH THE LATEST LABORATORY RESULTS, DIAGNOSTIC IMAGES, AND OTHER TEST RESULTS THAT MAY AFFECT CARE GIVEN IN THE LOCAL PROVIDERS OFFICE THE VNA IS ONE OF THE REGION'S OLDEST AND MOST COMPREHENSIVE NOT FOR PROFIT HOME HEALTH PROVIDERS, DEDICATED TO IMPROVING THE HEALTH AND WELL-BEING OF OUR COMMUNITY SINCE 1897 THE VNA HAS HELPED INDIVIDUALS AND THEIR FAMILIES FACE THE CHALLENGES OF RECOVERING FROM SURGERY, PHYSICAL DISABILITIES, AND SHORT-TERM, CHRONIC, AND LIFE-LIMITING ILLNESSES THROUGH A TRACE PROGRAM, EHS CAN ENSURE THAT OLDER ADULTS REQUIRING CARE AND WITH COMPLEX HEALTH CARE HISTORIES ARE GIVEN A CARE PLAN FROM THE HOSPITAL TO THE NURSING HOME (IF NECESSARY) AND TO THE HOME ALL OF THIS CARE IS ALSO LINKED THROUGH THE EMR AND THROUGH OUR USE OF TELE-MEDICINE, MANY PATIENTS ARE MONITORED VIRTUALLY EACH DAY WHILE IN THEIR HOME TELE-MEDICINE REQUIRES A PATIENT IN THEIR HOME TO CONNECT TO ELECTRONIC DEVICES THAT SEND INFORMATION BACK TO CARE PROVIDERS SHOWING SUCH THINGS AS BLOOD PRESSURE, PULSE, AND RESPIRATORY FUNCTION, SO THAT SHOULD INTERVENTION BE REQUIRED, A HEALTH CARE TEAM CAN BE SENT DIRECTLY TO THE PATIENTS HOME FINALLY, THE MARY & JOHN ELLIOT CHARITABLE FOUNDATION IS A NOT FOR PROFIT, CHARITABLE ORGANIZATION CREATED TO PROVIDE FINANCIAL SUPPORT TO THE VARIOUS NEEDS OF EHS THE FOUNDATION IS COMMITTED TO BUILDING AN ONGOING CIRCLE OF FRIENDS WHOSE FINANCIAL SUPPORT WILL HELP EHS IDENTIFY AND MEET EMERGING HEALTHCARE NEEDS EH AND AFFILIATES (COLLECTIVELY EHS), WORK COLLABORATIVELY AND COLLECTIVELY (THROUGH THE EMR) ALLOWING EHS TO SERVE THE HEALTH CARE NEEDS OF PEOPLE IN THE MOST EFFICIENT MANNER AND HAS PROVIDED A PLATFORM FOR PROACTIVE PLANS FOR HEALTH MANAGEMENT

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	NH

Name of the organization
THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER

Employer identification number
02-0232673

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed. ▶ ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) CHILD HEALTH SERVICES1245 ELM STREET MANCHESTER,NH 03101	02-0348711	501(C)(3)	205,886	15,448	FMV	FINANCIAL REPORTING AND ACCOUNTS PAYABLE SERVICES	TO ASSIST IN MEETING DAY-TO-DAY OPERATIONS, PROVIDE SUPPORT FOR THE ACCOUNTING AND BOOKKEEPING DEPARTMENT
(2) MANCHESTER COMMUNITY HEALTH CENTER1415 ELM STREET MANCHESTER,NH 03101	02-0458174	501(C)(3)	303,334				TO ASSIST IN MEETING DAY-TO-DAY OPERATIONS

- 2

Enter total number of section 501(c)(3) and government organizations ▶
- 3

Enter total number of other organizations ▶

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) PROVIDING TRANSPORTATION ASSISTANCE TO LOW INCOME FAMILIES WITH BABIES IN THE NICU (I-IMAGINE PROGRAM)	16	200			
(2) PROVIDE INTERIM ASSISTANCE OF FOOD AND CLOTHING TO FAMILIES (I-IMAGINE PROGRAM)	20	600			

Part IV

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

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 ELLIOT HOSPITAL MAINTAINS MEMBERS ON THE BOARD OF DIRECTORS FOR CHILD HEALTH SERVICES AND MANCHESTER COMMUNITY HEALTH CENTER

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2010

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 THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER	Employer identification number 02-0232673
---	--

Part I

Questions Regarding Compensation

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

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

For each individual whose compensation must be reported 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				
(1) DOUGLAS F DEAN	(i) (ii)	511,147 0	145,008 0	48,795 0	249,340 0	11,990 0	966,280 0	0 0
(2) RICK PHELPS	(i) (ii)	360,367 0	89,296 0	41,646 0	255,766 0	16,677 0	763,752 0	0 0
(3) RICHARD MARCUCCI MD	(i) (ii)	0 269,178	0 0	0 38,500	0 1,460	0 16,812	0 325,950	0 0
(4) ANITA R RITENOUR MD	(i) (ii)	289,776 0	20,250 0	29,806 0	15,801 0	16,829 0	372,462 0	0 0
(5) GUS EMMICK MD	(i) (ii)	0 285,077	0 0	0 16,500	0 9,537	0 16,360	0 327,474	0 0
(6) RICHARD ELWELL	(i) (ii)	326,312 0	128,137 0	47,214 0	110,716 0	11,696 0	624,075 0	0 0
(7) KEVIN DONOVAN	(i) (ii)	125,335 0	29,468 0	18,735 0	232 0	9,811 0	183,581 0	0 0
(8) MARC CULLEROT	(i) (ii)	203,780 0	30,002 0	22,000 0	23,936 0	529 0	280,247 0	0 0
(9) DENISE PURINGTON	(i) (ii)	189,656 0	36,243 0	30,324 0	21,848 0	1,168 0	279,239 0	0 0
(10) ELIZABETH A HALE-CAMPOLI	(i) (ii)	202,714 0	16,350 0	15,990 0	1,124 0	1,317 0	237,495 0	0 0
(11) JOHN FRIBERG	(i) (ii)	202,249 0	45,715 0	16,196 0	1,317 0	16,220 0	281,697 0	0 0
(12) WILLIAM BAXTER	(i) (ii)	288,684 0	26,160 0	33,000 0	1,702 0	16,598 0	366,144 0	0 0
(13)								
(14)								
(15)								
(16)								

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
	PART I, LINE 4B	DOUGLAS DEAN - \$216,975, RICHARD ELWELL - \$76,924, RICK PHELPS - \$253,745, KEVIN DONOVAN - 5,742,
	PART I, LINE 7	THE ORGANIZATION HAS ADOPTED AN INCENTIVE PAY PROGRAM THAT PROVIDES DESIGNATED MANAGEMENT EMPLOYEES AN OPPORTUNITY TO EARN A DESIGNATED PERCENTAGE OF SALARY BASED ON THE ACHIEVEMENT BY THE ORGANIZATION OF A NUMBER OF CRITICAL SUCCESS FACTORS. THE CRITICAL SUCCESS FACTORS ARE ESTABLISHED ANNUALLY BY THE INDEPENDENT EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES WITH ASSISTANCE FROM AN INDEPENDENT NATIONAL COMPENSATION CONSULTING COMPANY. THE MAXIMUM POTENTIAL INCENTIVE PAYMENTS UNDER THE PLAN ARE CONSIDERED BY THE COMPENSATION CONSULTANT IN ENSURING THAT MANAGEMENT COMPENSATION IS REASONABLE.
SUPPLEMENTAL INFORMATION	PART III	THE SALARIES OF DOUGLAS DEAN, RICK PHELPS, AND RICHARD ELWELL REPRESENT SERVICES PROVIDED TO ALL RELATED ENTITIES.

Schedule K (Form 990)	Supplemental Information on Tax Exempt Bonds ▶ 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.										OMB No 1545-0047		
											2010		
	Department of the Treasury Internal Revenue Service											Open to Public Inspection	
Name of the organization THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER										Employer identification number 02-0232673			

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		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	NH HEALTH & EDUCATION FACILITIES AUTHORITY	02-0279866	644614GK9	10-21-2003	32,245,816	REFINANCE 1987, 1991, 2001 BONDS		X		X		X
B	BUSINESS FINANCE AUTHORITY OF THE STATE OF NH REVENUE BONDS - 2009A	02-0279866	64468KBQ8	12-22-2009	130,000,000	FINANCE/REFINANCE COSTS OF CONSTRUCTION, REFINANCE 2008 BONDS		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired	32,500,000		127,806,119					
2	Amount of bonds legally defeased	2,810,960		11,505,106					
3	Total proceeds of issue	28,988,859		30,000,000					
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrow								
7	Issuance costs from proceeds	445,997		2,071,200					
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds	84,229,813		84,229,813					
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion								
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X		X					
15	Were the bonds issued as part of an advance refunding issue?	X		X					
16	Has the final allocation of proceeds been made?	X		X					
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III

Private Business Use

		A		B		C		D	
		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				
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X				

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?		X		X				
b	Are there any research agreements that may result in private business use of bond-financed property?		X		X				
c	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					
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 %					
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 %					
6	Total of lines 4 and 5	0 %		0 %					
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X					

Part IV

Arbitrage

		A		B		C		D	
		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				
2	Is the bond issue a variable rate issue?	X		X					
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X		X				
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a GIC?		X		X				
b	Name of provider								
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		X		X				
6	Did the bond issue qualify for an exception to rebate?		X		X				

Part V

Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Identifier	Return Reference	Explanation

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2010

Open to Public Inspection

▶ 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.

Name of the organization
THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER

Employer identification number
02-0232673

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
Total ▶ \$										

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
(1) SCOTT BACON	BOARD MEMBER	30,000,000	ON JANUARY 15, 2009 TD BANKNORTH CLOSED A \$30,000,000 LOAN TO ELLIOT HOSPITAL, GUARANTEED BY ELLIOT HEALTH SYSTEM SCOTT BACON IS PRESIDENT AND CEO OF TD BANKNORTH		No
(2) JAMES C HOOD ESQ	BOARD MEMBER	117,938	JAMES V HATEM, A PARTNER AT NIXON PEABODY, LLP, HAS BEEN CONSULTED BY ELLIOT HEALTH SYSTEM REGARDING SEVERAL MATTERS INCLUDING MALPRACTICE TRUST, HEALTH CARE COMPLIANCE MATTERS, NEW MARKETS TAX CREDIT WORK,HITECH AND BASIC JAMES HOOD IS A PARTNER AT NIXON PEABODY, LLP		No
(3) PETER KACHAVOS MD	ELLIOT BAY MEDICAL ASSOCIATES EMPLOYEE	66,705	THROUGH BMA REAL ESTATE (WHICH PETER IS A MEMBER/MANAGER WITH 50% OWNERSHIP), ELLIOT RENTS 4 ELLIOT WAY, SUITE 102, 104, 106 FOR \$5,558 75 PER MONTH		No

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
------------	------------------	-------------

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER	Employer identification number 02-0232673
---	--

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		ELLIOT HEALTH SYSTEM IS THE SOLE MEMBER OF THE REPORTING ORGANIZATION

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		ELLIOT HEALTH SY SY TEM IS THE SOLE MEMBER OF THE REPORTING ORGANIZATION, AND HAS BOARD MEMBERS WHO ARE ALSO BOARD MEMBERS OF THE REPORTING ORGANIZATION

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE COMPLETED 990 IS PRESENTED TO THE BOARD PRIOR TO FILING SPECIFIC KEY SECTIONS OF THE 990 ARE SINGLED OUT FOR ADDITIONAL DISCUSSION AND INPUT FROM BOARD MEMBERS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	OFFICERS, DIRECTORS, AND KEY EMPLOYEES ARE REQUIRED ANNUALLY TO SIGN A CONFLICT OF INTEREST FORM WHICH REQUIRES REPORTING ANY POTENTIAL CONFLICT OF INTEREST ARRANGEMENTS WITH THE ORGANIZATION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	THE COMPENSATION COMMITTEE OF THE BOARD UTILIZES OUTSIDE COMPENSATION CONSULTANTS TO EVALUATE THE SALARIES FOR THE CEO, CFO, AND COO THE CONSULTANTS UTILIZE THEIR INTERNAL DATA ALONG WITH NATIONAL AND LOCAL BENCHMARK DATA FROM THE INDUSTRY TO DEVELOP SALARY LEVELS RECOMMENDATIONS OF THE CONSULTANT ARE REVIEWED BY THE COMPENSATION COMMITTEE, WHO RECOMMENDS COMPENSATION LEVELS TO THE FULL BOARD FOR APPROVAL AN OUTSIDE CONSULTING FIRM IS ALSO USED BY THE ORGANIZATION TO REVIEW THE COMPENSATION OF THE REMAINDER OF THE VP'S AGAIN NATIONAL AND LOCAL BENCHMARKS FOR SALARIES ARE CONSULTED TO DETERMINE SALARY LEVELS FOR THESE VPS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	EACH OF THESE DOCUMENTS IS FILED WITH THE NEW HAMPSHIRE SECRETARY OF STATE AND IS AVAILABLE UPON REQUEST

Identifier	Return Reference	Explanation
ALL OTHER FUNCTIONAL EXPENSES	FORM 990, PART X, LINE 24F	OTHER PROFESSIONAL FEES PROGRAM SERVICE EXPENSES 4,611,673 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 4,611,673 UTILITIES PROGRAM SERVICE EXPENSES 3,027,194 MANAGEMENT AND GENERAL EXPENSES 1,009,064 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 4,036,258 MANAGEMENT FEES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 3,872,254 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 3,872,254 SOFTWARE LICENSE FEES PROGRAM SERVICE EXPENSES 3,098,501 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 3,098,501 CONSULTING FEES PROGRAM SERVICE EXPENSES 3,024,353 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 3,024,353 EQUIPMENT RENTAL PROGRAM SERVICE EXPENSES 1,691,030 MANAGEMENT AND GENERAL EXPENSES 563,676 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 2,254,706 FOOD & DIETARY PROGRAM SERVICE EXPENSES 2,160,673 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 2,160,673 PHYSICIAN FEES PROGRAM SERVICE EXPENSES 2,120,882 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 2,120,882 MINOR EQUIPMENT PURCHASES PROGRAM SERVICE EXPENSES 2,074,383 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 2,074,383 RECRUITMENT & RELOCATION FEES PROGRAM SERVICE EXPENSES 1,295,852 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 1,295,852 LAUNDRY & LINENS PROGRAM SERVICE EXPENSES 1,266,648 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 1,266,648 TELEPHONE PROGRAM SERVICE EXPENSES 692,330 MANAGEMENT AND GENERAL EXPENSES 230,775 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 923,105 OTHER OPERATING COSTS PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 890,552 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 890,552 MEDICAL SERVICES FEES PROGRAM SERVICE EXPENSES 746,404 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 746,404 PRINTING & PUBLICATIONS PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 560,547 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 560,547 TRUST FUND FEES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 413,418 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 413,418 COLLECTION FEES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 404,982 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 404,982 PURCHASED LABOR PROGRAM SERVICE EXPENSES 337,323 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 337,323 DUES & MEMBERSHIPS PROGRAM SERVICE EXPENSES 304,698 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 304,698 PERMITS & FEES PROGRAM SERVICE EXPENSES 279,268 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 279,268 EDUCATION & TRAINING PROGRAM SERVICE EXPENSES 209,322 MANAGEMENT AND GENERAL EXPENSES 69,772 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 279,094 POSTAGE & SHIPPING PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 272,987 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 272,987 VEHICLE EXPENSE PROGRAM SERVICE EXPENSES 221,948 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 221,948 BANK & CREDIT CARD FEES PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES 217,777 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 217,777 VALET PARKING PROGRAM SERVICE EXPENSES 145,017 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 145,017

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	UNREALIZED GAIN/LOSS - UNRESTRICTED FUND 6,610,387 PENSION ADJUSTMENT 19,166,314 UNREALIZED GAIN/LOSS - TEMPORARILY RESTRICTED FUNDS 202,096 UNREALIZED GAIN/LOSS - PERMANENTLY RESTRICTED FUNDS 717,412 GRANT PROCEEDS RECEIVED FOR CAPITAL PURCHASE TOTAL TO FORM 990, PART XI, LINE 5 26,696,209

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

2010

Open to Public Inspection

Name of the organization
THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER

Employer identification number
02-0232673

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	(g) Section 512(b)(13) controlled organization	
						Yes	No
See Additional Data Table							

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?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) ELLIOT COMMON TRUST FUND LLC 1 ELLIOT WAY MANCHESTER, NH03103 20-3653624	INVESTMENTS	NH		N/A	3,518,603	65,712,308		No			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

Part V

Yes	No
------------	-----------

--	--	--

- | | | |
|-----------|--|-----------|
| 1a | | No |
| 1b | | No |
| 1c | | No |
| 1d | | No |
| 1e | | No |

- | | | |
|----|-----|----|
| 1f | | No |
| 1g | | No |
| 1h | Yes | |
| 1i | | No |
| | | |
| 1j | | No |
| 1k | | No |
| 1l | | No |
| 1m | | No |
| 1n | Yes | |
| | | |
| 1o | Yes | |
| 1p | Yes | |
| | | |
| 1q | Yes | |
| 1r | Yes | |

2

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) ELLIOT PROFESSIONAL SERVICES	H	137,176	CASH
(2) ELLIOT PHYSICIAN NETWORK	H	124,990	CASH
(3) ELLIOT PROFESSIONAL SERVICES	O	3,280,868	CASH
(4) ELLIOT PHYSICIAN NETWORK	O	1,383,115	CASH
(5) ELLIOT PROFESSIONAL SERVICES	P	7,356,790	CASH
(6) ELLIOT PHYSICIAN NETWORK	P	16,671,038	CASH

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

[illegible]

Part VII **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
------------	------------------	-------------

Software ID:

Software Version:

EIN: 02-0232673

Name: THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER

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 section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled organization	
						Yes	No
ELLIOT HEALTH SYSTEM PROFESSIONAL & GENERAL LIABILITY INSURANCE TRUST 1070 HOLT AVENUE UNIT 1 STE 2100 MANCHESTER, NH03109 01-6217452	INSURANCE TRUST	NH	501(C)3	LINE 11, TYPE II	ELLIOT HEALTH SYSTEM		No
ELLIOT HEALTH SYSTEM 1070 HOLT AVENUE UNIT 1 STE 2100 MANCHESTER, NH03109 02-0509911	HOLDING COMPANY	NH	501(C)3	LINE 3			No
ELLIOT PHYSICIAN NETWORK 1070 HOLT AVENUE UNIT 1 STE 2100 MANCHESTER, NH03109 02-0509589	PHYSICIAN SERVICES	NH	501(C)3	LINE 3	ELLIOT HEALTH SYSTEM	Yes	
ELLIOT PROFESSIONAL SERVICES 1070 HOLT AVENUE UNIT 1 STE 2100 MANCHESTER, NH03109 33-1003630	PHYSICIAN SERVICES	NH	501(C)3	LINE 9	ELLIOT HEALTH SYSTEM	Yes	
VNA OF MANCHESTER & SOUTHERN NH & SUBS 33 SOUTH COMMERCIAL STREET SUITE 40 MANCHESTER, NH03101 02-0395296	VNA HOLDING COMPANY	NH	501(C)3	LINE 7	ELLIOT HOSPITAL		No
JOHN & MARY ELLIOT CHARITABLE FOUNDATION 1070 HOLT AVENUE UNIT 1 STE 2100 MANCHESTER, NH03109 02-0512229	FUNDRAISING	NH	501(C)3	LINE 7	ELLIOT HEALTH SYSTEM		No
VNA HOME HEALTH & HOSPICE SERVICES INC 33 SOUTH COMMERCIAL STREET SUITE 40 MANCHESTER, NH03101 02-0222241	HOME CARE & HOSPICE SERVICES	NH	501(C)3	LINE 11, TYPE II	VNA OF MANCHESTER & SOUTHERN NH INC		No
VNA COMMUNITY SERVICES INC 33 SOUTH COMMERCIAL STREET SUITE 40 MANCHESTER, NH03101 02-0396549	NURSING SERVICES	NH	501(C)3	LINE 11, TYPE II	VNA OF MANCHESTER & SOUTHERN NH INC		No
VNA PERSONAL SERVICES INC 33 SOUTH COMMERCIAL STREET SUITE 40 MANCHESTER, NH03101 02-0395295	PRIVATE HEALTH & HOMEMAKER SERVICES	NH	501(C)3	LINE 11, TYPE II	VNA OF MANCHESTER & SOUTHERN NH INC		No

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

(a) Name of other organization		(b) Transaction type(a-r)	(c) Amount Involved (\$)	(d) Method of determining amount involved
(1)	ELLIOT PROFESSIONAL SERVICES	H	137,176	CASH
(2)	ELLIOT PHYSICIAN NETWORK	H	124,990	CASH
(3)	ELLIOT PROFESSIONAL SERVICES	O	3,280,868	CASH
(4)	ELLIOT PHYSICIAN NETWORK	O	1,383,115	CASH
(5)	ELLIOT PROFESSIONAL SERVICES	P	7,356,790	CASH
(6)	ELLIOT PHYSICIAN NETWORK	P	16,671,038	CASH

TY 2010 Affiliated Group Schedule

Name: THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER
EIN: 02-0232673

Affiliated Group Business Name:		ELLIOT HEALTH SYSTEM
Address. Either US or Foreign Type:		1070 HOLT AVE UNIT 1 SUITE 2100 MANCHESTER, NH 03109
EIN:		02-0509911
Electing Organization Checkbox:		☐
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	0	
Total Lobbying Expenditures:	0	
Other Exempt Purpose Expenditures:	0	
Total Exempt Purpose Expenditures:	0	
Lobbying Nontaxable Amount:	0	
Grassroots Nontaxable Amount:	0	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	

Affiliated Group Business Name:		VNA OF MANCHESTER AND SOUTHERN NH INC & SUBSIDIARIES
Address. Either US or Foreign Type:		33 SOUTH COMMERCIAL ST SUITE 401 MANCHESTER, NH 03101
EIN:		02-0395296
Electing Organization Checkbox:		☐
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	0	
Total Lobbying Expenditures:	0	
Other Exempt Purpose Expenditures:	0	
Total Exempt Purpose Expenditures:	0	
Lobbying Nontaxable Amount:	0	
Grassroots Nontaxable Amount:	0	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	

Affiliated Group Business Name:		ELLIOT HOSPITAL
Address. Either US or Foreign Type:		1 ELLIOT WAY MANCHESTER, NH 03103
EIN:		02-0232673
Electing Organization Checkbox:		☒
Total Grassroots Lobbying:	33,158	
Total Direct Lobbying:	311,478	
Total Lobbying Expenditures:	344,636	
Other Exempt Purpose Expenditures:	0	
Total Exempt Purpose Expenditures:	344,636	
Lobbying Nontaxable Amount:	68,927	
Grassroots Nontaxable Amount:	17,232	
Tot Lobbying Grassroot Minus Non Tx:	15,926	
Tot Lobby Expend Mns Lobbying Non Tx:	275,709	
Share Of Excess Lobbying:	0	

Affiliated Group Business Name:		ELLIOT PROFESSIONAL SERVICES
Address. Either US or Foreign Type:		1070 HOLT AVE UNIT 1 SUITE 2100 MANCHESTER, NH 03109
EIN:		33-1003630
Electing Organization Checkbox:		☐
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	0	
Total Lobbying Expenditures:	0	
Other Exempt Purpose Expenditures:	0	
Total Exempt Purpose Expenditures:	0	
Lobbying Nontaxable Amount:	0	
Grassroots Nontaxable Amount:	0	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	

Affiliated Group Business Name:		ELLIOT PHYSICIAN NETWORK
Address. Either US or Foreign Type:		1070 HOLT AVE UNIT 1 SUITE 2100 MANCHESTER, NH 03109
EIN:		02-0509589
Electing Organization Checkbox:		☐
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	0	
Total Lobbying Expenditures:	0	
Other Exempt Purpose Expenditures:	0	
Total Exempt Purpose Expenditures:	0	
Lobbying Nontaxable Amount:	0	
Grassroots Nontaxable Amount:	0	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	

Affiliated Group Business Name:		ELLIOT HEALTH SYSTEM HOLDINGS INC & SUBSIDIARIES
Address. Either US or Foreign Type:		1070 HOLT AVE UNIT 1 SUITE 2100 MANCHESTER, NH 03109
EIN:		02-0512224
Electing Organization Checkbox:		☐
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	0	
Total Lobbying Expenditures:	0	
Other Exempt Purpose Expenditures:	0	
Total Exempt Purpose Expenditures:	0	
Lobbying Nontaxable Amount:	0	
Grassroots Nontaxable Amount:	0	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	

Affiliated Group Business Name:		JOHN & MARY ELLIOT CHARITABLE FOUNDATION
Address. Either US or Foreign Type:		1070 HOLT AVE UNIT 1 SUITE 2100 MANCHESTER, NH 03109
EIN:		02-0512229
Electing Organization Checkbox:		☐
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	0	
Total Lobbying Expenditures:	0	
Other Exempt Purpose Expenditures:	0	
Total Exempt Purpose Expenditures:	0	
Lobbying Nontaxable Amount:	0	
Grassroots Nontaxable Amount:	0	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	

Affiliated Group Business Name:		ELLIOT COMMON TRUST FUND LLC
Address. Either US or Foreign Type:		1 ELLIOT WAY MANCHESTER, NH 03103
EIN:		02-3653624
Electing Organization Checkbox:		☐
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	0	
Total Lobbying Expenditures:	0	
Other Exempt Purpose Expenditures:	0	
Total Exempt Purpose Expenditures:	0	
Lobbying Nontaxable Amount:	0	
Grassroots Nontaxable Amount:	0	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	

Affiliated Group Business Name:	ELLIOT HEALTH SYSTEM PROFESSIONAL & GENERAL LIABILITY INSURANCE TRUST
Address. Either US or Foreign Type:	1 ELLIOT WAY MANCHESTER, NH 03101
EIN:	01-6217452
Electing Organization Checkbox:	☐
Total Grassroots Lobbying:	0
Total Direct Lobbying:	0
Total Lobbying Expenditures:	0
Other Exempt Purpose Expenditures:	0
Total Exempt Purpose Expenditures:	0
Lobbying Nontaxable Amount:	0
Grassroots Nontaxable Amount:	0
Tot Lobbying Grassroot Minus Non Tx:	0
Tot Lobby Expend Mns Lobbying Non Tx:	0
Share Of Excess Lobbying:	0

Elliot Hospital and Affiliates

**Audited Consolidated Financial Statements
and Other Financial Information**

*Years Ended June 30, 2011 and 2010
With Independent Auditors' Report*

ELLIOT HOSPITAL AND AFFILIATES

AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

June 30, 2011 and 2010

TABLE OF CONTENTS

Independent Auditors' Report	1
Audited Consolidated Financial Statements:	
Consolidated Balance Sheets	2
Consolidated Statements of Operations	4
Consolidated Statements of Changes in Net Assets	5
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7
Other Financial Information:	
Independent Auditors' Report on Other Financial Information	32
2011:	
Consolidating Balance Sheet	33
Consolidating Statement of Operations	35
2010:	
Consolidating Balance Sheet	36
Consolidating Statement of Operations	38

BAKER NEWMAN NOYES

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Elliot Hospital and Affiliates

We have audited the accompanying consolidated balance sheets of Elliot Hospital and Affiliates (the Hospital) as of June 30, 2011 and 2010, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Hospital's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Elliot Hospital and Affiliates at June 30, 2011 and 2010, and the results of their operations, changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Baker Newman & Noyes

Limited Liability Company

Manchester, New Hampshire
September 22, 2011

ELLIOT HOSPITAL AND AFFILIATES

CONSOLIDATED BALANCE SHEETS

June 30, 2011 and 2010

ASSETS

	<u>2011</u>	<u>2010</u>
Current assets:		
Cash and cash equivalents	\$ 25,695,341	\$ 28,669,357
Accounts receivable, less allowance for doubtful accounts of \$21,438,412 in 2011 and \$19,429,182 in 2010 (note 11)	35,285,398	33,199,547
Inventories	2,184,162	2,094,293
Amounts due from affiliates	—	47,504
Other current assets	<u>8,427,584</u>	<u>4,151,707</u>
Total current assets	71,592,485	68,162,408
Property, plant and equipment, less accumulated depreciation (notes 4, 5 and 12)	176,803,347	122,858,634
Other assets:		
Unamortized bond issuance costs, net	2,130,497	2,157,443
Other	<u>3,703,683</u>	<u>2,374,162</u>
	5,834,180	4,531,605
Assets whose use is limited (notes 6 and 13)		
Board designated and donor restricted investments	78,860,167	67,911,310
Held by trustee under revenue bond and note agreements (note 5)	16,116,081	75,364,076
Employee benefit plans and other	4,865,050	2,966,288
Beneficial interest in perpetual trusts	<u>5,879,402</u>	<u>5,162,041</u>
	<u>105,720,700</u>	<u>151,403,715</u>
Total assets	<u>\$359,950,712</u>	<u>\$346,956,362</u>

LIABILITIES AND NET ASSETS

	<u>2011</u>	<u>2010</u>
Current liabilities:		
Accounts payable and accrued expenses	\$ 15,440,439	\$ 15,924,407
Accrued salaries, wages and related accounts	19,890,964	16,538,395
Accrued interest	2,281,592	2,300,876
Amounts payable to third-party payors (note 3)	7,042,850	7,958,413
Amounts due to affiliates	743,798	—
Current portion of long-term debt (note 5)	<u>2,075,714</u>	<u>2,143,791</u>
Total current liabilities	47,475,357	44,865,882
Accrued pension (note 7)	27,318,679	46,357,502
Self-insurance reserves and other liabilities	17,627,433	23,471,967
Long-term debt, less current portion (note 5)	<u>153,115,023</u>	<u>152,703,888</u>
Total liabilities	245,536,492	267,399,239
Net assets:		
Unrestricted	100,553,729	66,786,095
Temporarily restricted	1,722,984	1,406,997
Permanently restricted	<u>12,137,507</u>	<u>11,364,031</u>
	114,414,220	79,557,123
Total liabilities and net assets	<u>\$359,950,712</u>	<u>\$346,956,362</u>

See accompanying notes.

ELLIOT HOSPITAL AND AFFILIATES

CONSOLIDATED STATEMENTS OF OPERATIONS

Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Net patient service revenues (notes 3 and 9)	\$382,248,680	\$357,911,959
Disproportionate share funding (note 3)	16,761,495	14,820,437
Investment income (note 6)	2,909,064	2,356,786
Other revenues	<u>12,041,546</u>	<u>10,121,411</u>
Total revenues	413,960,785	385,210,593
Expenses (note 10):		
Salaries, wages and fringe benefits (note 7)	234,777,792	207,374,138
Supplies and other expenses	106,916,485	102,902,312
Provision for bad debts	36,667,236	36,171,578
Depreciation and amortization	15,260,250	15,872,713
New Hampshire Medicaid Enhancement Tax (note 3)	14,611,546	14,820,437
Interest	<u>5,216,817</u>	<u>2,988,553</u>
Total expenses	<u>413,450,126</u>	<u>380,129,731</u>
Income from operations	510,659	5,080,862
Nonoperating gains (losses):		
Gain on investments (note 6)	2,954,071	3,723,725
Contributions to community agencies (note 9)	(581,686)	(535,743)
Other (note 8)	<u>2,509,453</u>	<u>1,913,558</u>
Nonoperating gains (losses), net	<u>4,881,838</u>	<u>5,101,540</u>
Excess of revenues and nonoperating gains (losses) over expenses	5,392,497	10,182,402
Net unrealized gain (loss) on investments (note 6)	6,610,387	(211,747)
Pension adjustment (note 7)	20,301,431	(5,899,748)
Net assets released from restriction for capital purchases	—	211,860
Net transfers from (to) affiliates (note 8)	<u>1,463,319</u>	<u>(2,757,281)</u>
Increase in unrestricted net assets	<u>\$ 33,767,634</u>	<u>\$ 1,525,486</u>

See accompanying notes.

ELLIOT HOSPITAL AND AFFILIATES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Years Ended June 30, 2011 and 2010

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total
Balances at July 1, 2009	\$ 65,260,609	\$1,248,255	\$11,172,730	\$ 77,681,594
Excess of revenues and nonoperating gains (losses) over expenses	10,182,402	—	—	10,182,402
Grant proceeds received for capital expenditures	—	211,860	—	211,860
Restricted gifts and bequests	—	174,500	—	174,500
Investment income and net gain (loss) on investments (note 6)	—	92,772	(211,940)	(119,168)
Net unrealized gain (loss) on investments (note 6)	(211,747)	(108,530)	403,241	82,964
Pension adjustment (note 7)	(5,899,748)	—	—	(5,899,748)
Net assets released from restriction for capital purchases	211,860	(211,860)	—	—
Net transfers to affiliates (note 8)	<u>(2,757,281)</u>	<u>—</u>	<u>—</u>	<u>(2,757,281)</u>
Increase in net assets	<u>1,525,486</u>	<u>158,742</u>	<u>191,301</u>	<u>1,875,529</u>
Balances at June 30, 2010	66,786,095	1,406,997	11,364,031	79,557,123
Excess of revenues and nonoperating gains (losses) over expenses	5,392,497	—	—	5,392,497
Restricted gifts and bequests	—	—	50,000	50,000
Investment income and net gain on investments (note 6)	—	113,891	6,064	119,955
Net unrealized gain on investments (note 6)	6,610,387	202,096	717,412	7,529,895
Pension adjustment (note 7)	20,301,431	—	—	20,301,431
Net transfers from affiliates (note 8)	<u>1,463,319</u>	<u>—</u>	<u>—</u>	<u>1,463,319</u>
Increase in net assets	<u>33,767,634</u>	<u>315,987</u>	<u>773,476</u>	<u>34,857,097</u>
Balances at June 30, 2011	<u>\$100,553,729</u>	<u>\$1,722,984</u>	<u>\$12,137,507</u>	<u>\$114,414,220</u>

See accompanying notes.

ELLIOT HOSPITAL AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating activities and net gains:		
Increase in net assets	\$ 34,857,097	\$ 1,875,529
Adjustments to reconcile increase in net assets to net cash provided by operating activities and net gains:		
Depreciation and amortization	15,260,250	15,974,472
Loss on disposal of fixed assets	21,306	71,352
Restricted investment income and net (gain) loss on investments	(119,955)	119,168
Restricted gifts and bequests	(50,000)	(174,500)
Net transfers (from) to affiliates	(1,463,319)	2,757,281
Pension adjustment	(20,301,431)	5,899,748
Net realized and unrealized (gains) losses on investments	(10,119,252)	(3,459,777)
Changes in operating assets and liabilities:		
Accounts receivable, net	(2,085,851)	907,767
Inventories	(89,869)	(107,081)
Amounts due from/to affiliates	791,302	334,557
Other current and noncurrent assets	(5,793,139)	(56,931)
Accounts payable and accrued expenses	(483,968)	3,827,006
Accrued salaries, wages and related accounts	3,352,569	(702,222)
Accrued interest	(19,284)	1,902,662
Accrued pension	1,262,608	(1,538,021)
Self-insurance reserves and other liabilities	(5,844,534)	4,937,276
Amounts payable to third-party payors	<u>(915,563)</u>	<u>3,606,753</u>
Net cash provided by operating activities and net gains	8,258,967	36,175,039
Investing activities:		
Acquisition of property, plant and equipment, net of disposals	(66,425,075)	(51,203,593)
Physician practice acquisitions	—	(134,057)
Decrease (increase) in assets whose use is limited	<u>55,802,267</u>	<u>(66,830,070)</u>
Net cash used by investing activities	(10,622,808)	(118,167,720)
Financing activities:		
Proceeds of debt, notes payable, net of issuance costs and discount	—	125,991,771
Repayment of notes payable, debt and capital lease obligations	(2,243,449)	(32,049,106)
Net cash transfers from (to) affiliates	1,463,319	(1,313,000)
Restricted investment income and net gain on sale of investments	119,955	(119,168)
Restricted gifts and bequests	<u>50,000</u>	<u>174,500</u>
Net cash (used) provided by financing activities	<u>(610,175)</u>	<u>92,684,997</u>
(Decrease) increase in cash and cash equivalents	(2,974,016)	10,692,316
Cash and cash equivalents at beginning of year	<u>28,669,357</u>	<u>17,977,041</u>
Cash and cash equivalents at end of year	\$ <u>25,695,341</u>	\$ <u>28,669,357</u>
Noncash investing and financing activities:		
Assets acquired under capital lease agreements	\$ <u>—</u>	\$ <u>127,946</u>
Transfer of capital assets from affiliates	\$ <u>—</u>	\$ <u>1,511,320</u>
Land acquisition financed with note payable	\$ <u>2,500,000</u>	\$ <u>—</u>

See accompanying notes.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

1. **Organization**

Elliot Hospital is a not-for-profit acute care hospital which serves residents of Southern New Hampshire. Elliot Health System (the System) is the sole member of Elliot Hospital.

During the fiscal year ended June 30, 2010, the sole corporate member for Elliot Physician Network (EPN), a not-for-profit network of primary care physicians, and Elliot Professional Services (EPS), a not-for-profit network of specialty care physicians, changed from the System to Elliot Hospital. This reorganization of entities constituted a change in reporting entity in 2010. As such, these consolidated financial statements reflect the financial position, results of operations and cash flows as if EPN and EPS were combined with Elliot Hospital for all of 2011 and 2010. These entities are collectively referred to as "the Hospital" in these consolidated financial statements.

Elliot Hospital (excluding EPN and EPS) and the System comprise the Obligated Group as defined under a Master Trust Indenture dated October 1, 2003 (as amended) under the 2003 and 2009 bond offerings.

2. **Significant Accounting Policies**

Principles of Consolidation

The consolidated financial statements include the accounts of Elliot Hospital, EPN and EPS. All significant intercompany balances and transactions have been eliminated in the consolidation.

Charity Care

The Hospital has a formal charity care policy under which patient care is provided without charge or at amounts less than its established rates to patients who meet certain criteria. The Hospital does not pursue collection of amounts determined to qualify as charity care, and therefore they are not reported as revenue.

Cash and Cash Equivalents

Cash and cash equivalents include short-term investments and secured repurchase agreements which have an original maturity of three months or less when purchased.

The Hospital maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Hospital has not experienced any losses on such accounts.

Net Patient Service Revenues

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, per diem payments and fee schedules. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Changes in these estimates are reflected in the consolidated financial statements in the year in which they occur.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

2. Significant Accounting Policies (Continued)

Accounts Receivable

The allowance for uncollectible accounts is provided based on an analysis by management of the collectibility of outstanding balances. Management considers the age of outstanding balances and past collection efforts in determining the allowance for uncollectible accounts. Accounts deemed uncollectible are charged off against the established allowance.

Income Taxes

Elliot Hospital, EPN and EPS are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code, and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Management evaluated the Hospital's tax positions and concluded the Hospital has maintained its tax-exempt status, does not have any significant unrelated business income and had taken no uncertain tax positions that require adjustment to the consolidated financial statements. With few exceptions, the Hospital is no longer subject to income tax examination by the U.S. federal or state tax authorities for years before 2008.

Performance Indicator

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of health care services are reported as operating revenue and expenses. Peripheral transactions are reported as nonoperating gains or losses.

The consolidated statements of operations also include excess of revenues and nonoperating gains (losses) over expenses. Changes in unrestricted net assets which are excluded from excess of revenues and nonoperating gains (losses) over expenses, consistent with industry practice, include the change in net unrestricted unrealized gains and losses on investments (unless considered "other-than-temporary"), net assets released from restrictions for capital purchases, pension adjustments, and transfers to or from affiliates.

Classification of Net Assets

Gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of donated assets. Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. When a donor restriction expires (when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of operations as either net assets released from restrictions (for noncapital related items) or as net assets released from restrictions used for capital purchases (capital related items). Permanently restricted net assets have been restricted by donors to be maintained in perpetuity.

Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

2. **Significant Accounting Policies (Continued)**

Investments and Investment Income

Investments, including funds held by trustee under revenue bond agreements, are carried at fair value in the consolidated balance sheets. Realized gains or losses on the sale of investment securities are determined by the specific identification method. Investment income on unrestricted investments is reported with revenues and other support. Unrestricted investment income on temporarily and permanently restricted investments and net realized gains (losses) are reported as nonoperating gains (losses). Unrealized gains and losses on investments are excluded from the excess of revenues and nonoperating gains (losses) over expenses unless the losses are considered other than temporary. Periodically, management reviews investments for which the market value has fallen significantly below cost and recognizes impairment losses where they believe these declines are other-than-temporary.

Beneficial Interest in Perpetual Trusts

The Hospital has an irrevocable right to receive income earned on certain trust assets established for its benefit. Distributions received by the Hospital are restricted by the donor for use in nursing education and women's and children's services. The Hospital's interest in the fair value of the trust assets is included in assets whose use is limited. Changes in the market value of beneficial trust assets are reported as increases or decreases to permanently restricted net assets.

Investment Policies

The Hospital's investment policies provide guidance for the prudent and skillful management of invested assets with the objective of preserving capital and maximizing returns. The invested assets include endowment, specific purpose and board designated (unrestricted) funds.

Endowment funds are identified as permanent in nature, intended to provide support for current or future operations and other purposes identified by the donor. These funds are managed with disciplined longer-term investment objectives and strategies designed to accommodate relevant, reasonable, or probable events.

Temporarily restricted funds are temporary in nature, restricted as to time or purpose as identified by the donor or grantor. These funds have various intermediate/long-term time horizons associated with specific identified spending objectives.

Board designated funds have various intermediate/long-term time horizons associated with specific spending objectives as determined by the Board of Trustees.

Management of these assets is designed to maximize total return while preserving the capital values of the funds, protecting the funds from inflation, and providing liquidity as needed. The objective is to provide a real rate of return that meets inflation, plus 4.5%, over a long-term time horizon (greater than 7 to 10 years).

The Hospital targets a diversified asset allocation that places emphasis on achieving its long-term return objectives within prudent risk constraints.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

2. Significant Accounting Policies (Continued)

Spending Policy for Appropriation of Assets for Expenditure

In accordance with the *Uniform Prudent Management of Institutional Funds Act* (UPMIFA), the Hospital considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the fund; (b) the purpose of the organization and the donor-restricted endowment fund; (c) general economic conditions; (d) the possible effect of inflation and deflation, (e) the expected total return from income and the appreciation of investments; (f) other resources of the organization; and (g) the investment policies of the organization.

Spending policies may be adopted by the Hospital, from time to time, to provide a stream of funding for the support of key programs. The spending policies are structured in a manner to ensure that the purchasing power of the assets is maintained while providing the desired level of annual funding to the programs. The Hospital did not implement or have in existence any spending policies for the fiscal years ended June 30, 2011 or 2010.

Inventories

Inventories of supplies and pharmaceuticals are carried at the lower of cost, determined on a weighted-average method, or market.

Bond Issuance Costs/Original Issue Discount

The bond issuance costs incurred to obtain financing for construction and renovation programs and the original issue discount are being amortized by the straight-line method over the life of the bonds. The original issue discount is presented as a reduction of the face amount of bonds payable.

Property, Plant and Equipment

Property, plant and equipment is stated at cost at time of purchase, or fair market value at time of donation, less reductions in carrying value based upon impairment and less accumulated depreciation. The Hospital's policy is to capitalize expenditures for major improvements and charge maintenance and repairs as expenditures which do not extend the lives of the related assets. The provision for depreciation is computed on the straight-line method at rates intended to amortize the cost of the related assets over their estimated useful lives. Assets which have been purchased but not yet placed in service are included in construction in progress and no depreciation expense is recorded.

Federal Grant Revenue and Expenditures

Revenues and expenses under federal grant programs are recognized as the related expenditure is incurred.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

2. Significant Accounting Policies (Continued)

Advertising Expense

Advertising costs are expensed as incurred and totaled approximately \$1,589,000 and \$1,292,000 in 2011 and 2010, respectively

Retirement Benefits

The Hospital participates in a defined benefit pension plan for certain of its employees, the Elliot Health System Pension Plan (the Plan), which is sponsored by the System.

Effective July 1, 2006, the Plan was amended to close the Plan to employees hired after June 30, 2006. Eligible employees hired prior to July 1, 2006 are grandfathered under the Plan and will continue to accrue benefits as long as they remain at a participating System entity and in an eligible status

The System's funding policy is to contribute amounts to the Plan sufficient to meet minimum funding requirements set forth in the *Employee Retirement Income Security Act of 1974*, plus such additional amounts as might be determined to be appropriate from time to time. The Plan is intended to constitute a plan described in Section 414(k) of the Internal Revenue Code, under which benefits derived from employer contributions are based on the separate account balances of participants in addition to the defined benefits under the Plan.

The System provides, and the Hospital participates in, a defined contribution program for all eligible employees hired on or after July 1, 2006. Under this program, eligible employees may receive annual employer contributions to a System sponsored tax sheltered annuity plan or 401(k) plan up to 3% of annual base pay.

The System also provides discretionary matching contributions to a tax sheltered annuity plan or 401(k) plan equal to up to one-half of the employee's contribution to a maximum of 4% of their annual base pay. Total expense incurred by the Hospital was \$3,232,146 and \$1,529,473 under these defined contribution plans for the years ended June 30, 2011 and 2010, respectively.

The System sponsors deferred compensation plans for certain qualifying employees. The amounts ultimately due to employees are to be paid upon the employees attaining certain criteria, including age. At June 30, 2011 and 2010, approximately \$4,865,000 and \$2,966,000, respectively, is reflected in assets whose use is limited and \$4,665,000 and \$2,966,000, respectively, in other long-term liabilities related to such agreements.

Workers' Compensation

The Hospital participates in a self-insured irrevocable workers' compensation trust, sponsored by the System, to fund anticipated losses for workers' compensation claims. The System maintains an excess insurance policy to limit its exposure on claims to \$500,000 per occurrence. Reserves for claims made and potential unreported claims have been established to provide for incurred but unpaid claims. The amount of the reserve has been determined by an actuarial consultant.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

2. **Significant Accounting Policies (Continued)**

Employee Health and Dental Insurance

The Hospital participates in a self-insurance plan for employee health and dental, sponsored by the System. Under the terms of the plan, employees meeting certain eligibility requirements and their dependents are eligible for participation and, as such, the System is responsible for the administration of the plan and any resultant liability incurred. The System maintains individual and aggregate stop-loss insurance coverage.

Employee Fringe Benefits

The Hospital has an earned time plan. Under this plan, each employee earns paid leave for each period worked. These hours of paid leave may be used for vacations, holidays or illnesses. Hours earned but not used are vested with the employee and are paid to the employee upon termination. The Hospital accrues a liability for such paid leave as it is earned.

Malpractice Loss Contingencies

Prior to February 1, 2011, the System, including the Hospital, was insured against malpractice loss contingencies under claims-made insurance policies. A claims-made policy provides specific coverage for claims made during the policy period. The System maintained excess professional and general liability insurance policies to cover claims in excess of liability retention levels. Effective February 1, 2011, the System, including the Hospital, insures its medical malpractice risks through a multiprovider captive insurance company. Premiums paid are based upon actuarially determined amounts to adequately fund for expected losses. At June 30, 2011, there were no known malpractice claims outstanding for the Hospital which, in the opinion of management, will be settled for amounts in excess of insurance coverage, nor were there any unasserted claims or incidents which required specific loss accruals. The captive retains and funds up to actuarial expected loss amounts, and obtains reinsurance at various attachment points for individual and aggregate claims in excess of funding in accordance with industry practices. The Hospital's interest in the captive represents approximately 53% of the captive, although control of the captive is equally shared by participating hospitals. The Hospital has recorded its interest in the captive's equity, totaling approximately \$1,590,000 at June 30, 2011, in other assets on the accompanying consolidated balance sheets. Changes in the Hospital's interest are included in nonoperating gains (losses) on the accompanying consolidated statements of operations. The Hospital has established reserves to cover professional liability exposures for incurred but unpaid or unreported claims. The amounts of the reserves have been determined by actuarial consultants. The possibility exists, as a normal risk of doing business, that malpractice claims in excess of insurance coverage may be asserted against the Hospital.

Litigation

The Hospital is involved in litigation and regulatory reviews arising in the ordinary course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Hospital's financial position, results of operations or cash flows.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

2. **Significant Accounting Policies (Continued)**

Fair Value of Financial Instruments

The fair value of financial instruments is determined by reference to various market data and other valuation techniques as appropriate. Financial instruments consist of cash and cash equivalents, investments, accounts receivable, assets whose use is limited or restricted, accounts payable, estimated third-party payor settlements and long-term debt.

The fair value of all financial instruments other than long-term debt approximates their relative book value as these financial instruments have short-term maturities or are recorded at fair value as disclosed in note 13. The fair value of the Hospital's long-term debt is estimated using discounted cash flow analyses, based on the Hospital's current incremental borrowing rates for similar types of borrowing arrangements, and is disclosed in note 5 to the consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for the allowance for uncollectible accounts, long-lived assets, insurance costs, employee benefit plans, contractual allowances, third-party payor settlements and contingencies. It is reasonably possible that actual results could differ from those estimates. Adjustments made with respect to the use of estimates often relate to improved information not previously available.

Reclassifications

Certain 2010 amounts have been reclassified to conform with the current year presentation.

Subsequent Events

Management of the Hospital evaluated events occurring between the end of its fiscal year and September 22, 2011, the date the consolidated financial statements were available to be issued.

Recent Accounting Pronouncements

In July 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2011-07, "Health Care Entities" (Topic 954): *Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*. The ASU is effective for fiscal years and interim periods beginning after December 31, 2011, with early adoption permitted. Changes to the presentation of the provision for bad debts related to patient service revenue in the statement of operations is applied retrospectively to all prior periods presented. The ASU states that a health care entity that recognizes significant amounts of patient service revenue at the time the services are rendered, even though it does not assess the patient's ability to pay, must present bad debts as a reduction of net patient revenue and not included as a separate item in operating expenses. The change in presentation, as required by this guidance, is not expected to significantly impact the Hospital's financial position, results of operations or cash flows.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

3. Net Patient Service Revenues (Continued)

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties and exclusion from the Medicare and Medicaid programs. The Hospital believes that it is in substantial compliance with all applicable laws and regulations. However, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in net patient service revenues in the year that such amounts become known. The differences between amounts previously estimated and amounts subsequently determined to be recoverable from third-party payors increased (decreased) net patient service revenues by approximately \$3,400,000 and \$(271,000) in 2011 and 2010, respectively.

The Hospital also maintains contracts with Anthem Blue Cross, Cigna, Harvard Pilgrim Health Care, certain commercial carriers, managed care plans and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge and per day, discounts from established charges and fee schedules.

Medicaid Enhancement Tax and Medicaid Disproportionate Share

Under the State of New Hampshire's tax code, the State imposes a Medicaid Enhancement Tax (MET) equal to 5.5% of net patient service revenues, with certain exclusions. The amount of tax incurred by the Hospital for fiscal 2011 and 2010 was \$14,611,546 and \$14,820,437, respectively. Prior to 2011, this tax was offset by disproportionate share payments of identical amounts to the Hospital and other New Hampshire hospitals.

Disproportionate share funding has been in place in New Hampshire since 1991. In 2010, in connection with a federal government audit of the State of New Hampshire's 2004 fiscal year, the auditors indicated that the New Hampshire disproportionate share funding approach was not in compliance with federal laws and regulations and, as a result, a significant payment was due from the State of New Hampshire to the federal payor. The federal government's audit findings are currently being contested by the State of New Hampshire. Audits of years subsequent to 2004 by the federal government have not occurred yet. It is not known whether the State will be successful in its appeal.

In the fall of 2010, in order to remain in compliance with stated federal regulations, the State of New Hampshire adopted a new approach related to Medicaid disproportionate share funding retroactive to July 1, 2010. Unlike the former funding method, the State's new approach led to a payment that is not directly based on, and may not equate to, the level of tax imposed. As a result, the legislation created some level of losses at certain New Hampshire hospitals, while other hospitals realized gains. In 2011, the Hospital received disproportionate share payments covering the period July 1, 2010 to June 30, 2011 that totaled \$16,761,495, which exceeded the tax due for the same period by \$2,149,949. The disproportionate share payments and tax were recognized by the Hospital in 2011.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

3. Net Patient Service Revenues (Continued)

The State's newly adopted rule did not negatively impact the Hospital for the year ended June 30, 2011. However, as part of the State of New Hampshire's biennial budget process for the two-year period ending June 30, 2013, the State eliminated disproportionate share payments to certain New Hampshire hospitals, including Elliot Hospital. As a result, beginning with its fiscal year ending June 30, 2012, the Hospital will pay the State of New Hampshire's MET based on 5.5% of net patient service revenues, with certain exclusions but will not receive disproportionate share payments.

In response to the State's actions, the Hospital and several other New Hampshire hospitals have collectively filed a lawsuit against the State of New Hampshire. The outcome of the lawsuit, as well as the future impact on the Hospital is uncertain at the date of these consolidated financial statements.

In addition, the Hospital has amended MET returns for fiscal years 2009 through 2011 based upon further guidance provided that certain exclusions can be deducted from net patient service revenues. The State has indicated its intent to audit the amended returns. The outcome of the amended returns and related audits is uncertain at the date of these consolidated financial statements.

4. Property, Plant and Equipment

The major categories of property, plant and equipment at June 30, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Operating properties:		
Land and land improvements	\$ 10,742,106	\$ 4,129,581
Buildings and fixed equipment	187,718,715	101,716,700
Major movable equipment	123,989,285	112,947,086
Construction and projects in progress	<u>7,523,859</u>	<u>50,750,608</u>
	329,973,965	269,543,975
Less accumulated depreciation	<u>(163,364,960)</u>	<u>(148,624,893)</u>
	166,609,005	120,919,082
Rental properties:		
Major movable equipment	55,608	—
Buildings and fixed equipment	10,203,868	3,784,464
Less accumulated depreciation	<u>(65,134)</u>	<u>(1,844,912)</u>
	<u>10,194,342</u>	<u>1,939,552</u>
Net property, plant and equipment	<u>\$ 176,803,347</u>	<u>\$ 122,858,634</u>

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

5. Debt

Long-term debt of the Hospital at June 30, 2011 and 2010 consists of the following:

	<u>2011</u>	<u>2010</u>
Business Finance Authority of the State of New Hampshire - Revenue Bonds:		
Elliot Hospital Obligated Group Series 2009A Bonds with interest ranging from 4.0% to 6.125% per year and required sinking fund installments of amounts ranging from \$735,000 to \$10,840,000 through October 1, 2039. The bonds may be redeemed in whole or in part on or after October 1, 2019 at par	\$130,000,000	\$130,000,000
Less unamortized original issue discount	<u>(2,078,093)</u>	<u>(2,151,222)</u>
	127,921,907	127,848,778
 New Hampshire Health and Education Facilities Authority - Revenue Bonds:		
Elliot Hospital Obligated Group Series 2003B bonds with interest ranging from 4.25% to 5.6% per year and required sinking fund installments of amounts ranging from \$1,460,000 to \$2,660,000 through October 1, 2022. The bonds may be redeemed in whole or in part on or after October 1, 2013 at par	24,075,000	25,460,000
Less unamortized original issue discount	<u>(151,619)</u>	<u>(164,997)</u>
	23,923,381	25,295,003
Notes payable – see below	2,500,000	–
Capital lease obligations – see note 12	<u>845,449</u>	<u>1,703,898</u>
	155,190,737	154,847,679
Less current portion	<u>(2,075,714)</u>	<u>(2,143,791)</u>
	<u>\$153,115,023</u>	<u>\$152,703,888</u>

Under the terms of the Series 2009A bonds payable to the Business Finance Authority of the State of New Hampshire and Series 2003B bonds payable to the New Hampshire Health and Education Facilities Authority (collectively, the Authorities) at June 30, 2011, debt service reserve funds are required to provide for payment of principal and interest if the Obligated Group fails to make required payments. The funds are held by a trustee and can be returned to the Obligated Group as the requirements of the fund (which are equal to the maximum amount of principal and interest due in any one future year) are decreased. The Obligated Group's agreement with the Authorities for the Series 2009A and 2003B bonds grants the Authorities a security interest in the Hospital's gross receipts and a mortgage on the Hospital's existing and future facilities and equipment. In addition, under the terms of the master indenture, the Obligated Group is required to meet certain covenant requirements. At June 30, 2011, the Obligated Group was in compliance with these requirements.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

5. Debt (Continued)

The funds held by the trustee under the revenue bond and note agreements at June 30 are comprised of the following.

	<u>2011</u>	<u>2010</u>
Debt service interest fund	\$ 730,037	\$ 692,520
Debt service reserve fund	14,483,020	14,521,458
Construction fund and other	<u>903,024</u>	<u>60,150,098</u>
	<u>\$16,116,081</u>	<u>\$75,364,076</u>

Interest paid totaled \$9,271,921 and \$4,302,219 for the years ended June 30, 2011 and 2010, respectively. Interest capitalized during the years ended June 30, 2011 and 2010 totaled \$4,035,820 and \$3,216,328, respectively.

In 2011, the Hospital entered into a \$2.5 million note payable to finance a land purchase. Interest is payable annually at the rate of 4.75%. The outstanding principal balance is due and payable on the earlier of March 16, 2016 or ten days after the issuance of a building permit for construction of a structure on the purchased property.

Aggregate annual principal payments required under the bond, note and capital lease agreements for each of the five years ending June 30, 2016 are approximately \$2,076,000, \$2,481,000, \$2,548,000, \$2,650,000, and \$5,285,000, respectively.

The fair value, based on current market rates, of the Hospital's notes payable and long-term debt was approximately \$157,419,000 and \$158,698,000 as of June 30, 2011 and 2010, respectively.

6. Assets Whose Use is Limited

Assets whose use is limited at June 30, 2011 and 2010 are comprised of the following.

	<u>2011</u>		<u>2010</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Cash and equivalents	\$ 8,381,941	\$ 8,381,941	\$ 60,408,817	\$ 60,408,817
Marketable equity securities	33,689,753	39,231,140	28,246,119	29,152,548
U.S. Government obligations and corporate bonds	43,583,156	43,388,757	49,818,819	48,462,834
Employee benefit plans and other	4,865,050	4,865,050	2,966,288	2,966,288
Beneficial interest in perpetual trusts	5,052,895	5,879,402	5,039,225	5,162,041
Limited partnership interest in hedge funds	<u>3,974,410</u>	<u>3,974,410</u>	<u>5,597,405</u>	<u>5,251,187</u>
	<u>\$99,547,205</u>	<u>\$105,720,700</u>	<u>\$152,076,673</u>	<u>\$151,403,715</u>

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

6. Assets Whose Use is Limited (Continued)

Board designated and donor restricted investments of the Hospital are pooled with other System entities into the Elliot Common Trust Fund LLC. The Hospital's allocation of this pool at June 30, 2011 and 2010 is comprised of the following

	<u>2011</u>	<u>2010</u>
Board designated:		
Capital, working capital and community service	\$57,192,784	\$48,293,832
Self-insurance	<u>12,978,050</u>	<u>12,334,048</u>
	70,170,834	60,627,880
Donor restricted and other	<u>8,689,333</u>	<u>7,283,430</u>
	<u>\$78,860,167</u>	<u>\$67,911,310</u>
Unrestricted investment income and realized gains (losses) on investments are summarized as follows:		
Investment income	\$ 2,909,064	\$ 2,356,786
Nonoperating investment income	364,714	346,912
Realized gain on sale of investments	2,589,357	3,489,636
Other-than-temporary loss on investments	—	(112,823)
Net unrealized gain (loss) on investments	<u>6,610,387</u>	<u>(211,747)</u>
	12,473,522	5,868,764
Restricted investment income and net gains (losses) on investments are summarized as follows:		
Investment income and net gain (loss) on investments	119,955	(119,168)
Net unrealized gain on investments	<u>919,508</u>	<u>294,711</u>
	<u>1,039,463</u>	<u>175,543</u>
Total restricted and unrestricted	<u>\$13,512,985</u>	<u>\$ 6,044,307</u>

Management continually reviews its investment portfolio and evaluates whether declines in the fair value of securities should be considered other-than-temporary. Factored into this evaluation are the general market conditions, the issuer's financial condition and near-term prospects, conditions in the issuer's industry, the recommendation of advisors and the length of time and extent to which the market value has been less than cost

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

6. Assets Whose Use is Limited (Continued)

The following table summarizes the aggregate unrealized loss on investments held at June 30, 2011 and 2010:

	<u>Less Than 12 Months</u>		<u>12 Months or Longer</u>		<u>Total</u>	
	<u>Fair</u>	<u>Unrealized</u>	<u>Fair</u>	<u>Unrealized</u>	<u>Fair</u>	<u>Unrealized</u>
	<u>Value</u>	<u>Losses</u>	<u>Value</u>	<u>Losses</u>	<u>Value</u>	<u>Losses</u>
<u>2011</u>						
Marketable equity securities	\$ 7,492,456	\$ (560,461)	\$2,434,328	\$(285,829)	\$ 9,926,784	\$ (846,290)
U.S. Government obligations and corporate bonds	<u>1,974,348</u>	<u>(20,628)</u>	<u>1,351,670</u>	<u>(112,131)</u>	<u>3,326,018</u>	<u>(132,759)</u>
	<u>\$ 9,466,804</u>	<u>\$ (581,089)</u>	<u>\$3,785,998</u>	<u>\$(397,960)</u>	<u>\$13,252,802</u>	<u>\$ (979,049)</u>
<u>2010</u>						
Marketable equity securities	\$15,572,951	\$(1,996,780)	\$2,019,086	\$(704,251)	\$17,592,037	\$(2,701,031)
U.S. Government obligations and corporate bonds	<u>2,002,049</u>	<u>(60,005)</u>	<u>471,231</u>	<u>(126,298)</u>	<u>2,473,280</u>	<u>(186,303)</u>
	<u>\$17,575,000</u>	<u>\$(2,056,785)</u>	<u>\$2,490,317</u>	<u>\$(830,549)</u>	<u>\$20,065,317</u>	<u>\$(2,887,334)</u>

Aggregate unrealized gains totaled \$7,152,544 and \$2,214,376 at June 30, 2011 and 2010, respectively.

During the year ended June 30, 2010, the Hospital recorded realized losses for other-than-temporary declines in the fair value of investments of \$112,823. No such losses were recorded for the year ended June 30, 2011. Management believes that, given the small percentage declines below cost and management's intent and ability to hold the securities, any additional losses recognized on the sale of such investments will not be material to the consolidated financial statements.

7. Retirement Benefits

A reconciliation of the changes in the Elliot Health System Pension Plan's projected benefit obligation and the fair value of plan assets and a statement of funded status of the plan as of and for the years ended June 30, 2011 and 2010 are as follows:

	<u>2011</u>	<u>2010</u>
Changes in benefit obligation:		
Projected benefit obligations, beginning of year	\$(172,689,454)	\$(144,611,988)
Service cost	(7,483,959)	(6,483,530)
Interest cost	(10,678,892)	(9,703,629)
Benefits paid	2,689,592	2,406,607
Actuarial loss	(2,789,915)	(14,485,873)
Administrative expenses paid	174,777	188,959
Plan amendments	<u>(830,615)</u>	<u>—</u>
Projected benefit obligations, end of year	<u>\$(191,608,466)</u>	<u>\$(172,689,454)</u>

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

7. Retirement Benefits (Continued)

	<u>2011</u>	<u>2010</u>
Changes in plan assets:		
Fair value of plan assets, beginning of year	\$ 124,116,837	\$ 100,608,915
Actual return on plan assets	30,854,892	16,214,217
Contributions by plan sponsor	11,110,730	9,889,271
Benefits paid	(2,689,592)	(2,406,607)
Actual administrative expense paid	<u>(174,777)</u>	<u>(188,959)</u>
Fair value of plan assets, end of year	<u>\$ 163,218,090</u>	<u>\$ 124,116,837</u>
Funded status:		
Fair value of plan assets	\$ 163,218,090	\$ 124,116,837
Benefit obligations	<u>(191,608,466)</u>	<u>(172,689,454)</u>
Funded status of the plan	<u>\$ (28,390,376)</u>	<u>\$ (48,572,617)</u>

Amounts recognized in the statement of financial position at June 30, 2011 and 2010 consist of:

	<u>2011</u>	<u>2010</u>
Net liability recognized	<u>\$(28,390,376)</u>	<u>\$(48,572,617)</u>
Amounts recognized for the Hospital	<u>\$(27,318,679)</u>	<u>\$(46,357,502)</u>

The weighted-average assumptions used to develop the projected benefit obligation as of June 30, 2011 and 2010.

	<u>2011</u>	<u>2010</u>
Discount rate	5.85%	5.85%
Rate of compensation increase	3.75	4.00

Amounts recognized in unrestricted net assets at June 30, 2011 and 2010 consist of:

	<u>2011</u>	<u>2010</u>
Net actuarial loss	\$35,188,432	\$57,498,115
Prior service credit	<u>(16,269)</u>	<u>(885,475)</u>
Total amount recognized	<u>\$35,172,163</u>	<u>\$56,612,640</u>
Amounts recognized for the Hospital	<u>\$33,744,230</u>	<u>\$54,045,662</u>

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

7. Retirement Benefits (Continued)

Pension Plan Assets

The fair values of the System's pension plan assets and target allocations as of June 30, 2011, by asset category are as follows (see note 13 for level definitions):

	Target Allo- cation <u>2012</u>	<u>Total</u>	Quoted Prices in Active Markets for Identical Assets <u>(Level 1)</u>	Signif- icant Observ- able Inputs <u>(Level 2)</u>	Signif- icant Unob- servable Inputs <u>(Level 3)</u>
Short-term investments:	6%				
Money market fund		\$ 3,325,567	\$ 3,325,567	\$ —	\$ —
Equity securities:	44%				
Common stocks		51,839,933	51,839,933	—	—
Mutual funds		10,194,893	10,194,893	—	—
Other equities		12,302,179	12,302,179	—	—
Fixed income securities:	50%				
US Government and agency obligations		20,450,475	19,970,533	479,942	—
Municipal bonds		3,836,144	—	3,836,144	—
Mutual funds		6,273,593	6,273,593	—	—
Corporate and foreign bonds		53,588,511	53,588,511	—	—
Collateralized mortgage obligations		4,982	—	4,982	—
Unallocated insurance contract		<u>1,401,813</u>	<u>—</u>	<u>—</u>	<u>1,401,813</u>
		<u>\$163,218,090</u>	<u>\$157,495,209</u>	<u>\$4,321,068</u>	<u>\$1,401,813</u>

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

7. Retirement Benefits (Continued)

The fair values of the System's pension plan assets as of June 30, 2010, by asset category, are as follows (see note 13 for level definitions).

	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Signif- icant Observ- able Inputs (Level 2)</u>	<u>Signif- icant Unob- servable Inputs (Level 3)</u>
Short-term investments:				
Money market fund	\$ 8,293,534	\$ 8,293,534	\$ —	\$ —
Equity securities:				
Common stocks	41,505,892	41,505,892	—	—
Mutual funds - equity	19,365,505	19,365,505	—	—
Other equities	8,968,366	8,968,366	—	—
Preferred stocks	95,957	95,957	—	—
Fixed income:				
US Government and agency obligations	10,914,862	10,914,862	—	—
Municipal bonds	2,388,982	—	2,388,982	—
Mutual funds - fixed	9,667,430	9,667,430	—	—
Corporate and foreign bonds	21,283,205	21,283,205	—	—
Collateralized mortgage obligations	118,145	—	118,145	—
Unallocated insurance contract	<u>1,514,959</u>	<u>—</u>	<u>—</u>	<u>1,514,959</u>
	<u>\$124,116,837</u>	<u>\$120,094,751</u>	<u>\$ 2,507,127</u>	<u>\$1,514,959</u>

The table below sets forth a summary of changes in plan assets using unobservable inputs (Level 3):

	<u>2011</u>	<u>2010</u>
Balance, beginning of year	\$1,514,959	\$1,645,186
Unrealized gains related to instruments still held at the reporting date	87,384	94,586
Purchases, sales, issuances and settlements, net	<u>(200,530)</u>	<u>(224,813)</u>
Balance, end of year	<u>\$1,401,813</u>	<u>\$1,514,959</u>

Management of the assets is designed to maximize total return while preserving the capital values of the fund, protecting the fund from inflation, and providing liquidity as needed for plan benefits. The objective is to provide a rate of return that meets inflation, plus 5 5%, over a long-term horizon.

In addition to the total return goal, the portfolio is constructed to hedge a portion of the interest rate risk of the Plan's liability. The portion of the interest rate risk hedged is the percent of assets allocated to fixed income investments multiplied by the Plan's funded status. The fixed income asset class is structured to reduce the volatility of the funded status by matching the duration of the Plan's liability which is currently approximately 15 years. The current strategic hedge target is 29%.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

7. Retirement Benefits (Continued)

These funds are managed as permanent funds with disciplined longer term investment objectives and strategies designed to meet cash flow requirements of the plan. Funds are managed in accordance with ERISA and all other regulatory requirements.

Net periodic pension cost includes the following components at June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Service cost	\$ 7,483,959	\$ 6,483,530
Interest cost	10,678,892	9,703,629
Expected return on plan assets	(10,300,076)	(9,717,700)
Amortization:		
Actuarial loss	4,544,782	1,950,043
Prior service credit	<u>(38,591)</u>	<u>(154,372)</u>
Net periodic pension cost	<u>\$ 12,368,966</u>	<u>\$ 8,265,130</u>
Amount recognized for the Hospital	<u>\$ 12,056,000</u>	<u>\$ 8,080,000</u>

The weighted-average assumptions used to develop net periodic pension cost for the years ended June 30, 2011 and 2010 were as follows:

	<u>2011</u>	<u>2010</u>
Discount rate	5.85%	6.50%
Expected return on plan assets	7.75	7.75
Rate of compensation	4.00	4.25

In selecting the long-term rate of return on assets, the System considered the average rate of earnings expected on the funds invested or to be invested to provide for the benefits of the plan. This included considering the trust's asset allocation and the expected returns likely to be earned over the life of the plan, as well as the historical returns on the types of assets held and the current economic environment.

The loss and prior service credit amount expected to be recognized in net periodic benefit cost in 2012 are as follows:

Actuarial loss	\$3,659,588
Prior service credit	<u>(38,591)</u>
	<u>\$3,620,997</u>

Contributions

The System expects to contribute \$10.5 million to its pension plan in 2012.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

7. Retirement Benefits (Continued)

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid.

<u>Fiscal Year</u>	<u>Pension Benefits</u>
2012	\$ 3,400,000
2013	4,200,000
2014	4,900,000
2015	5,800,000
2016	6,700,000
Years 2017 – 2021	51,900,000

8. Related Party Transactions

Elliot Health System

The Hospital transferred cash and certain assets to and received certain assets from Elliot Health System and its affiliates during the years ended June 30, 2011 and 2010 for the following purposes

	<u>2011</u>	<u>2010</u>
Mary and John Elliot Charitable Foundation – cash and investments	\$ 2,879,554	\$ –
Tarrytown Real Estate Holdings – cash and intercompany settlements for operating purposes and reimbursement	(1,116,000)	(4,948,601)
40 Buttrick Road – cash and capital assets	(300,235)	680,000
Tarrytown Real Estate Holdings – capital assets	<u>–</u>	<u>1,511,320</u>
Net transfers from (to) Elliot Health System and affiliates	\$ <u>1,463,319</u>	\$ <u>(2,757,281)</u>

Leases

The Hospital leases various spaces that they own under operating lease arrangements primarily to related parties. Rental income for the years ended June 30, 2011 and 2010 was approximately \$1,248,515 and \$1,092,000, respectively.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

9. Community Benefits (Unaudited)

The Hospital provided charity care which, at established charges, amounted to \$20,489,196 and \$16,140,527 for the years ended June 30, 2011 and 2010, respectively. Estimated costs incurred to provide charity care were \$10,537,000 and \$7,824,000 for the years ended June 30, 2011 and 2010, respectively. Other community benefits provided by the Hospital included various community service programs such as patient transport services, prenatal and educational programs, health screenings, health publications and other health information services, the cost of which amounted to \$2,629,408 and \$3,097,957 for the years ended June 30, 2011 and 2010, respectively. The cost of providing community benefits for the years ended June 30, 2011 and 2010 are summarized below:

	<u>2011</u>	<u>2010</u>
Charity care	\$10,537,000	\$ 7,824,000
Community service programs	2,629,408	3,097,957
Contributions to community agencies	<u>581,686</u>	<u>535,743</u>
	<u>\$13,748,094</u>	<u>\$11,457,700</u>

The detail of all contributions to community agencies for the years ended June 30, 2011 and 2010 are listed below:

	<u>2011</u>	<u>2010</u>
Manchester Community Health Center	\$375,000	\$300,000
Child Health Services	205,886	218,338
Other relief efforts	<u>800</u>	<u>17,405</u>
Total contributions to community agencies	<u>\$581,686</u>	<u>\$535,743</u>

10. Functional Expenses

The Hospital provides general health care services to residents within its geographic location including inpatient, outpatient, physician and emergency care. Expenses related to providing these services are as follows:

	<u>2011</u>	<u>2010</u>
Health care services	\$285,628,318	\$259,277,831
General and administrative	<u>127,821,808</u>	<u>120,851,900</u>
	<u>\$413,450,126</u>	<u>\$380,129,731</u>

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

11. Concentration of Credit Risk

The Hospital grants credit without requiring collateral from its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third-party payors was as follows:

	<u>2011</u>	<u>2010</u>
Medicare	28%	29%
Medicaid	7	7
Managed care and other	24	19
Patients (self pay)	29	30
Anthem Blue Cross	<u>12</u>	<u>15</u>
	<u>100%</u>	<u>100%</u>

12. Leases

The Hospital leases various office facilities and equipment from unrelated parties under noncancelable operating leases. Total rental expense for these leases for the years ended June 30, 2011 and 2010 was approximately \$7,838,153 and \$7,182,539, respectively. The Hospital also leases equipment under lease agreements that are classified as capital leases.

The cost of equipment under capital leases was \$2,848,964 at June 30, 2011. Accumulated amortization of the leased equipment at June 30, 2011 was \$1,815,007. Amortization of assets under capital leases is included in depreciation and amortization expense.

Future minimum lease payments required under capital leases and the present value of the net minimum lease payments as of June 30, 2011 is as follows.

	<u>Operating Leases</u>	<u>Capital Leases</u>	<u>Total</u>
Year Ending June 30:			
2012	\$ 3,961,609	\$ 640,423	\$ 4,602,032
2013	3,255,365	211,218	3,466,583
2014	2,927,703	23,563	2,951,266
2015	2,747,823	—	2,747,823
2016	2,258,655	—	2,258,655
Thereafter	<u>4,064,539</u>	<u>—</u>	<u>4,064,539</u>
Total minimum lease payments	<u>\$19,215,694</u>	875,204	<u>\$20,090,898</u>
Less amount representing interest		<u>(29,755)</u>	
Present value of net minimum lease payments		845,449	
Less current maturities of capital lease obligations		<u>(640,423)</u>	
Long-term capital lease obligations		<u>\$ 205,026</u>	

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

13. Fair Value Measurements

Fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Hospital uses various methods including market, income and cost approaches. Based on these approaches, the Hospital often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Hospital utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Hospital is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

In determining the appropriate levels, the Hospital performs a detailed analysis of the assets and liabilities that are subject to fair value measurements. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

For the fiscal years ended June 30, 2011 and 2010, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used:

Marketable Equity Securities

Marketable equity securities are valued based on stated market prices and at the net asset value of shares held by the Hospital at year end, which generally results in classification as Level 1 within the fair value hierarchy.

Fixed Income Securities

The fair value for debt instruments is determined by using broker or dealer quotations, external pricing providers, or alternative pricing sources with reasonable levels of price transparency. The Hospital holds U.S. governmental and federal agency debt instruments, municipal bonds, corporate bonds and foreign bonds, which are primarily classified as Level 1 within the fair value hierarchy.

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

13. Fair Value Measurements (Continued)

Limited Partnership Interests in Hedge Funds

The Hospital invests in certain alternative investments that consist of limited partnership interests in investment funds, which, in turn, invest in diversified portfolios predominantly comprised of equity and fixed income securities, as well as options, futures contracts, and some other less liquid investments. Management has approved procedures pursuant to the methods in which the Hospital values these investments at fair value, which ordinarily will be the amount equal to the pro-rata interest in the net assets of the limited partnership, as such value is supplied by, or on behalf of, each investment from time to time, usually monthly and/or quarterly by the investment manager. These investments are classified as Level 3.

Hospital management is responsible for the fair value measurements of investments reported in the consolidated financial statements. Such amounts are generally determined using audited financial statements of the funds and/or recently settled transactions. Because of inherent uncertainty of valuation of certain alternative investments, the estimate of the fund manager or general partner may differ from actual values, and differences could be significant. Management believes that reported fair values of its alternative investments at the balance sheet dates are reasonable.

Beneficial Interests in Perpetual Trusts

The Hospital is the beneficiary of two perpetual trusts held by a third party. Under the terms of the trusts, the Hospital has the irrevocable right to receive the income earned on the assets of the trusts in perpetuity, but never receives the assets held in the trusts. The Hospital has transparency into the holdings of the trusts. These investments are generally classified as Level 1 within the fair value hierarchy.

Employee Benefit Plan and Other

Underlying plan investments within these funds are stated at quoted market prices. These investments are generally classified as Level 1 within the fair value hierarchy.

Fair Value on a Recurring Basis

The following presents the balances of assets measured at fair value on a recurring basis at June 30, 2011 and 2010:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
2011:				
Cash and equivalents	\$ 8,381,941	\$ 8,381,941	\$ —	\$ —
Marketable equity securities				
Common stocks	39,231,140	39,231,140	—	—
Fixed income securities:				
U.S. Government obligations	19,539,551	19,539,551	—	—
Municipal bonds	358,962	358,962	—	—
Corporate bonds	19,414,213	19,197,215	216,998	—
Foreign bonds	4,076,031	4,076,031	—	—
Limited Partnership interests				
in hedge funds	3,974,410	—	—	3,974,410
Beneficial interests in perpetual trusts	5,879,402	5,879,402	—	—
Employee benefit plans and other	<u>4,865,050</u>	<u>4,865,050</u>	<u>—</u>	<u>—</u>
Assets whose use is limited	<u>\$105,720,700</u>	<u>\$101,529,292</u>	<u>\$216,998</u>	<u>\$3,974,410</u>

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

13. Fair Value Measurements (Continued)

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
2010:				
Cash and equivalents	\$ 60,408,817	\$ 60,408,817	\$ —	\$ —
Marketable equity securities:				
Common stocks	29,152,548	29,152,548	—	—
Fixed income securities				
U S. Government obligations	30,799,696	30,799,696	—	—
Municipal bonds	362,637	362,637	—	—
Corporate bonds	14,811,319	14,646,319	165,000	—
Foreign bonds	2,489,182	2,489,182	—	—
Limited Partnership interests in hedge funds	5,251,187	—	—	5,251,187
Beneficial interests in perpetual trusts	5,162,041	5,162,041	—	—
Employee benefit plans and other	<u>2,966,288</u>	<u>2,966,288</u>	<u>—</u>	<u>—</u>
Assets whose use is limited	<u>\$151,403,715</u>	<u>\$145,987,528</u>	<u>\$165,000</u>	<u>\$5,251,187</u>

Most of the Hospital's Level 3 investments consist of so called alternative investments, which total approximately \$3,974,000 and \$5,251,000 at June 30, 2011 and 2010, respectively. The alternative investments consist of interests in four funds (five in 2010) that are not publicly traded. Two of the funds, which consist of a credit hedge fund and a private equity fund, are invested with Lehman Brothers, which has seen certain divisions declare bankruptcy in September 2008 and is undergoing liquidation. For these two funds, which have a carrying value of approximately \$1,911,000 at June 30, 2011, significant risk exists as the assets are held in a division of Lehman Brothers that has filed for bankruptcy protection. While insurance coverage exists to protect assets in the event of a bankruptcy, recoverability cannot be assured since eventual losses at Lehman Brothers may exceed the insurer's ability to pay claims.

Investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. As such, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated balance sheets and statements of operations.

A reconciliation of the fair value measurements using significant unobservable inputs (Level 3) is as follows for the years ended June 30.

	<u>2011</u>	<u>2010</u>
Beginning balance	\$5,251,187	\$3,385,134
Additional purchases and capital contributions	98,267	2,212,271
Capital distributions and investments sold	(2,413,647)	(262,388)
Investment management fees and other, net	—	(83,830)
Unrealized gains on investments held	<u>1,038,603</u>	<u>—</u>
	<u>\$3,974,410</u>	<u>\$5,251,187</u>

ELLIOT HOSPITAL AND AFFILIATES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2011 and 2010

13. **Fair Value Measurements (Continued)**

Investment Strategies

Fixed Income Securities (Debt Instruments)

The primary purpose of fixed income investments is to provide a highly predictable and dependable source of income, preserve capital, and reduce the volatility of the total portfolio and hedge against the risk of deflation or protracted economic contraction

Marketable Equity Securities

The primary purpose of equity investments is to provide appreciation of principal and growth of income with the recognition that this requires the assumption of greater market volatility and risk of loss. The total equity portion of the portfolio will be broadly diversified according to economic sector, industry, number of holdings and other characteristics including style and capitalization. The Hospital may employ multiple equity investment managers, each of whom may have distinct investment styles. Accordingly, while each manager's portfolio may not be fully diversified, it is expected that the combined equity portfolio will be broadly diversified.

Limited Partnership Interests in Hedge Funds

The primary purpose of alternative investments is to provide further portfolio diversification and to reduce overall portfolio volatility by investing in strategies that are less correlated with traditional equity and fixed income investments. Alternative investments may provide access to strategies otherwise not accessible through traditional equities and fixed income such as derivative instruments, real estate, distressed debt and private equity and debt.

Fair Value of Other Financial Instruments

The following methods and assumptions were used by the Hospital in estimating the "fair value" of other financial instruments in the accompanying consolidated financial statements and notes thereto:

Cash and cash equivalents: The carrying amounts reported in the accompanying consolidated balance sheets for these financial instruments approximate their fair values

Accounts receivable, accounts payable and accrued expenses: The carrying amounts reported in the accompanying consolidated balance sheets approximate their respective fair values due to the short maturities of these instruments.

Long-term debt: The fair value of the notes payable and long-term debt, as disclosed in note 5, was calculated based upon discounted cash flows through maturity based on market rates currently available for borrowing with similar maturities.

BAKER NEWMAN NOYES

INDEPENDENT AUDITORS' REPORT ON OTHER FINANCIAL INFORMATION

Board of Trustees
Elliot Hospital and Affiliates

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information identified in the accompanying table of contents is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the respective entities. The consolidating information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Baker Newman & Noyes

Manchester, New Hampshire
September 22, 2011

Limited Liability Company

ELLIOT HOSPITAL AND AFFILIATES

CONSOLIDATING BALANCE SHEET

June 30, 2011

ASSETS

	<u>Elliot Hospital</u>	<u>Elliot Physician Network</u>	<u>Elliot Professional Services</u>	<u>Elimi- nations</u>	<u>Consol- idated</u>
Current assets.					
Cash and cash equivalents	\$ 25,188,415	\$ 266,187	\$ 240,739	\$ —	\$ 25,695,341
Accounts receivable, net	30,962,139	1,237,074	3,086,185	—	35,285,398
Inventories	2,184,162	—	—	—	2,184,162
Amounts due from affiliates	1,297,381	—	—	(1,297,381)	—
Other current assets	<u>6,434,484</u>	<u>999,642</u>	<u>993,458</u>	<u>—</u>	<u>8,427,584</u>
Total current assets	66,066,581	2,502,903	4,320,382	(1,297,381)	71,592,485
Property, plant and equipment, net	176,603,569	—	199,778	—	176,803,347
Other assets.					
Unamortized bond issuance costs, net	2,130,497	—	—	—	2,130,497
Other	<u>3,501,616</u>	<u>202,067</u>	<u>—</u>	<u>—</u>	<u>3,703,683</u>
	5,632,113	202,067	—	—	5,834,180
Assets whose use is limited:					
Board designated and donor restricted investments	78,860,167	—	—	—	78,860,167
Held by trustee under revenue bond and note agreements	16,116,081	—	—	—	16,116,081
Employee benefit plans and other	4,865,050	—	—	—	4,865,050
Beneficial interest in perpetual trusts	<u>5,879,402</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>5,879,402</u>
	<u>105,720,700</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>105,720,700</u>
Total assets	<u>\$354,022,963</u>	<u>\$ 2,704,970</u>	<u>\$4,520,160</u>	<u>\$ (1,297,381)</u>	<u>\$359,950,712</u>

LIABILITIES AND NET ASSETS

	<u>Elliot Hospital</u>	<u>Elliot Physician Network</u>	<u>Elliot Professional Services</u>	<u>Elimi- nations</u>	<u>Consol- idated</u>
Current liabilities:					
Accounts payable and accrued expenses	\$ 15,205,437	\$ 29,293	\$ 205,709	\$ —	\$ 15,440,439
Accrued salaries, wages and related accounts	16,585,884	1,046,282	2,258,798	—	19,890,964
Accrued interest	2,281,592	—	—	—	2,281,592
Amounts payable to third-party payors	6,942,850	50,000	50,000	—	7,042,850
Amounts due to affiliates	—	1,543,416	497,763	(1,297,381)	743,798
Current portion of long-term debt	<u>2,075,714</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,075,714</u>
Total current liabilities	43,091,477	2,668,991	3,012,270	(1,297,381)	47,475,357
Accrued pension	25,662,414	1,146,033	510,232	—	27,318,679
Self-insurance reserves and other liabilities	17,317,888	—	309,545	—	17,627,433
Long-term debt, less current portion	<u>153,115,023</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>153,115,023</u>
Total liabilities	239,186,802	3,815,024	3,832,047	(1,297,381)	245,536,492
Net assets:					
Unrestricted	100,975,670	(1,110,054)	688,113	—	100,553,729
Temporarily restricted	1,722,984	—	—	—	1,722,984
Permanently restricted	<u>12,137,507</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>12,137,507</u>
	<u>114,836,161</u>	<u>(1,110,054)</u>	<u>688,113</u>	<u>—</u>	<u>114,414,220</u>
Total liabilities and net assets	<u>\$354,022,963</u>	<u>\$ 2,704,970</u>	<u>\$4,520,160</u>	<u>\$ (1,297,381)</u>	<u>\$359,950,712</u>

ELLIOT HOSPITAL AND AFFILIATES
CONSOLIDATING STATEMENT OF OPERATIONS

Year Ended June 30, 2011

	<u>Elliot Hospital</u>	<u>Elliot Physician Network</u>	<u>Elliot Professional Services</u>	<u>Elimi- nations</u>	<u>Consol- idated</u>
Net patient service revenues	\$321,892,505	\$28,633,939	\$ 31,722,236	\$ —	\$ 382,248,680
Disproportionate share funding	16,761,495	—	—	—	16,761,495
Investment income	2,897,742	1,026	10,296	—	2,909,064
Other revenues	<u>10,970,916</u>	<u>1,155,560</u>	<u>3,591,080</u>	<u>(3,676,010)</u>	<u>12,041,546</u>
Total revenues	352,522,658	29,790,525	35,323,612	(3,676,010)	413,960,785
Expenses:					
Salaries, wages and fringe benefits	167,451,313	26,125,744	41,200,735	—	234,777,792
Supplies and other expenses	100,110,530	6,980,675	3,717,740	(3,892,460)	106,916,485
Provision for bad debts	29,570,066	1,362,645	5,734,525	—	36,667,236
Depreciation and amortization	14,880,541	253,102	126,607	—	15,260,250
New Hampshire Medicaid Enhancement Tax	14,611,546	—	—	—	14,611,546
Interest	<u>5,216,817</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>5,216,817</u>
Total expenses	<u>331,840,813</u>	<u>34,722,166</u>	<u>50,779,607</u>	<u>(3,892,460)</u>	<u>413,450,126</u>
Income (loss) from operations	20,681,845	(4,931,641)	(15,455,995)	216,450	510,659
Nonoperating gains (losses):					
Gain on investments	2,954,071	—	—	—	2,954,071
Contributions to community agencies	(581,686)	—	—	—	(581,686)
Other	<u>2,715,227</u>	<u>2,548</u>	<u>8,128</u>	<u>(216,450)</u>	<u>2,509,453</u>
Nonoperating gains (losses), net	<u>5,087,612</u>	<u>2,548</u>	<u>8,128</u>	<u>(216,450)</u>	<u>4,881,838</u>
Excess (deficiency) of revenues and nonoperating gains (losses) over expenses	25,769,457	(4,929,093)	(15,447,867)	—	5,392,497
Net unrealized gain on investments	6,610,387	—	—	—	6,610,387
Pension adjustment	19,166,316	819,095	316,020	—	20,301,431
Net transfers from (to) affiliates	<u>(19,863,681)</u>	<u>5,770,000</u>	<u>15,557,000</u>	<u>—</u>	<u>1,463,319</u>
Increase in unrestricted net assets	<u>\$ 31,682,479</u>	<u>\$ 1,660,002</u>	<u>\$ 425,153</u>	<u>\$ —</u>	<u>\$ 33,767,634</u>

LIABILITIES AND NET ASSETS

	<u>Elliot Hospital</u>	<u>Elliot Physician Network</u>	<u>Elliot Professional Services</u>	<u>Elimi- nations</u>	<u>Consol- idated</u>
Current liabilities:					
Accounts payable and accrued expenses	\$ 15,368,161	\$ 100,389	\$ 455,857	\$ —	\$ 15,924,407
Accrued salaries, wages and related accounts	15,031,337	499,623	1,007,435	—	16,538,395
Accrued interest	2,300,876	—	—	—	2,300,876
Amounts payable to third-party payors	7,858,413	50,000	50,000	—	7,958,413
Amounts due to affiliates	—	1,804,075	319,840	(2,123,915)	—
Current portion of long-term debt	<u>2,143,791</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,143,791</u>
Total current liabilities	42,702,578	2,454,087	1,833,132	(2,123,915)	44,865,882
Accrued pension	43,547,100	1,974,285	836,117	—	46,357,502
Self-insurance reserves and other liabilities	23,232,425	—	239,542	—	23,471,967
Long-term debt, less current portion	<u>152,703,888</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>152,703,888</u>
Total liabilities	262,185,991	4,428,372	2,908,791	(2,123,915)	267,399,239
Net assets:					
Unrestricted	69,293,191	(2,770,056)	262,960	—	66,786,095
Temporarily restricted	1,406,997	—	—	—	1,406,997
Permanently restricted	<u>11,364,031</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>11,364,031</u>
	<u>82,064,219</u>	<u>(2,770,056)</u>	<u>262,960</u>	<u>—</u>	<u>79,557,123</u>
Total liabilities and net assets	<u>\$344,250,210</u>	<u>\$ 1,658,316</u>	<u>\$3,171,751</u>	<u>\$(2,123,915)</u>	<u>\$346,956,362</u>

ELLIOT HOSPITAL AND AFFILIATES
CONSOLIDATING STATEMENT OF OPERATIONS

Year Ended June 30, 2010

	<u>Elliot Hospital</u>	<u>Elliot Physician Network</u>	<u>Elliot Professional Services</u>	<u>Elimi- nations</u>	<u>Consol- idated</u>
Net patient service revenues	\$306,023,207	\$26,704,849	\$ 25,183,903	\$ —	\$ 357,911,959
Disproportionate share funding	14,820,437	—	—	—	14,820,437
Investment income	2,233,774	116,388	6,624	—	2,356,786
Other revenues	<u>10,054,080</u>	<u>—</u>	<u>2,280,738</u>	<u>(2,213,407)</u>	<u>10,121,411</u>
Total revenues	333,131,498	26,821,237	27,471,265	(2,213,407)	385,210,593
Expenses:					
Salaries, wages and fringe benefits	153,035,391	24,514,440	29,824,307	—	207,374,138
Supplies and other expenses	95,960,100	6,842,698	2,505,928	(2,406,414)	102,902,312
Provision for bad debts	28,614,157	1,820,413	5,737,008	—	36,171,578
Depreciation and amortization	15,528,111	240,562	104,040	—	15,872,713
New Hampshire Medicaid Enhancement Tax	14,820,437	—	—	—	14,820,437
Interest	<u>2,988,553</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,988,553</u>
Total expenses	<u>310,946,749</u>	<u>33,418,113</u>	<u>38,171,283</u>	<u>(2,406,414)</u>	<u>380,129,731</u>
Income (loss) from operations	22,184,749	(6,596,876)	(10,700,018)	193,007	5,080,862
Nonoperating gains (losses):					
Gain on investments	3,723,725	—	—	—	3,723,725
Contributions to community agencies	(535,743)	—	—	—	(535,743)
Other	<u>2,089,240</u>	<u>1,436</u>	<u>15,889</u>	<u>(193,007)</u>	<u>1,913,558</u>
Nonoperating gains (losses), net	<u>5,277,222</u>	<u>1,436</u>	<u>15,889</u>	<u>(193,007)</u>	<u>5,101,540</u>
Excess (deficiency) of revenues and nonoperating gains (losses) over expenses	27,461,971	(6,595,440)	(10,684,129)	—	10,182,402
Net unrealized loss on investments	(211,747)	—	—	—	(211,747)
Pension adjustment	(5,166,690)	(515,342)	(217,716)	—	(5,899,748)
Net assets released from restriction for capital purchases	211,860	—	—	—	211,860
Net transfers (to) from affiliates	<u>(19,768,281)</u>	<u>5,959,000</u>	<u>11,052,000</u>	<u>—</u>	<u>(2,757,281)</u>
Increase (decrease) in unrestricted net assets	<u>\$ 2,527,113</u>	<u>\$ (1,151,782)</u>	<u>\$ 150,155</u>	<u>\$ —</u>	<u>\$ 1,525,486</u>

Additional Data

Software ID:

Software Version:

EIN: 02-0232673

Name: THE ELLIOT HOSPITAL OF THE CITY OF MANCHESTER

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
DOUGLAS F DEAN PRESIDENT & CEO	40 00	X		X				704,950	0	261,330
RICK PHELPS COO	40 00	X		X				491,309	0	272,443
R SCOTT BACON VICE CHAIR	1 00	X		X				0	0	0
JAMES C HOOD ESQ TRUSTEE	1 00	X						0	0	0
ANN REMUS SECRETARY	1 00	X						0	0	0
SELMA NACCACH-HOFF CHAIR	1 00	X		X				0	0	0
RICHARD GUSTAFSON PHD TRUSTEE	1 00	X						0	0	0
PETER CHEUNG MD TRUSTEE	1 00	X						0	0	0
WAYNE E ROBINSON TREASURER	1 00	X		X				0	0	0
RICHARD MARCUCCI MD TRUSTEE	40 00	X						0	307,678	18,272
MALCOLM WIDNESS TRUSTEE	1 00	X						0	0	0
EDWARD P MITCHELL TRUSTEE	1 00	X						0	0	0
MARYANN LECLAIR TRUSTEE	1 00	X						0	0	0
DIANNE M MERCIER TRUSTEE	1 00	X						0	0	0
DAVID R A STEADMAN TRUSTEE	1 00	X						0	0	0
ROBERT M LAVERY TRUSTEE	1 00	X						34,000	0	0
HAROLD TURNER JR TRUSTEE	1 00	X						0	0	0
RICHARD L WINNEG TRUSTEE	1 00	X						0	0	0
BARBARA A RAND TRUSTEE	1 00	X						0	0	0
ANITA R RITENOUR MD TRUSTEE	40 00	X						339,832	0	32,630
RAYMOND E CLOSSON TRUSTEE	1 00	X						0	0	0
GUS EMMICK MD TRUSTEE	1 00	X						0	301,577	25,897
CHARLES ROLECEK TRUSTEE	1 00	X						0	0	0
PETER VAN DER MEER MD TRUSTEE	1 00	X						0	0	0
JOHN F WEEKS TRUSTEE	1 00	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
RICHARD ELWELL CFO	40 00			X				501,663	0	122,412
KEVIN DONOVAN VP PHYSICIAN SERVICES	40 00				X			173,538	0	10,043
MARC CULLEROT VP/FINANCE	40 00					X		255,782	0	24,465
DENISE PURINGTON VP/CIO	40 00					X		256,223	0	23,016
ELIZABETH A HALE-CAMPOLI VP OF PATIENT CARE SERVICES	40 00					X		235,054	0	2,441
JOHN FRIBERG SENIOR VP OF OPERATIONS	40 00					X		264,160	0	17,537
WILLIAM BAXTER VP MEDICAL AFFAIRS	40 00					X		347,844	0	18,300