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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2010

Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 07-01-2010 and ending 06-30-2011

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
DOYLESTOWN HOSPITAL

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
595 WEST STATE STREET

City or town, state or country, and ZIP + 4
DOYLESTOWN, PA 18901

D Employer identification number
23-1352174

E Telephone number
(215) 345-2242

G Gross receipts $ 258,052,129

F Name and address of principal officer
RICHARD A REIF
595 WEST STATE STREET
DOYLESTOWN,PA 18901

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW DH ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ | **L** Year of formation 1923 | **M** State of legal domicile PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE A RESPONSIVE HEALING ENVIRONMENT FOR PATIENTS AND THEIR FAMILIES, AND TO IMPROVE THE QUALITY OF LIFE FOR ALL MEMBERS OF THE COMMUNITY

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**	20
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	15
5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	**5**	2,712
6	Total number of volunteers (estimate if necessary)	**6**	864
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	2,649,908	3,263,903
9	Program service revenue (Part VIII, line 2g)	230,778,344	234,410,090
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-1,983,285	3,225,098
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,038,237	2,405,578
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	234,483,204	243,304,669
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	2,339,770	3,067,339
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)	119,376,747	114,721,836
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)	113,129,442	117,099,389
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	234,845,959	234,888,564
19	Revenue less expenses Subtract line 18 from line 12	-362,755	8,416,105

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	308,715,257	313,306,036
21	Total liabilities (Part X, line 26)	223,357,917	205,370,897
22	Net assets or fund balances Subtract line 21 from line 20	85,357,340	107,935,139

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

****** | 2012-05-09
Signature of officer | Date

RICHARD A REIF PRESIDENT/CEO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed ▶☐	PTIN
Firm's name ▶ WITHUM SMITH BROWN PC				Firm's EIN ▶
Firm's address ▶ 465 SOUTH STREET MORRISTOWN, NJ 07960				Phone no ▶ (973) 898-9494

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

TO PROVIDE A RESPONSIVE HEALING ENVIRONMENT FOR PATIENTS AND THEIR FAMILIES, AND TO IMPROVE THE QUALITY OF LIFE FOR ALL MEMBERS OF THE COMMUNITY PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT

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 $ 121,755,233 including grants of $ 0) (Revenue $ 111,086,206)

EXPENSES INCURRED IN PROVIDING MEDICALLY NECESSARY INPATIENT SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY THE ORGANIZATION TREATED 14,992 ADMISSIONS FOR A TOTAL OF 54,053 PATIENT DAYS DURING THE FISCAL YEAR PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT

4b (Code) (Expenses $ 50,387,912 including grants of $ 0) (Revenue $ 66,373,272)

EXPENSES INCURRED IN PROVIDING MEDICALLY NECESSARY OUTPATIENT SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY THE ORGANIZATION TREATED 174,319 PATIENT ENCOUNTERS DURING THE FISCAL YEAR PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT

4c (Code) (Expenses $ 14,511,316 including grants of $ 0) (Revenue $ 15,041,737)

EXPENSES INCURRED IN PROVIDING MEDICALLY NECESSARY EMERGENCY ROOM SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY THE ORGANIZATION TREATED 34,973 ADMISSIONS DURING THE FISCAL YEAR PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT

4d Other program services (Describe in Schedule O)

(Expenses $ 24,784,029 including grants of $ 2,567,339) (Revenue $ 41,908,875)

4e **Total program service expenses** ▶ $ 211,438,490

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	Yes	
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, line10? *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		No
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	Yes	
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	Yes	
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	Yes	
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	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
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? *If "Yes," complete Schedule I, Parts I and II*	**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? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	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? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**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? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
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? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**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? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	**35**		No
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)? *If "Yes," complete Schedule R, Part V, line 2* ☐ **Yes** ☑ **No**			
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**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? *If "Yes," complete Schedule R, Part VI*	**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	191		
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, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	2,712		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a		No
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b		
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		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			7f		No
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	1a	20		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	15		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . .	3			No
4	Did the organization make any significant changes to its 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			No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . .	7b		Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9			No

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
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	Yes	
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	Yes	

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ PA

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 ▶

DANIEL L UPTON
595 WEST STATE STREET
DOYLESTOWN, PA 18901
(215) 345-2242

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

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

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

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

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

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
See Additional Data Table										

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
See Additional Data Table										
1b **Sub-Total**										
c **Total from continuation sheets to Part VII, Section A**										
d **Total (add lines 1b and 1c)**								4,346,862	161,429	863,792

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 ▶ 42

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
THE NORWOOD COMPANY 375 TECHNOLOGY DRIVE MALVERN, PA 19355	CONSTRUCTION	4,814,101
PARLEE AND TATEM RADIOLOGICAL ASSOC 595 WEST STATE STREET DOYLESTOWN, PA 18901	MEDICAL	4,815,101
DOYLESTOWN ANESTHESIA ASSOCIATES 5039 SWAMP ROAD FOUNTAINVILLE, PA 18923	MEDICAL	3,740,253
DOYLESTOWN EMERGENCY ASSOCIATES 595 WEST STATE STREET DOYLESTOWN, PA 18901	MEDICAL	1,454,013
JOHN S MCMANUS PO BOX 418 CHESTER HEIGHTS, PA 19017	CONTRACTING	655,089

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 ▶ 19

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns . . 1a					
	b Membership dues 1b					
	c Fundraising events 1c					
	d Related organizations . . . 1d	1,827,100				
	e Government grants (contributions) 1e	682,808				
	f All other contributions, gifts, grants, and similar amounts not included above 1f	753,995				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f . . . . . ▶		3,263,903			
Program Service Revenue		Business Code				
	2a HOSPITAL DIVISION	900099	199,729,282	199,729,282		
	b PINE RUN DIVISION	900099	17,841,939	17,841,939		
	c RADIOLOGY GROUP	900099	1,335,555	1,335,555		
	d OTHER HEALTHCARE RELATED REVENUE	900099	15,503,314	15,503,314		
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f . . . . . ▶		234,410,090			
	3 Investment income (including dividends, interest and other similar amounts) . . . . . ▶		2,288,247			2,288,247
	4 Income from investment of tax-exempt bond proceeds . . ▶		425,106			425,106
	5 Royalties . . . . . ▶		0			

	(i) Real	(ii) Personal				
6a Gross Rents	19,548					
b Less rental expenses						
c Rental income or (loss)	19,548					
d Net rental income or (loss) . . . . . ▶			19,548			19,548

	(i) Securities	(ii) Other				
7a Gross amount from sales of assets other than inventory	15,252,610	6,145				
b Less cost or other basis and sales expenses	14,747,460					
c Gain or (loss)	505,150	6,145				
d Net gain or (loss) . . . . . ▶			511,745			511,745
8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . a						
b Less direct expenses . . . b						
c Net income or (loss) from fundraising events . . ▶			0			
9a Gross income from gaming activities See Part IV, line 19 . a						
b Less direct expenses . . . . . b						
c Net income or (loss) from gaming activities . . . ▶			0			
10a Gross sales of inventory, less returns and allowances . a						
b Less cost of goods sold . . b						
c Net income or (loss) from sales of inventory . . ▶			0			

Miscellaneous Revenue	Business Code				
11a CHILDRENS VILLAGE	900099	2,019,148			2,019,148
b SNACK BAR	722210	222,659			222,659
c CAFETERIA	722210	144,223			144,223
d All other revenue					
e **Total.** Add lines 11a–11d . . . . . ▶		2,386,030			
12 **Total revenue.** See Instructions . . . ▶		243,304,669	234,410,090	0	5,630,676

Other Revenue

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	3,067,339	3,067,339		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	4,272,082	3,844,874	427,208	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	88,204,679	79,384,210	8,820,469	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,400,841	2,160,757	240,084	
9	Other employee benefits	13,126,054	11,813,449	1,312,605	
10	Payroll taxes	6,718,180	6,046,362	671,818	
a	Fees for services (non-employees) Management	0			
b	Legal	192,957	173,661	19,296	
c	Accounting	405,575	365,018	40,557	
d	Lobbying	21,856	19,670	2,186	
e	Professional fundraising services *See Part IV, line 17*	0			
f	Investment management fees	0			
g	Other	1,493,119	1,343,807	149,312	
12	Advertising and promotion	530,197	477,177	53,020	
13	Office expenses	45,841,163	41,257,047	4,584,116	
14	Information technology	21,684	19,516	2,168	
15	Royalties	0			
16	Occupancy	1,239,113	1,115,202	123,911	
17	Travel	204,096	183,686	20,410	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	0			
20	Interest	6,259,317	5,633,385	625,932	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	17,481,998	15,733,798	1,748,200	
23	Insurance	4,347,206	3,912,486	434,720	
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	CONTRACT SERVICES	10,202,063	9,181,857	1,020,206	0
b	PURCHASED SERVICES	8,769,683	7,892,715	876,968	0
c	PROFESSIONAL FEES	4,375,461	3,937,915	437,546	0
d	UTILITIES	4,370,071	3,933,064	437,007	0
e	PROVISION FOR BAD DEBTS	3,752,790	3,377,511	375,279	0
f	All other expenses	7,591,040	6,563,984	1,027,056	0
25	**Total functional expenses.** Add lines 1 through 24f	234,888,564	211,438,490	23,450,074	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			1	
	2	Savings and temporary cash investments		23,332,728	2	32,529,543
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		24,885,883	4	24,319,123
	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		5,074,778	8	5,521,227
	9	Prepaid expenses and deferred charges		2,533,192	9	1,864,567
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 387,713,079			
	b	Less accumulated depreciation	10b 214,863,471	180,153,909	10c	172,849,608
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		66,023,504	13	69,426,233
	14	Intangible assets		3,292,304	14	3,072,061
	15	Other assets See Part IV, line 11		3,418,959	15	3,723,674
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		308,715,257	16	313,306,036
Liabilities	17	Accounts payable and accrued expenses		54,501,060	17	40,481,368
	18	Grants payable			18	
	19	Deferred revenue		5,418,502	19	6,115,278
	20	Tax-exempt bond liabilities		151,714,838	20	147,902,987
	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		121,428	23	75,000
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		11,602,089	25	10,796,264
	26	**Total liabilities.** Add lines 17 through 25		223,357,917	26	205,370,897
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		70,562,029	27	92,774,633
	28	Temporarily restricted net assets		5,385,294	28	4,293,514
	29	Permanently restricted net assets		9,410,017	29	10,866,992
		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		85,357,340	33	107,935,139
	34	Total liabilities and net assets/fund balances		308,715,257	34	313,306,036

Part XI Reconcilliation 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	243,304,669
2	Total expenses (must equal Part IX, column (A), line 25)	2	234,888,564
3	Revenue less expenses Subtract line 2 from line 1	3	8,416,105
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	85,357,340
5	Other changes in net assets or fund balances (explain in Schedule O)	5	14,161,694
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	107,935,139

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? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	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	2c	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?	3a		No
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 . .	3b		

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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
DOYLESTOWN HOSPITAL

Employer identification number
23-1352174

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?

	Yes	No
(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? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(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? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support
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 III **Support 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 section501(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).

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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	Employer identification number
DOYLESTOWN HOSPITAL	23-1352174

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 funtion 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)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

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

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					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	Yes		
i	Other activities? If "Yes," describe in Part IV	Yes		21,856
j	Total lines 1c through 1i			21,856
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No	

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).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (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
LOBBYING ACTIVITIES	SCHEDULE C, PART II-B, LINES 1G AND 1H	THE ORGANIZATION IS A MEMBER OF THE HOSPITAL AND HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA AND THE AMERICAN HOSPITAL ASSOCIATION WHICH BOTH ENGAGE IN LOBBYING EFFORTS ON BEHALF OF THEIR MEMBER HOSPITALS A PORTION OF THE DUES PAID TO THESE ORGANIZATIONS HAS BEEN ALLOCATED TO LOBBYING ACTIVITES PERFORMED ON BEHALF OF THE ORGANIZATION THESE ALLOCATIONS AMOUNTED TO $21,856 DURING THE FISCAL YEAR ENDED JUNE 30, 2011

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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
DOYLESTOWN HOSPITAL

Employer identification number
23-1352174

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, 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
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

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

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

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

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

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		15,276,375		15,276,375
b Buildings		236,413,394	106,920,977	129,492,417
c Leasehold improvements		3,323,647	1,907,003	1,416,644
d Equipment		132,699,663	106,035,491	26,664,172
e Other		0	0	0
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				172,849,608

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

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

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) LIMITED USE	51,194	F
(2) USE	45,278,938	F
(3) DEBT SERVICE FUND RESERVE FUND		F
(4) LIMITED USE	7,506,762	F
(5) CONSTRUCTION FUND, LIMITED USE	424,739	F
(6) FOUNDATION	13,433,646	F
(7) INVESTMENTS IN OTHER ENTITIES	2,730,954	F
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶	69,426,233	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
PAYOR SETTLEMENTS	29,123
OTHER LIABILITIES	7,605,929
DUE TO AFFILIATED ENTITIES, NET	3,161,212
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	10,796,264

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

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	243,304,669
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	234,888,564
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	8,416,105
4	Net unrealized gains (losses) on investments	4	5,807,288
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	8,354,406
9	Total adjustments (net) Add lines 4 - 8	9	14,161,694
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	22,577,799

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	249,111,957
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	5,807,288		
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	5,807,288
3	Subtract line **2e** from line **1**			3	243,304,669
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	243,304,669

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

1	Total expenses and losses per audited financial statements			1	234,888,564
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	234,888,564
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	234,888,564

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
ENDOWMENT FUNDS	SCHEDULE D, PART V, QUESTION 4	RESTRICTED FUNDS ARE USED TO SUPPORT THE CHARITABLE ACTIVITIES AND PROGRAMS OF THE ORGANIZATION AND ITS AFFILIATES
TEXT OF FIN 48 AUDITED FINANCIAL STATEMENT FOOTNOTE	SCHEDULE D, PART X	AN INDEPENDENT CPA FIRM AUDITED THE FINANCIAL STATEMENTS OF DOYLESTOWN HOSPITAL FOR THE YEARS ENDED JUNE 30, 2010 AND JUNE 30, 2011, RESPECTIVELY THE FOLLOWING IS THE TEXT OF THE FOOTNOTE INCLUDED IN THE ORGANIZATION'S YEAR ENDED JUNE 30, 2011 AUDITED FINANCIAL STATEMENTS THAT REPORTS THE ORGANIZATION'S LIABILITY FOR UNCERTAIN TAX PROVISIONS UNDER FIN 48 A TAX POSITION IS RECOGNIZED OR DERECOGNIZED BY THE CORPORATION BASED ON A "MORE LIKELY THAN NOT" THRESHOLD THIS APPLIES TO POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN THE CORPORATION DOES NOT BELIEVE ITS CONSOLIDATED FINANCIAL STATEMENTS INCLUDE MATERIAL UNCERTAIN TAX POSITIONS
RECONCILIATION OF CHANGE IN NET ASSETS TO AUDITED FINANCIAL STATEMENTS	SCHEDULE D, PART XI, LINE 8	OTHER CHANGES IN NET ASSETS INCLUDE - NET ASSETS RELEASED FROM RESTRICTIONS USED FOR PURCHASES OF PROPERTY, PLANT AND EQUIPMENT, $381, - OTHER CHANGES IN ACCRUED PENSION, $8,015,154, - NET ASSETS RELEASED FROM TEMPORARY RESTRICTIONS, ($1,237,287), - INCREASE INTEREST IN NET ASSETS OF DOYLESTOWN HEALTH FOUNDATION, TEMPORARILY RESTRICTED, $119,183 AND - INCREASE INTEREST IN NET ASSETS OF DOYLESTOWN HEALTH FOUNDATION, PERMANENTLY RESTRICTED, $1,456,975

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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
DOYLESTOWN HOSPITAL

Employer identification number
23-1352174

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	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the 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 *free* 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 ____ %	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* 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 0 %	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	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"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
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 eligibile for free or discounted care?	5c		No
6a	Does the organization prepare a community benefit report during the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 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)			1,739,903	55,108	1,684,795	0 730 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			9,540,024	5,394,879	4,145,145	1 800 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			11,279,927	5,449,987	5,829,940	2 530 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			5,025,456	321,294	4,704,162	2 040 %
f Health professions education (from Worksheet 5)			777,671		777,671	0 340 %
g Subsidized health services (from Worksheet 6)			9,916,400	8,994,364	922,036	0 400 %
h Research (from Worksheet 7)			785,089	651,652	133,437	0 060 %
i Cash and in-kind contributions to community groups (from Worksheet 8)			206,029		206,029	0 090 %
j **Total** Other Benefits			16,710,645	9,967,310	6,743,335	2 930 %
k **Total.** Add lines 7d and 7j			27,990,572	15,417,297	12,573,275	5 460 %

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						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 **Total**						

Part 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	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	804,528		
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	53,097,767
6	Enter Medicare allowable costs of care relating to payments on line 5	6	61,180,434
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-8,082,667
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	
b	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 DOYLESTOWN RADIOLOGY				
2 GROUP LP	RADIOLOGY SERVICES	51 000 %		49 000 %
3 DOYLESTOWN SURGICAL				
4 CENTER LLC	MEDICAL SERVICES	60 000 %		40 000 %
5 DOYLESTOWN PET				
6 ASSOCIATES LLC	MEDICAL SERVICES	49 000 %		51 000 %
7 PAVILION I MOB LLC	MEDICAL OFFICE BUILDING	23 300 %	5 000 %	35 010 %
8 PAVILION II MOB LLC	MEDICAL OFFICE BUILDING	25 500 %		48 500 %
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

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

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

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	DOYLESTOWN HOSPITAL 595 WEST STATE STREET DOYLESTOWN,PA 18901	X	X					X		

Part V **Facility Information** *(continued)*

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? **4**

	Name and address	Type of Facility (Describe)
1	DOYLESTOWN RADIOLOGY GROUP LP 1240 OLD YORK ROAD WARMINSTER, PA 18974	MRI SCANS
2	DOYLESTOWN RADIOLOGY GROUP LP 1240 OLD YORK ROAD WARMINSTER, PA 18974	MRI SCANS
3	DOYLESTOWN RADIOLOGY GROUP LP 1240 OLD YORK ROAD WARMINSTER, PA 18974	MRI SCANS
4	DOYLESTOWN RADIOLOGY GROUP LP 1240 OLD YORK ROAD WARMINSTER, PA 18974	MRI SCANS
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
FINANCIAL ASSISTANCE ELIGIBILITY	SCHEDULE H, PART I, LINE 3C	THE MISSION OF DOYLESTOWN HOSPITAL IS TO PROVIDE A RESPONSIVE, HEALING ENVIRONMENT FOR OUR PATIENTS AND THEIR FAMILIES, AND TO IMPROVE THE QUALITY OF LIFE FOR ALL MEMBERS OF OUR COMMUNITY PROVIDING HEALTHCARE FOR ALL COMMUNITY MEMBERS WAS ONE OF THE PRINCIPLE GOALS OF THE VILLAGE IMPROVEMENT ASSOCIATION (V I A), THE WOMEN'S CLUB THAT FOUNDED DOYLESTOWN HOSPITAL THE V I A TRADITION OF ENSURING ACCESS TO HEALTHCARE FOR ALL COMMUNITY MEMBERS CONTINUES TODAY PATIENTS SHOULD NEVER AVOID SEEKING CARE BECAUSE THEY THINK THEY CANNOT AFFORD IT DOYLESTOWN HOSPITAL HONORS THE V I A 'S ORIGINAL PROMISE TODAY FOR ALL PATIENTS, REGARDLESS OF ABILITY TO PAY TO HELP THOSE WHO ARE UNISURED OR UNDERINSURED, DOYLESTOWN HOSPITAL OFFERS THE HEALTHCARE FINANCIAL ASSISTANCE PROGRAM THIS PROGRAM OFFERS A VARIETY OF ASSISTANCE, COUNSELING AND FINANCING OPTIONS TO HELP EASE THE WORRY ABOUT HEALTHCARE COSTS EVEN FOR PATIENTS WHO DO NOT QUALIFY FOR FREE HEALTHCARE SERVICES, DOYLESTOWN HOSPITAL PROVIDES OPTIONS TO HELP WITH HEALTHCARE COSTS IN THESE SITUATIONS, FINANCIAL COUNSELORS HELP TO DETERMINE THE AVAILABLE OPTIONS (FINANCING, SLIDING SCALE AND CHARITY CARE ALLOWANCES TO REDUCE THE PATIENT BALANCE) A VARIETY OF FACTORS AND CRITERIA ARE CONSIDERED - PATIENT/GUARANTOR HAS NO GOVERNMENTAL OR PRIVATE INSURANCE COVERAGE FOR MEDICALLY NECESSARY SERVICES - PATIENT/GUARANTOR HAS EXHAUSTED ANY INSURANCE BENEFITS AND HAS BECOME MEDICALLY INDIGENT - CIRCUMSTANCES HAVE CHANGED THAT CASUED THE PATIENT/GUARANTOR TO NO LONGER HAVE THE MEANS TO PAY AN EXISTING LIABILITY, EITHER CURRENT OR DELINQUENT - SLIDING SCALE FINANCIAL ASSISTANCE DISCOUNTS ARE PROVIDED BASED ON FAMILY SIZE, INCOME LEVEL, BALANCE DUE IN PROPORTION TO INCOME AFTER RECONCILIATION WITH PUBLIC OR PRIVATE INSURERS - PATIENTS WITH FAMILY INCOME AT OR BELOW 100% OF THE PUBLISHED POVERTY GUIDELINES ARE SCREENED FOR ELIGIBILITY FOR MEDICAID BASED ON CURRENT STATE ELIGIBILITY CRITERIA - PATIENTS WHOSE FAMILY INCOME IS BETWEEN 100% AND 200% OF THE PUBLISHED POVERTY GUIDELINES WILL HAVE BALANCES REDUCED FOR FULL FINANCIAL ASSISTANCE (FREE CARE) - PATIENTS WHOSE FAMILY INCOME FALLS BETWEEN 250% AND 1000% OF THE PUBLISHED FEDERAL POVERTY GUIDELINES WILL BE ELIGIBLE FOR DISCOUNTED SERVICE ACCORDING TO ANNUAL SLIDING SCALE DISCOUNT MODEL - PATIENTS WHO APPEAR ELIGIBLE FOR CHARITY CARE BUT FOR WHOM THERE IS NO FINANCIAL ASSISTANCE FORM ON FILE DUE TO A LACK OF SUPPORTING DOCUMENTATION MAY BE GRANTED UP TO 100% WRITE-OFF OF THE ACCOUNT BALANCE PRESUMPTIVE ELIGIBILITY MAY BE DETERMINED THROUGH THE USE OF AN OUTSIDE SERVICE PROVIDING A HEALTHCARE CREDIT REPORT PESUMPTIVE ELIGIBILITY MAY ALSO BE DETERMINED ON THE BASIS OF INDIVIDUAL LIFE CIRCUMSTANCES THAT MAY INCLUDE STATE FUNDED PRESCRIPTION PROGRAMS, HOMELESS OR RECEIVING CARE FROM A HOMELESS CLINIC, PARTICIPATION IN WOMEN, INFANTS AND CHILDREN (WIC) PROGRAM, FOOD STAMP ELIGIBILITY, SUBSIDIZED SCHOOL LUNCH PROGRAM, ELIGIBILITY FOR OTHER STATE OR LOCAL ASSISTANCE PROGRAMS THAT ARE UNFUNDED, LOW INCOME/SUBSIDIZED HOUSING IS PROVIDED AS VALID ADDRESS, PATIENT IS DECEASED WITH NO KNOWN ESTATE, ELIGIBILITY FOR ANN SILVERMAN COMMUNITY HEALTH CLINIC FREE HEALTHCARE - UNINSURED PATIENTS IDENTIFIED AS QUALIFYING FOR DISCOUNTED CHARGES FOR MEDICALLY NECESSARY SERVICES WILL BE GRANTED A 50% SELF-PAY DISCOUNT FROM TOTAL CHARGES IF NOT COVERED BY A THIRD PARTY ADDITIONAL DISCOUNTS MAY BE APPLIED FOR UNDERINSURED PATIENTS AFTER APPLICABLE INSURANCE PAYMENTS AND CO-PAYMENTS ARE RECEIVED FINANCIAL COUNSELING IS OFFERED AT THE TIME OF SERVICE, IF POSSIBLE, AND ALL UNINSURED PATIENTS RECEIVE INFORMATION REGARDING THE FINANCIAL ASSISTANCE PROGRAM UNINSURED DISCOUNTS AND SLIDING SCALE ALLOWANCES ARE GRANTED AS APPROPRIATE, AT THE TIME OF SERVICE, OR AFTERWARD THE ORGANIZATION PREPARES AND ISSUES AUDITED FINANCIAL STATEMENTS THE ATTACHED TEXT WAS OBTAINED FROM THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS OF THE ORGANIZATION CHARITY CARE THE CORPORATION PROVIDES CARE TO PATIENTS WHO MEET CERTAIN CRITERIA UNDER ITS CHARITY CARE POLICY WITHOUT CHARGE OR AT AMOUNTS LESS THAN ITS ESTABLISHED RATES UNREIMBURSED CHARGES FROM MEDICAL ASSISTANCE PROGRAMS ON BEHALF OF PATIENTS THAT MEET THE HOSPITAL'S CHARITY CARE CRITERIA ARE ALSO CONSIDERED CHARITY CARE THE HOSPITAL DOES NOT PURSUE COLLECTION OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, AND ESTABLISHES RESERVES FOR THESE AMOUNTS ACCORDINGLY, SUCH AMOUNTS ARE NOT REPORTED AS REVENUE IN THE ACCOMPANYING CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS THE AMOUNT OF CHARGES FOREGONE FOR SERVICES AND SUPPLIES FURNISHED UNDER THE HOSPITAL'S CHARITY CARE POLICY ARE SUMMARIZED IN THE FOLLOWING TABLE YEAR ENDED JUNE 30, 2011 2010 UNREIMBURSED CHARGES FROM MEDICAL $ 12,705,895 $ 13,506,389 ASSISTANCE PROGRAMS FREE CARE AND FINANCIAL ASSISTANCE 4,605,416 4,059,300 ---------- ---------- $ 17,311,311 $ 17,565,689

Identifier	ReturnReference	Explanation
COMMUNITY BENEFIT REPORT	SCHEDULE H, PART I, LINE 6A	PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT

Identifier	ReturnReference	Explanation
FINANCIAL ASSISTANCE AND CERTAIN OTHER COMMUNITY BENEFITS AT COST	SCHEDULE H, PART I, LINE 7	THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25, COLUMN (A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS $3,752,790 AMOUNTS WERE CALCULATED USING A COST ACCOUNTING SYSTEM NO COSTS RELATING TO SUBSIDIZED HEALTHCARE SERVICES ARE ATTRIBUTABLE TO ANY PHYSICIAN CLINICS OR PRACTICES

Identifier	ReturnReference	Explanation
COMMUNITY BUILDING ACTIVITIES	SCHEDULE H, PART II	COMMUNITY BUILDING IS AT THE CORE OF DOYLESTOWN HOSPITAL'S MISSION IT IS THE ONLY HOSPITAL IN THE U S OWNED AND OPERATED BY A WOMEN'S CLUB, THE VILLAGE IMPROVEMENT ASSOCIATION THROUGHOUT ITS MORE THAN 100-YEAR HISTORY, THE V I A HAS BEEN A LEADER IN COMMUNITY ADVOCACY THE GROUP FOUNDED DOYLESTOWN HOSPITAL IN 1923 IN RECENT YEARS, DOYLESTOWN HOSPITAL, ALONG WITH MEMBERS OF ITS MEDICAL STAFF, ESTABLISHED THE ANN SILVERMAN COMMUNITY HEALTH CLINIC TO SERVE THE NEEDS OF THE UNINSURED IN OUR COMMUNITY MORE THAN 1,077 PATIENTS WERE TREATED IN 2011 AT NO COST DOYLESTOWN HOSPITAL IS ACTIVELY ENGAGED WITH MANY COMMUNITY ORGANIZATIONS THAT PROMOTE THE HEALTH AND WELL BEING OF THE POPULATION, FROM BIRTH TO DEATH HOSPITAL EMPLOYEES ARE ENCOURAGED TO VOLUNTEER IN THEIR NEIGHBORHOODS THE HOSPITAL ALSO PROVIDES EDUCATIONAL MATERIALS, CONDUCTS COMMUNITY HEALTH FAIRS AND HOLDS HEALTH EDUCATION PROGRAMS AND OUTREACH SESSIONS FOR PATIENTS AND MEMBERS OF THE COMMUNITY AS A WHOLE PRESENTATIONS ARE PROVIDED BY PHYSICIANS, NURSES AND OTHER HEALTH CARE PROFESSIONALS

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE	SCHEDULE H, PART III, LINE 4	BAD DEBT EXPENSE WAS CALCULATED USING THE PROVIDERS' BAD DEBT EXPENSE FROM THE FINANCIAL STATEMENTS, NET OF ACCOUNTS WRITTEN OFF AT CHARGES, AND NET OF ACCOUNTS SUBSEQUENTLY IDENTIFIED FOR PRESUMPTIVE ELIGIBILITY FOR FREE CARE THE ORGANIZATION PREPARES AND ISSUES AUDITED FINANCIAL STATEMENTS THE ATTACHED TEXT WAS OBTAINED FROM THE FOOTNOTES TO THE AUDITED FINANCIAL STATEMENTS OF THE ORGANIZATION ALLOWANCE FOR DOUBTFUL ACCOUNTS THE CORPORATION PROVIDES AN ALLOWANCE FOR ESTIMATED LOSSES RESULTING FROM UNCOLLECTIBLE ACCOUNTS ACCOUNTS RECEIVABLE ARE CHARGED OFF AGAINST THE RESERVE FOR DOUBTFUL ACCOUNTS WHEN MANAGEMENT DETERMINES THAT RECOVERY IS UNLIKELY AND THE CORPORATION CEASES COLLECTION EFFORTS DURING THE YEAR ENDED JUNE 30 2010, THE CORPORATION REFINED ITS METHODOLOGY FOR ESTIMATING THE ALLOWANCE FOR DOUBTFUL ACCOUNTS BASED ON AN EVALUATION OF THE CORPORATION'S CURRENT COLLECTION PATTERNS AS A RESULT OF THE REFINEMENT, A CHANGE IN ESTIMATE OF $1,900,000 WAS RECORDED TO REDUCE THE PROVISION FOR BAD DEBTS FOR THE YEAR ENDED JUNE 30, 2010

Identifier	ReturnReference	Explanation
MEDICARE SHORTFALL	SCHEDULE H, PART III, LINE 8	MEDICARE COSTS WERE DERIVED USING THE HOSPITAL'S COST ACCOUNTING SYSTEM THE ORGANIZATION BELIEVES THAT MEDICARE UNDERPAYMENTS (SHORTFALL) AND BAD DEBTS ARE COMMUNITY BENEFIT AND A SSOCIATED COSTS SHOULD BE INCLUDED ON THE FORM 990, SCHEDULE H, PART I AS OUTLINED MORE F ULLY BELOW, THE ORGANIZATION BELIEVES THAT THESE SERVICES AND RELATED COSTS PROMOTE THE HE ALTH OF THE COMMUNITY AS A WHOLE AND ARE RENDERED IN CONJUNCTION WITH THE ORGANIZATION'S C HARITABLE TAX-EXEMPT PURPOSES AND MISSION IN PROVIDING MEDICALLY NECESSARY HEALTHCARE SERV ICES TO ALL INDIVIDUAL'S IN A NON-DISCRIMINATORY MANNER WITHOUT REGARD TO RACE, COLOR, CRE ED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY, AND CONSISTENT WITH THE COMMUNITY BE NEFIT STANDARD PROMULGATED BY THE IRS THE COMMUNITY BENEFIT STANDARD IS THE CURRENT STAND ARD FOR A HOSPITAL FOR RECOGNITION AS A TAX-EXEMPT AND CHARITABLE ORGANIZATION UNDER INTER NAL REVENUE CODE ("IRC") 501(C)(3) THE ORGANIZATION IS RECOGNIZED AS A TAX-EXEMPT ENTITY AND CHARITABLE ORGANIZATION UNDER 501(C)(3) OF THE IRC ALTHOUGH THERE IS NO DEFINITION IN THE TAX CODE FOR THE TERM "CHARITABLE", A REGULATION PROMULGATED BY THE DEPARTMENT OF THE TREASURY PROVIDES SOME GUIDANCE AND STATES THAT "THE TERM CHARITABLE IS USED IN SECTION 5 01(C)(3) IN ITS GENERALLY ACCEPTED LEGAL SENSE," AND PROVIDES EXAMPLES OF CHARITABLE PURPO SES, INCLUDING THE RELIEF OF THE POOR OR UNPRIVILEGED, THE PROMOTION OF SOCIAL WELFARE, AN D THE ADVANCEMENT OF EDUCATION, RELIGION, AND SCIENCE NOTE IT DOES NOT EXPLICITLY ADDRES S THE ACTIVITIES OF HOSPITALS IN THE ABSENCE OF EXPLICIT STATUTORY OR REGULATORY REQUIREM ENTS APPLYING THE TERM "CHARITABLE" TO HOSPITALS, IT HAS BEEN LEFT TO THE IRS TO DETERMINE THE CRITERIA HOSPITALS MUST MEET TO QUALIFY AS IRC 501(C)(3) CHARITABLE ORGANIZATIONS TH E ORIGINAL STANDARD WAS KNOWN AS THE CHARITY CARE STANDARD THIS STANDARD WAS REPLACED BY THE IRS WITH THE COMMUNITY BENEFIT STANDARD WHICH IS THE CURRENT STANDARD CHARITY CARE ST ANDARD IN 1956, THE IRS ISSUED REVENUE RULING 56-185, WHICH ADDRESSED THE REQUIREMENTS HOS PITALS NEEDED TO MEET IN ORDER TO QUALIFY FOR IRC 501(C)(3) STATUS ONE OF THESE REQUIREME NTS IS KNOWN AS THE "CHARITY CARE STANDARD " UNDER THE STANDARD, A HOSPITAL HAD TO PROVIDE , TO THE EXTENT OF ITS FINANCIAL ABILITY, FREE OR REDUCED-COST CARE TO PATIENTS UNABLE TO PAY FOR IT A HOSPITAL THAT EXPECTED FULL PAYMENT DID NOT, ACCORDING TO THE RULING, PROVID E CHARITY CARE BASED ON THE FACT THAT SOME PATIENTS ULTIMATELY FAILED TO PAY THE RULING E MPHASIZED THAT A LOW LEVEL OF CHARITY CARE DID NOT NECESSARILY MEAN THAT A HOSPITAL HAD FA ILED TO MEET THE REQUIREMENT SINCE THAT LEVEL COULD REFLECT ITS FINANCIAL ABILITY TO PROVI DE SUCH CARE THE RULING ALSO NOTED THAT PUBLICLY SUPPORTED COMMUNITY HOSPITALS WOULD NORM ALLY QUALIFY AS CHARITABLE ORGANIZATIONS BECAUSE THEY SERVE THE ENTIRE COMMUNITY, AND A LO W LEVEL OF CHARITY CARE WOULD NOT AFFECT A HOSPITAL'S EXEMPT STATUS IF IT WAS DUE TO THE S URROUNDING COMMUNITY'S LACK OF CHARITABLE DEMANDS COMMUNITY BENEFIT STANDARD IN 1969, THE IRS ISSUED REVENUE RULING 69-545, WHICH "REMOVE[D]" FROM REVENUE RULING 56-185 "THE REQUI REMENTS RELATING TO CARING FOR PATIENTS WITHOUT CHARGE OR AT RATES BELOW COST " UNDER THE STANDARD DEVELOPED IN REVENUE RULING 69-545, WHICH IS KNOWN AS THE "COMMUNITY BENEFIT STAN DARD," HOSPITALS ARE JUDGED ON WHETHER THEY PROMOTE THE HEALTH OF A BROAD CLASS OF INDIVID UALS IN THE COMMUNITY THE RULING INVOLVED A HOSPITAL THAT ONLY ADMITTED INDIVIDUALS WHO C OULD PAY FOR THE SERVICES (BY THEMSELVES, PRIVATE INSURANCE, OR PUBLIC PROGRAMS SUCH AS ME DICARE), BUT OPERATED A FULL-TIME EMERGENCY ROOM THAT WAS OPEN TO EVERYONE THE IRS RULED THAT THE HOSPITAL QUALIFIED AS A CHARITABLE ORGANIZATION BECAUSE IT PROMOTED THE HEALTH OF PEOPLE IN ITS COMMUNITY THE IRS REASONED THAT BECAUSE THE PROMOTION OF HEALTH WAS A CHAR ITABLE PURPOSE ACCORDING TO THE GENERAL LAW OF CHARITY, IT FELL WITHIN THE "GENERALLY ACCE PTED LEGAL SENSE" OF THE TERM "CHARITABLE," AS REQUIRED BY TREAS REG 1 501(C)(3)-1(D)(2) THE IRS RULING STATED THAT THE PROMOTION OF HEALTH, LIKE THE RELIEF OF POVERTY AND THE A DVANCEMENT OF EDUCATION AND RELIGION, IS ONE OF THE PURPOSES IN THE GENERAL LAW OF CHARITY THAT IS DEEMED BENEFICIAL TO THE COMMUNITY AS A WHOLE, EVEN THOUGH THE CLASS OF BENEFICIA RIES ELIGIBLE TO RECEIVE A DIRECT BENEFIT FROM ITS ACTIVITIES DOES NOT INCLUDE ALL MEMBERS OF THE COMMUNITY, SUCH AS INDIGENT MEMBERS OF THE COMMUNITY, PROVIDED THAT THE CLASS IS N OT SO SMALL THAT ITS RELIEF IS NOT OF BENEFIT TO THE COMMUNITY THE IRS CONCLUDED THAT THE HOSPITAL WAS "PROMOTING THE HEALTH OF A CLASS OF PERSONS THAT IS BROAD ENOUGH TO BENEFIT THE COMMUNITY" BECAUSE ITS EMERGENCY ROOM WAS OPEN TO ALL, AND IT PROVIDED CARE TO EVERYON E WHO COULD PAY, WHETHER DIRECTLY OR THROUGH THIRD-PARTY REIMBURSEMENT OTHER CHARACTERIST ICS OF THE HOSPITAL THAT THE IRS HIGHLIGHTED INCLUDED THE FOLLOWING ITS SURPLUS FUNDS WER E USED TO IMPROVE PATIENT CARE, EXPAND HOSPITAL FA

Identifier	ReturnReference	Explanation
MEDICARE SHORTFALL	SCHEDULE H, PART III, LINE 8	CILITIES, AND ADVANCE MEDICAL TRAINING, EDUCATION, AND RESEARCH, IT WAS CONTROLLED BY A BO ARD OF TRUSTEES THAT CONSISTED OF INDEPENDENT CIVIC LEADERS, AND HOSPITAL MEDICAL STAFF PR IVILEGES WERE AVAILABLE TO ALL QUALIFIED PHYSICIANS THIS ORGANIZATION BELIEVES THAT MEDIC ARE UNDERPAYMENTS AND BAD DEBT ARE COMMUNITY BENEFIT AND ASSOCIATED COSTS ARE INCLUDBALE O N THE FORM 990, SCHEUDLE H, PART I THE AMERICAN HOSPITAL ASSOCIATION ("AHA") BELIEVES THA T MEDICARE UNDERPAYMENTS (SHORTFALL) AND BAD DEBT ARE COMMUNITY BENEFIT AND THUS INCLUDABL E ON THE FORM 990, SCHEDULE H, PART I THIS ORGANIZATION AGREES WITH THE AHA POSITION AS OUTLINED IN THE AHA LETTER TO THE IRS DATED AUGUST 21, 2007 WITH RESPECT TO THE FIRST PUBL ISHED DRAFT OF THE NEW FORM 990 AND SCHEDULE H, THE AHA FELT THAT THE IRS SHOULD INCORPORA TE THE FULL VALUE OF THE COMMUNITY BENEFIT THAT HOSPITALS PROVIDE BY COUNTING MEDICARE UND ERPAYMENTS (SHORTFALL) AS QUANTIFIABLE COMMUNITY BENEFIT FOR THE FOLLOWING REASONS - PROV IDING CARE FOR THE ELDERLY AND SERVING MEDICARE PATIENTS IS AN ESSENTIAL PART OF THE COMMU NITY BENEFIT STANDARD - MEDICARE, LIKE MEDICAID, DOES NOT PAY THE FULL COST OF CARE RECE NTLY, MEDICARE REIMBURSES HOSPITALS ONLY 92 CENTS FOR EVERY DOLLAR THEY SPEND TO TAKE CARE OF MEDICARE PATIENTS THE MEDICARE PAYMENT ADVISORY COMMISSION ("MEDPAC") IN ITS MARCH 20 07 REPORT TO CONGRESS CAUTIONED THAT UNDERPAYMENT WILL GET EVEN WORSE, WITH MARGINS REACHI NG A 10-YEAR LOW AT NEGATIVE 5 4% - MANY MEDICARE BENEFICIARIES, LIKE THEIR MEDICAID COUN TERPARTS, ARE POOR MORE THAN 46 PERCENT OF MEDICARE SPENDING IS FOR BENEFICIARIES WHOSE I NCOME IS BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL MANY OF THOSE MEDICARE BENEFICIAR IES ARE ALSO ELIGIBLE FOR MEDICAID -- SO CALLED "DUAL ELIGIBLES " THERE IS EVERY COMPELLIN G PUBLIC POLICY REASON TO TREAT MEDICARE AND MEDICAID UNDERPAYMENTS SIMILARLY FOR PURPOSES OF A HOSPITAL'S COMMUNITY BENEFIT AND TO INCLUDE THESE COSTS ON FORM 990, SCHEDULE H, PAR T I MEDICARE UNDERPAYMENT MUST BE SHOULDERED BY THE HOSPITAL IN ORDER TO CONTINUE TREATIN G THE COMMUNITY'S ELDERLY AND POOR THESE UNDERPAYMENTS REPRESENT A REAL COST OF SERVING T HE COMMUNITY AND SHOULD COUNT AS A QUANTIFIABLE COMMUNITY BENEFIT BOTH THE AHA AND THIS O RGANIZATION ALSO BELIEVE THAT PATIENT BAD DEBT IS A COMMUNITY BENEFIT AND THUS INCLUDABLE ON THE FORM 990, SCHEDULE H, PART I LIKE MEDICARE UNDERPAYMENT (SHORTFALLS), THERE ALSO A RE COMPELLING REASONS THAT PATIENT BAD DEBT SHOULD BE COUNTED AS QUANTIFIABLE COMMUNITY BE NEFIT AS FOLLOWS - A SIGNIFICANT MAJORITY OF BAD DEBT IS ATTRIBUTABLE TO LOW-INCOME PATIE NTS, WHO, FOR MANY REASONS, DECLINE TO COMPLETE THE FORMS REQUIRED TO ESTABLISH ELIGIBILIT Y FOR THE HOSPITAL'S CHARITY CARE OR FINANCIAL ASSISTANCE PROGRAMS A 2006 CONGRESSIONAL B UDGET OFFICE ("CBO") REPORT, NONPROFIT HOSPITALS AND THE PROVISION OF COMMUNITY BENEFITS, CITED TWO STUDIES INDICATING THAT "THE GREAT MAJORITY OF BAD DEBT WAS ATTRIBUTABLE TO PATI ENTS WITH INCOMES BELOW 200% OF THE FEDERAL POVERTY LINE " - THE REPORT ALSO NOTED THAT A SUBSTANTIAL PORTION OF BAD DEBT IS PENDING CHARITY CARE UNLIKE BAD DEBT IN OTHER INDUSTRI ES, HOSPITAL BAD DEBT IS COMPLICATED BY THE FACT THAT HOSPITALS FOLLOW THEIR MISSION TO TH E COMMUNITY AND TREAT EVERY PATIENT THAT COMES THROUGH THEIR EMERGENCY DEPARTMENT, REGARDL ESS OF ABILITY TO PAY PATIENTS WHO HAVE OUTSTANDING HOSPITAL INVOICES ARE NOT TURNED AWAY , UNLIKE OTHER INDUSTRIES BAD DEBT IS FURTHER COMPLICATED BY THE AUDITING INDUSTRY'S STAN DARDS ON REPORTING CHARITY CARE MANY PATIENTS CANNOT OR DO NOT PROVIDE THE NECESSARY, EXT ENSIVE DOCUMENTATION REQUIRED TO BE DEEMED CHARITY CARE BY AUDITORS AS A RESULT, ROUGHLY 40% OF BAD DEBT IS PENDING CHARITY CARE - THE CBO CONCLUDED THAT ITS FINDINGS "SUPPORT TH E VALIDITY OF THE USE OF UNCOMPENSATED CARE [BAD DEBT AND CHARITY CARE] AS A MEASURE OF CO MMUNITY BENEFITS" ASSUMING THE FINDINGS ARE GENERALIZABLE NATIONWIDE, THE EXPERIENCE OF HO SPITALS AROUND THE NATION REINFORCES THA

Identifier	ReturnReference	Explanation
DEBT COLLECTION POLICY	SCHEDULE H, PART III, LINE 9B	ACCOUNTS CONSIDERED TO BE CHARITY CARE ARE NOT INCLUDED IN THE BAD DEBT EXPENSE, BUT RATHER, ACCOUNTED FOR AS AN ALLOWANCE IT IS THE POLICY OF DOYLESTOWN HOSPITAL AND ITS RELATED ENTITIES TO TREAT ALL PATIENTS EQUALLY REGARDLESS OF INSURANCE OR ABILITY TO PAY FOR ACCOUNTS DETERMINED TO BE 'SELF-PAY" AND/OR ACCOUNTS WITH BALANCES AFTER PRIMARY INSURANCE PAYMENTS, THE COLLECTION POLICY REQUIRES REASONABLE AND CUSTOMARY EFFORTS TO COLLECT PATIENT BALANCES, INCLUDING CONTACT BY TELEPHONE, LETTER AND/OR ACCOUNT STATEMENTS NO LESS THAN 90 DAYS FROM THE FIRST BILLING NOTICE SENT TO A PATIENT, POTENTIAL BAD DEBT ACCOUNTS ARE REVIEWED BY AN ACCOUNT REPRESENTATIVE, AND A PRE-COLLECTION LETTER/FINAL NOTICE IS MAILED TO THE PATIENT/GUARANTOR AS APPROPRIATE AFTER 15 DAYS, ANY ACCOUNTS OVER $15 WITH NO RESPONSE ARE PLACED WITH A CONTRACTED OUTSIDE COLLECTION AGENCY THE FACILITY ALSO HAS A FINANCIAL ASSISTANCE POLICY TO ASSURE PATIENTS ARE PROVIDED WITH CHARITY CARE ASSISTANCE DETERMINED BY STATE AND FEDERAL REGULATIONS IT IS THE POLICY TO INFORM ALL PATIENTS DEEMED SELF-PAY OF THE APPROPRIATE ASSISTANCE PROGRAMS AVAILABLE PATIENTS APPLYING FOR CHARITY CARE ASSISTANCE WILL BE FINANCIALLY SCREENED BY A FINANCIAL COUNSELOR TO DETERMINE ELIGIBILITY ACCORDING TO STATE AND FEDERAL GUIDELINES AND WILL BE INFORMED OF DOCUMENTATION NEEDED TO COMPLETE A CHARITY CARE APPLICATION QUALIFIED PATIENTS WILL BE REFERRED TO ALL APPROPRIATE AGENCIES OR PROGRAMS TO MEET OTHER FINANCIAL NEEDS PATIENTS NOT ELIGIBLE FOR CHARITY CARE WILL BE PROVIDED WITH INFORMATION REGARDING OTHER OPTIONS UNINSURED PATIENTS IDENTIFIED AS QUALIFYING FOR DISCOUNTED CHARGES FOR MEDICALLY NECESSARY SERVICES WILL BE GRANTED A 50% UNINSURED DISCOUNT FROM TOTAL CHARGES IF NOT COVERED BY A THIRD PARTY ADDITIONAL DISCOUNTS MAY BE APPLIED FOR UNDERINSURED PATIENTS AFTER APPLICABLE INSURANCE PAYMENTS AND CO-PAYMENTS ARE RECEIVED AT THE TIME OF THE PATIENT VISIT AND AS PART OF THE REGISTRATION PROCESS AT THE FACILITY, THE FOLLOWING OPTIONS ARE MADE AVAILABLE TO PATIENTS - FINANCIAL COUNSELING FOR POSSIBLE ELIGIBILITY FOR MEDICAL ASSISTANCE INCLUDING MEDICAID AND SUPPLEMENTAL SECURITY INCOME - FINANCIAL COUNSELING FOR POSSIBLE ELIGIBILITY FOR THE DOYLESTOWN HOSPITAL FINANCIAL ASSISTANCE PROGRAM - CASH, CHECK, CREDIT CARD - PROMPT PAY DISCOUNTS - INTEREST-FREE PAYMENT PLANS

Identifier	ReturnReference	Explanation
FACILITY POLICIES AND PRACTICES	SCHEDULE H, PART V, SECTION B	NOT APPLICABLE

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	SCHEDULE H, PART VI, QUESTION 2	DOYLESTOWN HOSPITAL CONDUCTS REGULAR REVIEWS OF HEALTHCARE UTILIZATION IN ITS SERVICE AREA FOR BOTH CLINICAL QUALITY AND TO DETERMINE PATIENT PREFERENCES CURRENT DATA ON SERVICE LINE UTILIZATION (CARDIOLOGY, OBSTETRICS AND GYNECOLOGY, ORTHOPEDICS, ETC) IS USED TO FORECAST HEALTHCARE NEEDS, TO ESTIMATE PROJECTED INPATIENT AND OUTPATIENT ACTIVITY, AND TO PLAN FOR CAPITAL AND STAFF RESOURCES TO BETTER MEET THE NEEDS OF OUR PATIENTS REAL-TIME REVIEWS OF QUALITY INDICATORS HELP TO IMPROVE SYSTEMS AND PROCESSES PATIENT AND VISITOR FEEDBACK, ALONG WITH QUARTERLY REVIEWS OF PATIENT SATISFACTION AND EXPERIENCE SURVEYS FOR EACH UNIT OF THE HOSPITAL, ARE INSTRUMENTAL IN PROCESS AND QUALITY IMPROVEMENT INITIATIVES EVERY TWO YEARS, DOYLESTOWN HOSPITAL CONDUCTS A SURVEY OF COMMUNITY MEMBERS, MEDICAL STAFF AND HOSPITAL BOARD MEMBERS AS PART OF ITS MEDICAL STAFF DEVELOPMENT PLAN RESPONSES TO THE SURVEY ARE THE BASIS FOR IDENTIFYING GAPS IN SPECIALIST AND/OR PRIMARY CARE MEDICAL SERVICES THE SURVEYS HELP GUIDE THE MEDICAL STAFF DEVELOPMENT COMMITTEE IN REVIEWING APPLICATIONS FOR MEMBERSHIP, AND DIRECT RECRUITING EFFORTS FOR SPECIALTIES IDENTIFIED BY THE SURVEY RESPONDENTS IN ADDITION, DOYLESTOWN HOSPITAL COOPERATES CLOSELY WITH THE BUCKS COUNTY DEPARTMENT OF HEALTH AND COMMUNITY PHYSICIANS TO MONITOR THE HEALTH NEEDS OF THE POPULATION AMONG THE MANY COMMUNITY HEALTH ORGANIZATIONS THE HOSPITAL WORKS WITH AND SUPPORTS IS THE BUCKS COUNTY HEALTH IMPROVEMENT PARTNERSHIP, A COLLABORATION OF THE SEVEN HOSPITALS IN BUCKS COUNTY, ALONG WITH THE COUNTY HEALTH DEPARTMENT, BUCKS COUNTY MEDICAL SOCIETY, CENTRAL BUCKS SCHOOL DISTRICT AND BUCKS COUNTY AREA AGENCY ON AGING DOYLESTOWN HOSPITAL WAS A FOUNDING MEMBER OF THE BUCKS COUNTY HEALTH IMPROVEMENT PARTNERSHIP

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	SCHEDULE H, PART VI, QUESTION 3	CHARITY CARE SIGNS ARE POSTED THROUGHOUT THE FACILITY, MAINLY IN PATIENT REGISTRATION AREAS SIGNS ARE POSTED IN BOTH ENGLISH AND SPANISH ALL PATIENTS DEEMED SELF-PAY ARE SCREENED FOR FINANCIAL ASSISTANCE BY A FINANCIAL COUNSELOR ACCORDING TO THE FEDERAL POVERTY GUIDELINES, AND REFERRED TO APPROPRIATE AGENCIES OR PROGRAMS

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	SCHEDULE H, PART VI, QUESTION 4	DOYLESTOWN HOSPITAL SERVES A GEOGRAPHIC AREA THAT SPANS RURAL AND SUBURBAN TOWNSHIPS AND DENSELY POPULATED TOWNS IT IS SITUATED IN DOYLESTOWN TOWNSHIP, ON THE BORDER WITH DOYLESTOWN BOROUGH, THE BUCKS COUNTY SEAT OF GOVERNMENT BUCKS COUNTY IS AMONG THE MOST POPULATED AND FASTEST GROWING COUNTIES IN PENNSYLVANIA WITH APPROXIMATELY 630,000 RESIDENTS THE POPULATION IS PREDOMINATELY CAUCASIAN (90%) WITH THE REMAINING 10% DIVIDED APPROXIMATELY EQUALLY AMONG AFRICAN AMERICAN, ASIAN AND HISPANIC RESIDENTS ABOUT 6% OF THE POPULATION LIVES BELOW THE FEDERAL POVERTY LEVEL

Identifier	ReturnReference	Explanation
PROMOTION OF COMMUNITY HEALTH	SCHEDULE H, PART VI, QUESTION 5	THE V I A HEALTH SYSTEM IS DEVOTED TO THE COMMUNITY IT SERVES AND SPONSORS AND COORDINATES MANY CHARITABLE AND HEALTH PROMOTION ACTIVITIES COMMUNITY OUTREACH PROGRAMS INCLUDE - PROVIDING SPACE FOR AMERICAN RED CROSS BLOOD DRIVES AND BI-MONTHLY PLATELET DONATIONS, - PARTICIPATION IN THE BUCKS COUNTY HEALTH IMPROVEMENT PARTNERSHIP (BCHIP), WHICH IS AN ADULT HEALTH CLINIC AVAILABLE TO PATIENTS THROUGHOUT THE COUNTY, - PARTICIPATION IN CB CARES, A COMMUNITY COALITION FOR YOUTH, OPERATION OF A DAY CARE CENTER, - SUPPORT OF THE ANN SILVERMAN COMMUNITY HEALTH CLINIC, - ROUTINE COMMUNITY EDUCATION PROGRAMS AND CLASSES, - MENTAL HEALTH SCREENINGS, - SPONSORSHIP OF WOMEN'S PROGRAMS AND EDUCATIONAL SCHOLARSHIPS, HOSPICE AND BEREAVEMENT PROGRAMS, - THE DOYLESTOWN CLINICAL NETWORK, - SPONSORSHIP OF COMMUNITY ORGANIZATIONS AND EVENTS, - THE VIAL OF LIFE PROGRAM AND - COMMUNITY ACCESS TO DH MEDICAL LIBRARY EDUCATIONAL PROGRAMS INCLUDE - LIFESTYLE, DRIVER SAFETY AND HEALTH LECTURES, - BREAST CANCER EDUCATION AND SUPPORT GROUPS, - PROSTATE CANCER SUPPORT GROUPS AND EDUCATION, - PREVENTION PROGRAMS FOR HIGH SCHOOL STUDENTS, - NUTRITION EDUCATION PROGRAMS, - STUDENT INTERNSHIP PROGRAMS FOR RADIOLOGY, EXERCISE PHYSIOLOGY, AND OTHER HEALTH SCIENCE/TECHNOLOGY FIELDS, - SMOKING CESSATION CLASSES, - ALZHEIMER'S CAREGIVER TRAINING, - MATERNITY AND PARENTING PROGRAMS INCLUDE WELL BABY EDUCATION, HEALTHY BEGINNINGS PROGRAM FOR PRENATAL HEALTH, BREASTFEEDING AND CHILDBIRTH CLASSES AND - CHILD DEVELOPMENT AND SIBLING AND GRANDPARENT CLASSES SCHOOL AGE ACTIVITIES INCLUDE - PARENTING AND BABYSITTING EDUCATION, - EMERGENCY DEPARTMENT CLINICS AND - SUPPORT FOR CB CARES FORTY ASSESTS PROJECT MORE THAN 25 SUPPORT GROUPS ARE PROVIDED FREE MEETING SPACE, AND HOSPITAL STAFF SERVES AS LEADERS FOR MANY OF THE GROUPS (E G , BEREAVEMENT, AUTISM, ALATEEN, LYME DISEASE, DIABETES) LEADERSHIP ACTIVITIES INCLUDE MANAGEMENT VOLUNTEERS WHO SERVE FOR VARIOUS COMMUNITY ORGANIZATIONS (E G , GILDA'S CLUB, DELAWARE VALLEY COLLEGE) TEACHING PROGRAMS SUPORT MEDICAL, NURSING, ALLIED HEALTH AND HOSPITAL MANAGEMENT PROGRAMS, SUPPORTING MORE THAN TWENTY COLLEGES AND UNIVERSITIES IN ADDITION, THE HOSPITAL CONDUCTS A NUMBER OF HEALTH SCREENINGS AND IMMUNIZATIONS THROUGHOUT THE YEAR FOR COMMUNITY MEMBERS EACH OF THESE PROGRAMS IS DESCRIBED MORE FULLY IN THE COMMUNITY BENEFIT STATEMENT IN SCHEDULE O THESE EFFORTS ARE NOT NECESSARILY PART OF THE PATIENT AND FAMILY EXPERIENCE DURING HOSPITAL ENCOUNTERS, BUT SERVE TO SUPPORT THE NEEDS FOR HEALTH AND GROWTH FOR INDIVIDUALS IN THE COMMUNITY

Identifier	ReturnReference	Explanation
AFFILIATED HEALTHCARE SYSTEM	SCHEDULE H, PART VI, QUESTION 6	NOT-FOR-PROFIT VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN AND CONTROLLED ENTITIES VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN ("VIAD") IS A NOT-FOR-PROFIT HOLDING COMPANY BASED IN DOYLESTOWN, PENNSYLVANIA AS THE PARENT ORGANIZATION OF A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM, VIAD STRIVES TO CONTINUALLY DEVELOP AND OPERATE AN INTEGRATED HEALTHCARE DELIVERY SYSTEM WHICH PROVIDES A COMPREHENSIVE SPECTRUM OF MEDICALLY NECESSARY HEALTHCARE SERVICES TO THE RESIDENTS OF PENNSYLVANIA COUNTIES INCLUDING BUCKS AND MONTGOMERY, PENNSYLVANIA AND HUNTERDON AND MERCER, NEW JERSEY VIAD IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A SUPPORTING ORGANIZATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(1) VIAD ENSURES THAT ITS SYSTEM PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY NO INDIVIDUALS ARE DENIED NECESSARY MEDICAL CARE, TREATMENT OR SERVICES DOYLESTOWN HOSPITAL OPERATES CONSISTENTLY WITH THE FOLLOWING CRITERIA OUTLINED IN IRS REVENUE RULING 69-545 1 IT PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS REGARDLESS OF ABILITY TO PAY, INCLUDING CHARITY CARE, SELF-PAY, MEDICARE AND MEDICAID PATIENTS, 2 IT OPERATE AN ACTIVE EMERGENCY ROOM FOR ALL PERSONS, WHICH IS OPEN 24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS PER YEAR, 3 IT MAINTAIN AN OPEN MEDICAL STAFF, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS, 4 CONTROL RESTS WITH ITS BOARD OF TRUSTEES AND THE BOARD OF TRUSTEES OF THE SYSTEM BOTH BOARDS ARE COMPRISED OF INDEPENDENT CIVIC LEADERS AND OTHER PROMINENT MEMBERS OF THE COMMUNITY, AND 5 SURPLUS FUNDS ARE USED TO IMPROVE THE QUALITY OF PATIENT CARE, EXPAND AND RENOVATE FACILITIES AND ADVANCE MEDICAL CARE, PROGRAMS AND ACTIVITIES DOYLESTOWN HOSPITAL DOYLESTOWN HOSPITAL ("DH") IS A 247-BED NON-PROFIT ACUTE CARE MEDICAL CENTER LOCATED IN DOYLESTOWN, BUCKS COUNTY, PENNSYLVANIA DH IS RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS AN INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION PURSUANT TO ITS CHARITABLE PURPOSES, DH PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY MOREOVER, DH OPERATES CONSISTENTLY WITH THE CRITERIA OUTLINED IN IRS REVENUE RULING 69-545 DOYLESTOWN HEALTH FOUNDATION DOYLESTOWN HEALTH FOUNDATION IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A NON-PRIVATE FOUNDATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(1) THROUGH FUNDRAISING ACTIVITIES THE ORGANIZATION SUPPORTS THE CHARITABLE PURPOSES, PROGRAMS AND SERVICES OF DOYLESTOWN HOSPITAL, A RELATED INTERNAL REVENUE CODE 501(C)(3) TAX-EXEMPT ORGANIZATION, THAT PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY V I A AFFILIATES V I A AFFILIATES IS AN ORGANIZATION RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS TAX-EXEMPT PURSUANT TO INTERNAL REVENUE CODE 501(C)(3) AND AS A SUPPORTING ORGANIZATION PURSUANT TO INTERNAL REVENUE CODE 509(A)(3) THE ORGANIZATION SUPPORTS THE CHARITABLE PURPOSES, PROGRAMS AND SERVICES OF DOYLESTOWN HOSPITAL, A RELATED INTERNAL REVENUE CODE 501(C)(3) TAX-EXEMPT ORGANIZATION, THAT PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY PINE RUN RETIREMENT COMMUNITY PINE RUN RETIREMENT COMMUNITY IS A DIVISION WITHIN DOYLESTOWN HOSPITAL AND OPERATES JOINTLY AS A SINGLE 501(C)(3) TAX-EXEMPT ORGANIZATION PINE RUN INCLUDES A 127-BED NURSING FACILITY AND 40-BED PERSONAL CARE FACILITY, 107 ASSISTED LIVING BED FACILITY AND 300 INDEPENDENT LIVING UNITS IN BUCKS COUNTY, PENNSYLVANIA FOR-PROFIT VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN AND CONTROLLED ENTITIES DOYLESTOWN HOSPITAL HEALTH & WELLNESS CENTER A FOR-PROFIT ENTITY WHOSE SOLE SHAREHOLDER IS DOYLESTOWN HEALTH FOUNDATION THE ORGANIZATION IS LOCATED IN WARRINGTON, BUCKS COUNTY, PENNSYLVANIA THE ORGANIZATION IS A HEALTH AND FITNESS CENTER DOYLESTOWN SURGICAL CENTER, LLC A LIMITED LIABILITY COMPANY TAXED AS A PARTNERSHIP DOYLESTOWN HOSPITAL HAS A 60% OWNERSHIP INTEREST DOYLESTOWN RADIOLOGY GROUP, LP A PENNSYLVANIA LIMITED PARTNERSHIP THAT OPERATES A FREESTANDING MRI FACILITY IN HARTSVILLE, PENNSYLVANIA DOYLESTOWN HOSPITAL HAS A 51% OWNERSHIP INTEREST

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
DOYLESTOWN HOSPITAL

Employer identification number
23-1352174

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) DOYLESTOWN HEALTH FOUNDATION595 W ST STREET DOYLESTOWN,PA 18901	23-2368196	501(C)(3)	387,813				LEGACY BEQUESTS
(2) VIA AFFILIATES595 WEST STATE STREET DOYLESTOWN,PA 18901	22-2368197	501(C)(3)	242,847				HOSPITALIST SUBSIDY
(3) VIA AFFILIATES595 WEST STATE STREET DOYLESTOWN,PA 18901	22-2368197	501(c)(3)	1,868,413				CARDIOTHORACIC SUBS
(4) VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN595 WEST STATE STREET DOYLESTOWN,PA 18901	23-2368197	501(C)(3)	68,266				PROGRAM SUPPORT
(5) DOYLESTOWN HEALTH FOUNDATION595 W ST STREET DOYLESTOWN,PA 18901	23-2368196	501(C)(3)	500,000				PROGRAM SUPPORT

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

3 Enter total number of other organizations . . . . . ▶ 0

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

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
GRANT FUND MONITORING	SCHEDULE I, PART I, QUESTION 2	GRANTS ARE MONITORED BY THE ORGANIZATION'S FINANCE PERSONNEL THROUGH THE UTILIZATION OF COST CENTER AND OTHER INFORMATION, INCLUDING WRITTEN DOCUMENTATION AND RECEIPTS

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
DOYLESTOWN HOSPITAL

Employer identification number
23-1352174

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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 ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ 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 orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**		
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**		
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 ☐ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ 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**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured 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) SCOTT S LEVY MD	(i)	353,826	0	678	129,928	17,632	502,064	0
	(ii)	0	0	0	0	0	0	0
(2) RICHARD A REIF	(i)	402,626	0	1,115,125	55,691	15,774	1,589,216	1,088,786
	(ii)	161,429	0	0	0	0	161,429	0
(3) ELEANOR WILSON RN MSN MHA	(i)	278,056	0	1,604	24,106	17,405	321,171	0
	(ii)	0	0	0	0	0	0	0
(4) JAMES C BROWNLOW	(i)	302,456	0	3,866	41,637	7,331	355,290	0
	(ii)	0	0	0	0	0	0	0
(5) DANIEL L UPTON	(i)	285,905	0	1,242	158,262	17,336	462,745	0
	(ii)	0	0	0	0	0	0	0
(6) BARBARA HEBEL	(i)	174,530	0	522	74,758	16,817	266,627	0
	(ii)	0	0	0	0	0	0	0
(7) RICHARD LANG	(i)	171,666	0	364	67,080	21,207	260,317	0
	(ii)	0	0	0	0	0	0	0
(8) LINDA PLANK	(i)	168,495	0	949	16,415	7,254	193,113	0
	(ii)	0	0	0	0	0	0	0
(9) LOUIS IOBBI	(i)	151,414	0	829	12,754	13,664	178,661	0
	(ii)	0	0	0	0	0	0	0
(10) JOHN MITCHELL	(i)	194,631	0	402	20,071	17,510	232,614	0
	(ii)	0	0	0	0	0	0	0
(11) STEVEN DAY JR	(i)	188,533	0	216	8,264	16,817	213,830	0
	(ii)	0	0	0	0	0	0	0
(12) ELIZABETH SEEBER	(i)	144,893	0	164	797	15,542	161,396	0
	(ii)	0	0	0	0	0	0	0
(13) PATRICIA STOVER	(i)	141,920	0	260	13,391	17,168	172,739	0
	(ii)	0	0	0	0	0	0	0
(14) SHERI M PUTNAM	(i)	136,082	0	452	14,242	7,218	157,994	0
	(ii)	0	0	0	0	0	0	0
(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
COMPENSATION INFORMATION	PART VII AND SCHEDULE J	TAXABLE COMPENSATION REPORTED HEREIN IS DERIVED FROM EACH INDIVIDUAL'S 2010 FORM W-2 AND FORM 1099-MISC, IF APPLICABLE
COMPENSATION INFORMATION	SCHEDULE J, PART 1, QUESTION 4B	THE AMOUNT REFLECTED IN COLUMN B(III) FOR THE FOLLOWING INDIVIDUAL INCLUDES VESTED BENEFITS IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") WHICH ARE NO LONGER SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE THE AMOUNT OUTLINED HEREIN WAS INCLUDED IN THE INDIVIDUAL'S 2010 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES RICHARD A REIF, $1,088,786 THE DEFERRED COMPENSATION AMOUNT IN COLUMN C FOR THE FOLLOWING INDIVIDUALS INCLUDES UNVESTED BENEFITS IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") BECAUSE THE AMOUNT IS SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE ACCORDINGLY, THE INDIVIDUALS MAY NEVER ACTUALLY RECEIVE THIS UNVESTED BENEFIT AMOUNT THE AMOUNTS OUTLINED HEREIN WERE NOT INCLUDED IN EACH INDIVIDUAL'S 2010 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES SCOTT S LEVY, M D , $93,000, DANIEL L UPTON, $123,000, BARBARA HEBEL, $41,000 AND RICHARD LANG, $39,000
COMPENSATION INFORMATION	SCHEDULE J, PART II, COLUMN F	THE AMOUNT REPORTED IN SCHEDULE J, PART II, COLUMN F FOR THE FOLLOWING INDIVIDUAL REPRESENTS UNVESTED BENEFITS IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN THAT BECAME TAXABLE IN 2010 BECAUSE IT WAS NO LONGER SUBJECT TO A SUBSTANTIAL RISK OF FORFEITURE, AND WAS REPORTED AS AN ACCRUED BENEFIT ON PRIOR FORMS 990 OF THE ORGANIZATION THIS AMOUNT WAS TREATED AS TAXABLE INCOME AND REPORTED ON THE INDIVIDUAL'S 2010 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES RICHARD A REIF, $1,088,786

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

Name of the organization
DOYLESTOWN HOSPITAL

Employer identification number
23-1352174

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	DOYLESTOWN HOSPITAL AUTHORITY	23-1352174	261333DX3	04-01-2008	139,004,953	CAP EXP/REFUND SERIES 1998B & C		X		X		X
B	TELFORD INDUSTRIAL DEVELOPMENT AUTHORITY	23-1352174		11-12-2008	8,000,000	MORTGAGE/CONSTRUCTION LOAN		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	8,000,000	8,000,000		
2	Amount of bonds legally defeased				
3	Total proceeds of issue	139,004,953			
4	Gross proceeds in reserve funds	6,031,250			
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrow	63,487,125			
7	Issuance costs from proceeds	1,461,148			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	76,754,631	11,082,464		
11	Other spent proceeds				
12	Other unspent proceeds	424,739			
13	Year of substantial completion	2011	2010		

		A		B		C		D	
		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	PNC BANK							
c	Term of hedge	29							
d	Was the hedge superintegrated?		X						
e	Was a hedge terminated?		X						
4a	Were gross proceeds invested in a GIC?	X			X				
b	Name of provider	ROYAL BANK OF CANADA							
c	Term of GIC	29							
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
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

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493136012962

Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
DOYLESTOWN HOSPITAL

Employer identification number
23-1352174

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	(c) Corrected? 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? To	(b) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) 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) SHERYL BROWNLOW	FAMILY MEMBER - BROWNLOW	99,440	EMPLOYEE		No
(2) PAVILION I MOB	COMPANY - LEVY (5% MEMBER)	798,180	RENT		No
(3) CENTRAL BUCKS CARDIOLOGY	COMPANY - MOORADD	246,960	MEDICAL SERVICES		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

efile GRAPHIC print - DO NOT PROCESS	As Filed Data -	DLN: 93493136012962

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	Employer identification number
DOYLESTOWN HOSPITAL	23-1352174

Additional Data

Software ID:
Software Version:
EIN: 23-1352174
Name: DOYLESTOWN HOSPITAL

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			
CAROLYN DELLA RODOLFA CHAIR - DIRECTOR	10 0	X		X				0	0	0
JEAN P LEISTER VICE CHAIR - DIRECTOR	6 0	X		X				0	0	0
WHITNEY CHANDOR SECRETARY - DIRECTOR	3 0	X		X				0	0	0
JOAN PARLEE TREASURER - DIRECTOR	6 0	X		X				0	0	0
CAROLYN SADOWSKI ASST SEC/ASST TREASURER - DIR	3 0	X		X				0	0	0
WILLIAM E BOGER CPA DIRECTOR	3 0	X						0	0	0
MARIANNE E CHABOT DIRECTOR	3 0	X						0	0	0
BETTY DIEM DIRECTOR	3 0	X						0	0	0
GREGORY GALLANT MD DIRECTOR	3 0	X						18,250	0	0
BARBARA KIEFFER CPA DIRECTOR	3 0	X						0	0	0
KATHRYN A LAMBERT DIRECTOR	3 0	X						0	0	0
SCOTT S LEVY MD DIRECTOR - VP CMO	35 0	X		X				354,504	0	147,560
BRIAN MCLEOD DIRECTOR	3 0	X						0	0	0
MICHAEL G MOORADD MD DIRECTOR	3 0	X						0	0	0
RICHARD A REIF DIRECTOR - PRESIDENT/CEO	40 0	X		X				1,517,751	161,429	71,465
FREDERICK E SCHEA CPA CMA DIRECTOR	3 0	X						0	0	0
KAREN L SIMON DIRECTOR	3 0	X						0	0	0
JOHN SOFFRONOFF DIRECTOR	3 0	X						0	0	0
DENNIS WALSH DIRECTOR	3 0	X						0	0	0
ELEANOR WILSON RN MSN MHA DIRECTOR - VP/COO	55 0	X		X				279,660	0	41,511
JAMES C BROWNLOW CHIEF OPERATING OFFICER	55 0			X				306,322	0	48,968
DANIEL L UPTON CHIEF FINANCIAL OFFICER	46 0			X				287,147	0	175,598
BARBARA HEBEL VP HUMAN RESOURCES	55 0			X				175,052	0	91,575
RICHARD LANG VP INFORMATION MANAGEMENT	55 0			X				172,030	0	88,287
LINDA PLANK VP DEVELOPMENT	15 0			X				169,444	0	23,669

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			
LOUIS IOBBI DIRECTOR PHARMACY	55 0				X			152,243	0	26,418
KENNETH CONFALONE EXECUTIVE DIRECTOR PINE RUN	55 0				X			106,906	0	17,721
JOHN MITCHELL DIRECTOR HEART CENTER	55 0					X		195,033	0	37,581
STEVEN DAY JR DIRECTOR OF RISK SERVICES	55 0					X		188,749	0	25,081
ELIZABETH SEEBER CHIEF ACCOUNTING OFFICER	46 0					X		145,057	0	16,339
PATRICIA STOVER EXECUTIVE DIRECTOR - NURSING	55 0					X		142,180	0	30,559
SHERI M PUTNAM EXECUTIVE DIRECTOR - BCPHA	55 0					X		136,534	0	21,460

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	V I A HEALTH SYSTEM BACKGROUND ========== THE VILLAGE IMPROVEMENT AS SOCIATION ("V I A ") WAS FOUNDED IN 1895 WITH THE HEALTH AND BEAUTY OF THE COMMUNITY OF DO YLESTOWN AS ITS PRIMARY CONCERNS IN RESPONSE TO COMMUNITY NEEDS, THE VISITING NURSE SERVI CE WAS ESTABLISHED IN 1916, AND IN 1923 DOYLESTOWN HOSPITAL WAS OPENED, MAKING THE V I A THE ONLY WOMEN'S CLUB IN THE COUNTRY TO OWN AND OPERATE A COMMUNITY HOSPITAL IN 1986, A C ORPORATE RESTRUCTURING CREATED THE V I A HEALTH SYSTEM, THE DOYLESTOWN HEALTH FOUNDATION AND THE V I A AFFILIATES RESTRUCTURING ENABLED THE V I A AND DOYLESTOWN HOSPITAL TO OPE RATE MORE EFFICIENTLY AND WITH GREATER DIVERSIFICATION IN ITS 116TH YEAR, THE V I A OVER SEES THE OPERATIONS OF THE SYSTEM OF AFFILIATED HEALTH CORPORATIONS THE PURPOSES OF THE V I A HAVE BEEN CONSISTENT THROUGHOUT ITS HISTORY - TO ENCOURAGE AND PROMOTE PUBLIC HEALT H WORK IN GENERAL - TO IMPROVE THE HEALTH AND WELFARE OF THE RESIDENTS OF DOYLESTOWN AND G REATER CENTRAL BUCKS COUNTY - TO PROVIDE FOOD, CLOTHING, SHELTER, MEDICAL AND SURGICAL CAR E AND NURSING TO THE INDIGENT OF THE COMMUNITY WITHOUT CHARGE, INSOFAR AS HOSPITAL RESOURC ES WILL PERMIT - TO OWN, MANAGE, SUPPORT, AND MAINTAIN A VISITING NURSE SERVICE AND COMMUN ITY HOSPITAL FOR THE BENEFIT OF ALL PERSONS - TO RAISE FUNDS FOR AND TO RECEIVE AND HOLD A LL PROPERTY THAT MAY BE GIVEN TO THE ASSOCIATION TO ACCOMPLISH ITS MISSION FOR THE FISCAL YEAR ENDING 6/30/11 THE V I A HEALTH SYSTEM ACCOUNTS FOR THREE TAX-EXEMPT AFFILIATES IN THIS NARRATIVE DOYLESTOWN HEALTH FOUNDATION, DOYLESTOWN HOSPITAL, AND THE V I A AFFILIAT ES DESCRIBED BELOW ARE THE CHARITABLE MISSIONS OF THESE ENTITIES V I A HEALTH SYSTEM MI SSIONS ========== DOYLESTOWN HEALTH FOUNDATION ---------- ---- THE MISSION OF THE FOUNDATION HAS FOUR MAIN POINTS ASSESSMENT OF COMMUNITY NEEDS, CO MMUNICATION OF THOSE NEEDS AND THE SYSTEM'S RESPONSE TO THEM, SOLICITATION OF FUNDS TO SUP PORT THE RESPONSE, AND THE ACCOUNTABILITY TO THE COMMUNITY FOR BOTH THE MANAGEMENT OF THE FUNDS AND THE RESPONSE TO THE NEEDS DOYLESTOWN HOSPITAL ---------- -------- DOYLESTOWN HO SPITAL'S MISSION IS TO "PROVIDE A RESPONSIVE, HEALING ENVIRONMENT FOR OUR PATIENTS AND THE IR FAMILIES AND TO IMPROVE THE QUALITY OF LIFE FOR ALL MEMBERS OF OUR COMMUNITY " THESE CO MMUNITY MEMBERS INCLUDE THE VULNERABLE, THE DISENFRANCHISED, THOSE IN NEED OF HEALTH EDUCA TION, AND THOSE UNINSURED OR UNDERINSURED PERSONS WHO DEPEND ON US FOR CARE DOYLESTOWN HO SPITAL IS A 247-BED NON-PROFIT ACUTE CARE MEDICAL CENTER LOCATED IN DOYLESTOWN, BUCKS COUN TY, PENNSYLVANIA DOYLESTOWN HOSPITAL IS RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS AN INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION PURSUANT TO ITS CHARITABL E PURPOSES, THE ORGANIZATION PROVIDES MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIV IDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIG IN, RELIGION OR ABILITY TO PAY MOREOVER, DOYLESTOWN HOSPITAL OPERATES CONSISTENTLY WITH T HE FOLLOWING CRITERIA OUTLINED IN IRS REVENUE RULING 69-545 1 IT PROVIDES MEDICALLY NECE SSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS REGARDLESS OF ABILITY TO PAY, INCLUDING CHARI TY CARE, SELF-PAY, MEDICARE AND MEDICAID PATIENTS, 2 IT OPERATES AN ACTIVE EMERGENCY ROOM FOR ALL PERSONS, WHICH IS OPEN 24 HOURS A DAY, 7 DAYS A WEEK, 365 DAYS PER YEAR, 3 IT MA INTAINS AN OPEN MEDICAL STAFF, WITH PRIVILEGES AVAILABLE TO ALL QUALIFIED PHYSICIANS, 4 C ONTROL RESTS WITH ITS BOARD OF TRUSTEES AND THE BOARD OF TRUSTEES OF THE SYSTEM BOTH BOAR DS ARE COMPRISED OF INDEPENDENT CIVIC LEADERS AND OTHER PROMINENT MEMBERS OF THE COMMUNITY , AND 5 SURPLUS FUNDS ARE USED TO IMPROVE THE QUALITY OF PATIENT CARE, EXPAND AND RENOVAT E FACILITIES AND ADVANCE MEDICAL CARE, PROGRAMS AND ACTIVITIES AS A VALUES-BASED ORGANIZA TION, DOYLESTOWN HOSPITAL HAS MADE A PUBLIC COMMITMENT TO FIVE CORE VALUES SERVICE, ENTHU SIASM, RESPECT, VALUE AND EXCELLENCE THE HOSPITAL HOLDS BOARD MEMBERS, MEDICAL STAFF, AND PAID AND UNPAID STAFF ACCOUNTABLE FOR INCORPORATING THESE VALUES INTO POLICIES, BEHAVIORS , CLINICAL PRACTICES AND MANAGEMENT DECISIONS THE FIVE CORE VALUES GUIDE DOYLESTOWN HOSPI TAL'S RESPONSE TO COMMUNITY NEEDS 1 SERVICE - ANTICIPATE THE HEALTHCARE NEEDS OF THE COM MUNITY, EITHER BY ADDING PROGRAMS OR SERVICES, OR OFFER OPPORTUNITIES FOR HEALTH EDUCATION OR SCREENING, AND ASSURE THAT THE HOSPITAL RESPONDS TO THOSE NEEDS IN A TIMELY FASHION T HESE NEEDS ARE DETERMINED THROUGH THE HOSPITAL'S STRATEGIC PLANNING EFFORTS, WHICH ARE IN TURN GUIDED BY THE HOSPITAL'S MISSION STATEMENT 2 ENTHUSIASM - DOYLESTOWN HOSPITAL STRIV ES TO SUSTAIN WITHIN ITS STAFF THE INSPIRATION THAT FIRST COMPELLED THEM TO HEALTHCARE-REL ATED WORK AND A COMMITMENT TO THE JOB OF SERVING OUR PATIENTS 3 RESPECT - DOYLESTOWN HOS PITAL WELCOMES AND PROVIDES CARE TO ALL MEMBERS OF THE COMMUNITY, WITHOUT REGARD FOR RACE, RELIGION, SEX, SEXUAL ORIENTATION, COLOR, NATIONA

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	L ORIGIN, OR ABILITY TO PAY ALL THE MEDICAL, SURGICAL, AND PROGRAM SERVICES LISTED ON THE ADDENDUM ARE PROVIDED TO EVERY ONE WHO COMES TO DOY LESTOWN HOSPITAL FOR CARE, INCLUDING TH OSE UNABLE TO PAY FOR THESE SERVICES 4 VALUE - AS A RESULT OF ITS COMMITMENT TO KEEP COS T AND QUALITY IN PROPER PERSPECTIVE, DOY LESTOWN HOSPITAL PROVIDES MANY PROGRAMS AND SERVIC ES AT NO CHARGE, BECAUSE THE COMMUNITY EXPECTS, NEEDS, AND DESERVES THIS CONTRIBUTION OF H EALTHCARE RESOURCES TO ITS OVERALL GOOD HEALTH IN THE FISCAL YEAR ENDING 6/30/11, OVER 27 ,500 COMMUNITY MEMBERS TOOK ADVANTAGE OF COMMUNITY BENEFIT ACTIVITIES, INCLUDING FREE HEAL TH PROMOTION EVENTS, SCREENINGS, HEALTH EDUCATION PROGRAMS, AND OTHER OUTREACH EFFORTS 5 EXCELLENCE - DOY LESTOWN HOSPITAL PROMISES THE COMMUNITY IT WILL STRIVE FOR THE BEST POSSI BLE CUSTOMER SERVICE, PATIENT CARE, AND TECHNOLOGY THAT MEET OR EXCEED THE COMMUNITY'S EXP ECTATIONS IT ALSO PROMISES FAITHFULNESS TO ITS HERITAGE AND ASSURES THAT EVERY DECISION R EFLECTS A COMMITMENT TO THE VALUES PINE RUN COMMUNITY ---------- IN 1992 DOY LESTO WN HOSPITAL ENHANCED ITS COMMITMENT TO THE OLDER ADULT POPULATION IN THE CENTRAL BUCKS COU NTY AREA BY ACQUIRING THE PINE RUN COMMUNITY OPERATING AS A DIVISION OF DOY LESTOWN HOSPIT AL, THE MISSION OF PINE RUN COMMUNITY "IS TO PROVIDE A RESPONSIVE, HEALING ENVIRONMENT FOR OUR RESIDENTS AND THEIR FAMILIES, AND TO IMPROVE THE QUALITY OF LIFE FOR ALL MEMBERS OF O UR COMMUNITY " PINE RUN SERVES THE SURROUNDING COMMUNITY AS A NON-PROFIT CONTINUING CARE R ETIREMENT COMMUNITY BY OFFERING A CONTINUUM OF SERVICES AT ITS FACILITIES WHICH INCLUDE 30 0 APARTMENTS (THE VILLAGE), A 167-BED HEALTHCARE BUILDING PROVIDING 2 FLOORS OF NURSING CA RE AND 1 FLOOR OF ALZHEIMER'S AND RELATED CARE (THE HEALTH CENTER), AND A 107-BED ASSISTED LIVING FACILITY WHICH INCLUDES A 13-BED DEMENTIA CARE UNIT (LAKEVIEW) PINE RUN STRIVES T O BE A COMMUNITY FULL OF LIFE, VITALITY, AND VALUE WHERE PEOPLE LIVE IN A GRACIOUS ENVIRON MENT AND THE STAFF PROVIDE EXCEPTIONAL CUSTOMER SERVICE IN PARTNERSHIP WITH THE RESIDENTS THEY SERVE THROUGH A CULTURE OF WELLNESS, PINE RUN IS DEDICATED TO THE PROMOTION OF HOLIS TIC CARE AND SERVICES FOR VILLAGERS AND RESIDENTS THE VILLAGE, LOCATED APPROXIMATELY 3 MI LES FROM THE HOSPITAL, CONSISTS OF GARDEN APARTMENTS SET IN CLUSTERS AND A MULTI-UNIT APAR TMENT BUILDING, AS WELL AS A COMMUNITY CENTER, DINING ROOM, STORE, LIBRARY, AND OTHER AMEN ITIES MAINTENANCE, SECURITY, HOUSEKEEPING, UTILITIES, DINING, RECREATIONAL, CULTURAL, TRA NSPORTATION AND FITNESS SERVICES ARE PROVIDED FOR THE VILLAGERS THE HEALTH CENTER, LOCATE D ON THE SAME CAMPUS AS THE VILLAGE, PROVIDES TRANSITIONAL CARE FOR SHORT-STAY NURSING AND REHABILITATION RESIDENTS, WITH SKILLED NURSING CARE AND COMPREHENSIVE THERAPY PROGRAMS, A N ALZHEIMER'S/DEMENTIA PROGRAM FOR THOSE WITH IMPAIRED MEMORY, LONG-TERM CARE FOR RESIDENT S REQUIRING ON-GOING CUSTODIAL CARE, SHORT-TERM RESPITE CARE TO ALLOW HOME-BASED CARE GIVE RS TO TAKE A VACATION OR TRIP; AND HOSPICE CARE FOR END OF LIFE CARE. LAKEVIEW WAS PURCHAS ED BY DOY LESTOWN HOSPITAL IN 1998 AND ADDED TO THE PINE RUN FAMILY OF FACILITIES IT OFFER S ASSISTED LIVING ACCOMMODATIONS IN PRIVATE SUITES AND COMPANION SUITES, WITH SUPPORTIVE S ERVICES AND ENHANCED PROGRAMMING FOR THOSE WITH MEMORY IMPAIRMENT THIS ASSISTED LIVING RE SIDENCE IS THREE AND A HALF (3 5) MILES FROM THE PINE RUN VILLAGE, AND TWO BLOCKS FROM THE MAIN HOSPITAL

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	V I A AFFILIATES ---------- THE AFFILIATES WAS REACTIVATED IN 1994 TO BRING TO THE RESIDENTS OF THE CENTRAL BUCKS COMMUNITY NECESSARY COMMUNITY-BASED SERVICES THAT MAY NOT OTHERWISE BE AVAILABLE OR INCLUDED IN THE MISSION OF OTHER SYSTEM ENTITIES IN ORDER TO ME ET THE NEEDS OF COMMUNITY MEMBERS, THE V I A AFFILIATES HAS BEEN INVOLVED WITH A NUMBER O F INITIATIVES V I A AFFILIATES EXISTS TO SUPPORT THE SERVICE CORE VALUE OF DOYLESTOWN HO SPITAL DOYLESTOWN HOSPITAL HAS BEEN DESIGNATED AS A BLUE DISTINCTION CENTER FOR KNEE AND HIP REPLACEMENT, AS WELL AS RECEIVING TWO PRESTIGIOUS TECHNOLOGY AWARDS, AND ALSO IS AMONG THE TOP 5% IN THE NATION FOR PATIENT SAFETY NATIONAL STUDY PLACES DOYLESTOWN HOSPITAL'S CARDIAC SERVCIES BEST IN BUCKS COUNTY ---------- ---------- DOYLESTOWN HOSPITAL IS THE TOP RATED HOSPITAL IN BUCKS COUNTY FOR OVE RALL CARDIAC CARE, ACCORDING TO A COMPREHENSIVE ANNUAL STUDY RELEASED TODAY BY HEALTHGRADE S, THE LEADING INDEPENDENT HEALTHCARE RATINGS ORGANIZATION THE HEALTHGRADES STUDY ANALYZE S TENS OF MILLIONS OF PATIENTS' OUTCOMES - SPECIFICALLY, MORTALITY AND COMPLICATION RATES - AT THE NATION'S 5,000 HOSPITALS PATIENTS HIGHLY VALUE INDEPENDENT INFORMATION ON HOSPIT AL QUALITY AND PERFORMANCE IN LIGHT OF RECENT HEALTH REFORM MEASURES, DEMAND FOR THIS INF ORMATION IS ONLY LIKELY TO INCREASE IN A RECENT SURVEY OF VISITORS TO HEALTHGRADES COM RE LATED TO HOSPITAL QUALITY, 94% RANKED QUALITY OUTCOMES AND RATINGS AS VERY IMPORTANT COMPA RED TO REPUTATION (89%), VOLUME (78%), AND LOCATION (58%) DOYLESTOWN HOSPITAL STANDS COMM ITTED TO A CULTURE OF QUALITY AND TRANSPARENCY AND IS PROUD OF THE RESULTS THAT ITS CARDIA C PROGRAM HAS ACHIEVED DOYLESTOWN HOSPITAL RECEIVED HEALTHGRADES HIGHEST RATING, 5-STARS, FOR BOTH CORONARY INTERVENTIONAL PROCEDURES AS WELL AS TREATMENT OF HEART ATTACKS THIS I S NOT THE FIRST YEAR THE HOSPITAL SCORED HIGH, IN FACT IT HAS SUSTAINED THE TOP RATINGS FO R FOUR CONSECUTIVE YEARS IN THIS YEAR'S HEALTHGRADES STUDY, NO OTHER HOSPITAL IN BUCKS CO UNTY RECEIVED THE 5-STAR RATING FOR TREATMENT OF HEART ATTACKS "OUR GOAL IS TO PROVIDE CA RE OF THE HIGHEST QUALITY WITH THE BEST POSSIBLE OUTCOMES FOR OUR PATIENTS," SAYS CHIEF ME DICAL OFFICER SCOTT LEVY, MD "ACKNOWLEDGEMENT OF OUR ACHIEVEMENTS BY HEALTHGRADES CERTAIN LY HELPS VALIDATE THE WORK WE DO " ACCORDING TO THE THIRTEENTH ANNUAL HEALTHGRADES HOSPITA L QUALITY IN AMERICA STUDY TOP-RATED HOSPITALS HAD A 53% LOWER MORTALITY RATE THAN THE U S NATIONAL AVERAGE FOR 17 PROCEDURES AND DIAGNOSES RANGING FROM BYPASS SURGERY TO TREATMEN T FOR HEART ATTACK WHEN THE TOP-RATED HOSPITALS WERE COMPARED TO THE POOREST PERFORMERS, THERE WAS AN EVEN GREATER QUALITY GAP A 72% LOWER RISK OF MORTALITY DOYLESTOWN HOSPITAL IS AN ACCREDITED CHEST PAIN CENTER WITH PROTOCOLS IN PLACE TO OFFER THE HIGHEST LEVEL OF C ARE FOR CARDIAC SY MPTOMS THE HEART INSTITUTE OF DOYLESTOWN HOSPITAL IS A LEADER IN PRIMAR Y (EMERGENCY) ANGIOPLASTY, THE TREATMENT OF CHOICE TO OPEN BLOCKED CORONARY ARTERIES DURIN G A HEART ATTACK AT 62 5 MINUTES, DOYLESTOWN HOSPITAL'S DOOR-TO-BALLOON TIME (THE TIME FR OM PATIENT ARRIVAL TO WHEN THE ARTERY IS OPENED) IS CONSISTENTLY SUPERIOR TO NATIONAL AVER AGES, AND WELL BELOW THE SUGGESTED BENCHMARK OF 90 MINUTES "THE KEY TO OUR SUCCESS IS A M ULTIDISCIPLINARY APPROACH TO THE TREATMENT OF HEART ATTACK," SAYS EXECUTIVE DIRECTOR OF CA RDIOVASCULAR SERVICES JOHN MITCHELL "THIS INVOLVES CLOSE COLLABORATION BETWEEN THE EMERGE NCY DEPARTMENT, CATH LAB, PHYSICIANS AND NURSES EVERY MEMBER OF THE TEAM HAS THE SAME GOA L OF PROVIDING SUCCESSFUL, PATIENT-CENTERED CARE." THE 2011 HEALTHGRADES HOSPITAL RATINGS ARE POSTED AND ARE FREE TO THE PUBLIC AT WWW HEALTHGRADES COM HEALTHGRADES HOSPITAL QUALI TY RATINGS HEALTHGRADES' HOSPITAL RATINGS AND AWARDS REFLECT THE TRACK RECORD OF PATIENT O UTCOMES AT HOSPITALS IN THE FORM OF MORTALITY AND COMPLICATION RATES HEALTHGRADES RATES H OSPITALS INDEPENDENTLY BASED ON DATA THAT HOSPITALS SUBMIT TO THE FEDERAL GOVERNMENT NO H OSPITAL CAN OPT IN OR OUT OF BEING RATED, AND NO HOSPITAL PAYS TO BE RATED FOR 26 PROCEDU RES AND TREATMENTS, HEALTHGRADES ISSUES STAR RATINGS THAT REFLECT THE MORTALITY AND COMPLI CATION RATES FOR EACH CATEGORY OF CARE HOSPITALS RECEIVING A 5-STAR RATING HAVE MORTALITY OR COMPLICATION RATES THAT ARE BETTER THAN ANTICIPATED, TO A STATISTICALLY SIGNIFICANT DE GREE A 3-STAR RATING MEANS THE HOSPITAL PERFORMS AS EXPECTED ONE-STAR RATINGS INDICATE T HE HOSPITAL'S MORTALITY OR COMPLICATION RATES IN THAT PROCEDURE OR TREATMENT ARE STATISTIC ALLY HIGHER THAN AVERAGE BECAUSE THE RISK PROFILES OF PATIENT POPULATIONS AT HOSPITALS AR E NOT ALIKE, HEALTHGRADES RISK-ADJUSTS THE DATA TO ALLOW FOR EQUAL COMPARISONS DOYLESTOWN HOSPITAL AWARDED CERTIFICATIONS FROM JOINT COMMISSION ---------- ---------- ---------- SEVERAL OF DOYLESTOWN HOSPITAL'S MEDICAL PROGRAMS HAVE EARNE D THE GOLD SEAL OF APPROVAL FOR HEALTHCARE QUALITY

Identifier	Return Reference	Explanation
COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	THE JOINT COMMISSION HAS AWARDED DOYLESTOWN HOSPITAL DISEASE-SPECIFIC CARE CERTIFICATION S FOR TOTAL KNEE REPLACEMENT AND TOTAL HIP REPLACEMENT DOYLESTOWN HAS ALSO EARNED THE GOL D SEAL OF APPROVAL FROM THE JOINT COMMISSION FOR PRIMARY STROKE CENTERS IN ADDITION, DOYL ESTOWN HAS RECEIVED ADVANCED CERTIFICATION IN HEART FAILURE, A CERTIFICATE OF DISTINCTION THAT RECOGNIZES EXCEPTIONAL EFFORTS TO FOSTER BETTER OUTCOMES FOR HEART FAILURE PATIENTS "DOYLESTOWN HOSPITAL VOLUNTARILY PURSUED THIS COMPREHENSIVE, INDEPENDENT EVALUATION TO ENH ANCE THE SAFETY AND QUALITY OF CARE WE PROVIDE," SAYS DOYLESTOWN HOSPITAL PRESIDENT RICHAR D REIF "WE'RE PROUD TO ACHIEVE THIS DISTINCTION " "THIS CERTIFICATION MEANS DOYLESTOWN HO SPITAL DOES THE RIGHT THINGS AND DOES THEM WELL FOR THEIR PATIENTS," SAYS JEAN E RANGE, M S , R N , C P H Q , EXECUTIVE DIRECTOR, DISEASE-SPECIFIC CARE CERTIFICATION, JOINT COMMIS SION "DOYLESTOWN HAS DEMONSTRATED THAT ITS STROKE CARE PROGRAM FOLLOWS NATIONAL STANDARDS AND GUIDELINES THAT CAN SIGNIFICANTLY IMPROVE OUTCOMES FOR STROKE PATIENTS " THE JOINT CO MMISSION'S PRIMARY STROKE CENTER CERTIFICATION IS BASED ON THE RECOMMENDATIONS FOR PRIMARY STROKE CENTERS PUBLISHED BY THE BRAIN ATTACK COALITION AND THE AMERICAN STROKE ASSOCIATIO N'S STATEMENTS/GUIDELINES FOR STROKE CARE THE JOINT COMMISSION LAUNCHED THE PROGRAM-THE N ATION'S FIRST-IN 2003 WHEN A SUSPECTED STROKE PATIENT ARRIVES AT DOYLESTOWN HOSPITAL, THE HOSPITAL'S ACUTE STROKE TEAM IS PUT ON ALERT OUR TEAM OF EXPERTS WORKS EFFECTIVELY TOWAR DS ENSURING THE BEST POSSIBLE OUTCOME FOR STROKE PATIENTS THE JOINT COMMISSION LAUNCHED I TS DISEASE-SPECIFIC CARE CERTIFICATION PROGRAM IN 2002 IT IS THE FIRST PROGRAM OF ITS KIN D IN THE COUNTRY TO CERTIFY DISEASE MANAGEMENT PROGRAMS AT DOYLESTOWN HOSPITAL, JOINT REP LACEMENT PATIENTS RECEIVE THE HIGHEST LEVEL OF CARE THROUGHOUT THEIR ENTIRE TREATMENT, INC LUDING EDUCATION BEFORE THE PROCEDURE, PAIN MANAGEMENT AND REHABILITATION FOR THE JOINT C OMMISSION'S ADVANCED LEVEL OF CERTIFICATION, PROGRAMS MUST MEET THE REQUIREMENTS FOR DISEA SE-SPECIFIC CARE CERTIFICATION PLUS ADDITIONAL, CLINICALLY-SPECIFIC REQUIREMENTS AND EXPEC TATIONS DOYLESTOWN HAS A CONGESTIVE HEART FAILURE COORDINATOR AND A TEAM OF EXPERTS THAT WORK HARD TO IMPROVE THE QUALITY OF LIFE FOR THESE PATIENTS FOUNDED IN 1951, THE JOINT CO MMISSION SEEKS TO CONTINUOUSLY IMPROVE HEALTHCARE FOR THE PUBLIC, IN COLLABORATION WITH OT HER STAKEHOLDERS, BY EVALUATING HEALTHCARE ORGANIZATIONS AND INSPIRING THEM TO EXCEL IN PR OVIDING SAFE AND EFFECTIVE CARE OF THE HIGHEST QUALITY AND VALUE THE JOINT COMMISSION EVA LUATES AND ACCREDITS MORE THAN 18,000 HEALTHCARE ORGANIZATIONS AND PROGRAMS IN THE UNITED STATES, INCLUDING MORE THAN 9,500 HOSPITALS AND HOME CARE ORGANIZATIONS, AND MORE THAN 6,3 00 OTHER HEALTHCARE ORGANIZATIONS THAT PROVIDE LONG TERM CARE, BEHAVIORAL HEALTHCARE, LABO RATORY AND AMBULATORY CARE SERVICES IN ADDITION, THE JOINT COMMISSION ALSO PROVIDES CERTI FICATION OF MORE THAN 1,000 DISEASE-SPECIFIC CARE PROGRAMS, PRIMARY STROKE CENTERS, AND HE ALTHCARE STAFFING SERVICES AN INDEPENDENT, NOT-FOR-PROFIT ORGANIZATION, THE JOINT COMMISS ION IS THE NATION'S OLDEST AND LARGEST STANDARDS-SETTING AND ACCREDITING BODY IN HEALTHCAR E.

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	DOYLESTOWN HOSPITAL EARNS PRESTIGIOUS BREAST CANCER ACCREDITATION - SIGNALS THE HIGHEST QU ALITY OF CARE FOR PATIENTS ---------- -------- -- THE CANCER INSTITUTE OF DOYLESTOWN HOSPITAL BECAME THE FIRST BUCKS COUNTY-BASED FACILITY TO EARN THE NATIONAL ACCREDITATION PROGRAM FOR BREAST CENTERS (NAPBC) ACCREDITATI ON AT THE END OF OCTOBER, APPROPRIATELY DURING BREAST CANCER AWARENESS MONTH NAPBC-ACCRED ITATION IS GRANTED ONLY TO THOSE CENTERS THAT HAVE VOLUNTARILY COMMITTED TO PROVIDE THE BE ST IN BREAST CANCER DIAGNOSIS AND TREATMENT AND IS ABLE TO COMPLY WITH ESTABLISHED NAPBC S TANDARDS EACH CENTER MUST UNDERGO A RIGOROUS EVALUATION AND REVIEW OF ITS PERFORMANCE AND COMPLIANCE WITH THE NAPBC STANDARDS TO MAINTAIN ACCREDITATION, CENTERS MUST UNDERGO AN O N-SITE REVIEW EVERY THREE YEARS "DOYLESTOWN HOSPITAL CANCER INSTITUTE'S BREAST ACCREDITAT ION HIGHLIGHTS OUR COMMITMENT TO OUR PATIENTS TO PROVIDE EXCEPTIONAL HIGH QUALITY, TIMELY, EFFICIENT, COMPASSIONATE CARE FROM DIAGNOSIS AND TREATMENT TO FOLLOW-UP AND SURVIVORSHIP, " SAID DIRECTOR OF CANCER SERVICE KAREN QUINLAN, RN, MSN, OCN EACH CENTER WITH NAPBC ACCR EDITATION HAS UNDERGONE A RIGOROUS APPLICATION PROCESS AND ONSITE SURVEY TO ENSURE THAT IT MEETS THE CRITERIA FOR 27 STANDARDS IN SUCH CATEGORIES AS LEADERSHIP, CLINICAL MANAGEMENT , RESEARCH, COMMUNITY OUTREACH, PROFESSIONAL EDUCATION, AND QUALITY IMPROVEMENT IN ADDITI ON, THE NAPBC ACCREDITED CENTER HAVE DOCUMENTED THAT THEY PROVIDE 17 KEY COMPONENTS THAT C ONTRIBUTE TO HIGH-QUALITY PATIENT CARE NAPBC IS ADMINISTERED BY THE AMERICAN COLLEGE OF S URGEONS "I THINK OUR PATIENTS CAN TAKE COMFORT IN CHOOSING DOYLESTOWN HOSPITAL FOR THEIR CANCER CARE," SAID QUINLAN "CERTIFICATION BY THE NAPBC DEMONSTRATES OUR COMMITMENT TO EXC EPTIONAL QUALITY CARE, POSITIVE OUTCOMES AND COMPASSIONATE CARE AND SUPPORT THROUGHOUT THE PROCESS " NAPBC ACCREDITED CENTERS ENCOMPASS THE ENTIRE SPECTRUM OF BREAST CARE, PROVIDIN G WOMEN WITH ACCESS TO A RANGE OF BOARD-CERTIFIED SPECIALISTS, INCLUDING BREAST SURGEONS, BREAST RADIOLOGISTS, MEDICAL ONCOLOGISTS, RADIATION ONCOLOGISTS, BREAST PATHOLOGISTS, PLAS TIC RECONSTRUCTIVE SURGEONS, GENETIC COUNSELORS, AND PSY CHOSOCIAL SUPPORT PROFESSIONALS A CCREDITED CENTERS ALSO OFFER BREAST NURSE NAVIGATORS, PATIENT EDUCATION AND SUPPORT, PALLI ATIVE CARE PROGRAMS, SURVIVORSHIP PROGRAMS, AND HIGH-RISK CLINICS TO BE ACCREDITED, A BRE AST CENTER MUST PROVIDE ALL OF THESE SERVICES IN ONE SETTING OR PROVIDE MOST OF THE SERVIC ES ONSITE AND HAVE REFERRAL PROCESSES IN PLACE FOR OTHER SERVICES KATHERINE NELLETT, RN, OCN, CBCN IS DOYLESTOWN HOSPITAL'S BREAST CARE COORDINATOR/GENETICS NURSE HER FIRST MEETI NG WITH THE WOMEN USUALLY OCCURS IN THE WOMEN'S DIAGNOSTIC CENTER WHEN THEY ARRIVE FOR A B REAST BIOPSY IN ADDITION TO ACCOMPANY ING THE PATIENT DURING THE BIOPSY, NELLETT CAN MEET WITH THE PATIENT TO HELP COORDINATE ALL ASPECTS OF HER CARE AS WELL AS REFERRALS FOR SECON D OPINIONS, IF REQUESTED DOYLESTOWN HOSPITAL IS A MEMBER FOR THE UNIVERSITY OF PENNSYLVAN IA CANCER NETWORK, WHICH ALLOWS ACCESS TO NATIONALLY RECOGNIZED CANCER EXPERTS NELLETT HE LPS PATIENTS HANDLE THE EMOTIONAL SIDE OF DEALING WITH CANCER THROUGH REFERRALS TO A BREAS T CANCER SUPPORT GROUP OR SOCIAL WORKER, IF NEEDED THE CANCER INSTITUTE OF DOYLESTOWN HOS PITAL PROVIDES A NUMBER OF AMERICAN CANCER SOCIETY-SPONSORED SUPPORT GROUPS AND SERVICES, EACH DESIGNED TO HELP PATIENTS AND FAMILIES COPE WITH THE DISEASE THESE INCLUDE "LOOK GOO D, FEEL BETTER" AND REACH TO RECOVERY DOYLESTOWN HOSPITAL SPONSORS THE YOUNG WOMEN'S CANC ER SURVIVAL COALITION THAT MEETS MONTHLY AT GILDA'S CLUB IN WARMINSTER AS WELL AS A BREAST CANCER SUPPORT GROUP THAT MEETS MONTHLY AT DOYLESTOWN HOSPITAL A SATELLITE LOCATION FOR GILDA'S CLUB WILL BE OPENING SOON ON THE FIRST FLOOR OF DOYLESTOWN HOSPITAL DH ALSO HOLDS A COMMENDATION AS A COMMUNITY HOSPITAL CANCER PROGRAM FROM THE AMERICAN COLLEGE OF SURGEO NS COMMISSION ON CANCER DOYLESTOWN HOSPITAL HAS BEEN DESIGNATED AS A BLUE DISTINCTION CEN TER FOR KNEE AND HIP REPLACEMENT ---------- ---------- INDEPENDENCE BLUE CROSS OF SOUTHEASTERN PENNSYLVANIA HAS DESIGNATED DOYLE STOWN HOSPITAL AS A BLUE DISTINCTION CENTER FOR KNEE AND HIP REPLACEMENT(SM) BLUE DISTINC TION CENTERS FOR KNEE AND HIP REPLACEMENT ARE PART OF THE BLUE CROSS AND BLUE SHIELD ASSOC IATION'S EXPANSION OF ITS BLUE DISTINCTION(R) DESIGNATION "OUR HIGHLY SKILLED TEAM OF ORT HOPEDIC SPECIALISTS OFFER ADVANCED PROCEDURES IN A COMMUNITY HOSPITAL SETTING, WHICH PROVI DE THE BEST POSSIBLE OUTCOMES AND PATIENT SATISFACTION," SAID SCOTT LEVY, MD, CHIEF MEDICA L OFFICER AT DOYLESTOWN HOSPITAL "EVERY MEMBER OF THE TEAM FOCUSES ON PROVIDING THE HIGHE ST LEVEL OF CARE, NOT ONLY AS IT RELATES TO THE JOINT REPLACEMENT SURGERY, BUT FOR THE PAT IENT'S COMPLETE WELL BEING- STARTING BEFORE THEIR SURGERY, THROUGHOUT THEIR HOSPITAL STAY AND WELL INTO REHABILITATION " DOYLESTOWN HOSPITAL

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	OFFERS COMPREHENSIVE KNEE AND HIP REPLACEMENT SERVICES, INCLUDING TOTAL JOINT REPLACEMENT AND GENDER-SPECIFIC KNEE REPLACEMENT ALTHOUGH KNEE AND HIP REPLACEMENT ARE THE MOST COMM ON, JOINT REPLACEMENT CAN ALSO BE PERFORMED ON SHOULDERS, ELBOWS, WRISTS, FINGERS AND ANKL ES OUR SPECIALISTS ARE SKILLED IN RECONSTRUCTIVE AND ARTHROSCOPIC SURGERY, SPORTS MEDICIN E AND GENERAL ORTHOPEDIC CARE, AND OUTPATIENT SERVICES INCLUDE EVERY THING FROM SOPHISTICAT ED SPORTS MEDICINE AND REHABILITATION ALL THE WAY TO DELICATE HAND SURGERY AND OSTEOPOROSI S TREATMENT "BLUE DISTINCTION CENTERS SHOW OUR COMMITMENT TO WORKING WITH DOCTORS AND HOS PITALS IN COMMUNITIES ACROSS THE COUNTRY TO IDENTIFY LEADING INSTITUTIONS THAT MEET CLINIC ALLY VALIDATED QUALITY STANDARDS AND DELIVER BETTER OVERALL OUTCOMES IN PATIENT CARE," SAI D ALLAN KORN, MD, BLUE CROSS AND BLUE SHIELD ASSOCIATION CHIEF MEDICAL OFFICER THE SELECT ION CRITERIA USED TO EVALUATE FACILITIES WERE DEVELOPED WITH INPUT FROM A PANEL OF EXPERT PHY SICIANS TO BE DESIGNATED AS A BLUE DISTINCTION CENTER FOR KNEE AND HIP REPLACEMENT, TH E FOLLOWING TY PES OF CRITERIA WERE EVALUATED MORE INFORMATION ON SELECTION CRITERIA IS AV AILABLE ON WWW BCBS COM - ESTABLISHED ACUTE CARE INPATIENT FACILITY, INCLUDING INTENSIVE CARE, EMERGENCY CARE, AND A FULL RANGE OF PATIENT SUPPORT SERVICES WITH FULL ACCREDITATION BY A CMS-DEEMED NATIONAL ACCREDITATION ORGANIZATION - EXPERIENCE AND TRAINING OF PROGRAM SURGEONS, INCLUDING CASE VOLUME - QUALITY MANAGEMENT PROGRAMS, INCLUDING SURGICAL CHECKLIS TS AS WELL AS TRACKING AND EVALUATION OF CLINICAL OUTCOMES AND PROCESS OF CARE - MULTI-DIS CIPLINARY CLINICAL PATHWAYS AND TEAMS TO COORDINATE AND STREAMLINE CARE, INCLUDING TRANSIT IONS OF CARE - SHARED DECISION MAKING AND PREOPERATIVE PATIENT EDUCATION THE BLUE DISTINCT ION DESIGNATION IS AWARDED BY THE BLUE CROSS AND BLUE SHIELD COMPANIES TO MEDICAL FACILITI ES THAT HAVE DEMONSTRATED EXPERTISE IN DELIVERING QUALITY HEALTHCARE IN THE AREAS OF BARIA TRIC SURGERY, CARDIAC CARE, COMPLEX AND RARE CANCERS, KNEE AND HIP REPLACEMENT, SPINE SURG ERY AND TRANSPLANTS THE PROGRAM IS PART OF THE BLUES(R) EFFORTS TO COLLABORATE WITH PHYSI CIANS AND MEDICAL FACILITIES TO IMPROVE THE OVERALL QUALITY AND SAFETY OF SPECIALTY CARE THE ADDITIONAL BLUE DISTINCTION CENTERS FOR KNEE AND HIP REPLACEMENT DESIGNATION WILL BRIN G THE NATION'S NUMBER OF BLUE DISTINCTION DESIGNATIONS TO MORE THAN 1,600-AND THIS NUMBER IS EXPECTED TO INCREASE IN THE COMING YEARS

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	DOYLESTOWN HOSPITAL RECEIVED TWO PRESTIGIOUS TECHNOLOGY AWARDS ---------- ---------- DOYLESTOWN RECOGNIZED FOR INNOVATIVE USE OF TECHNOLOG Y FOR SAFER PATIENT CARE DOYLESTOWN HOSPITAL HAS RECEIVED TWO PRESTIGIOUS AWARDS FOR ITS USE OF TECHNOLOGY DOYLESTOWN IS AMONG AN ELITE GROUP OF 85 HOSPITALS ACROSS THE NATION TO BE RECOGNIZED WITH THE HEALTHCARE INFORMATION AND MANAGEMENT SYSTEMS SOCIETY (HIMSS) EMR STAGE 6 AWARD DOYLESTOWN HOSPITAL IS THE ONLY PHILADELPHIA-AREA HOSPITAL TO RECEIVE THIS AWARD EMR STAGE 6 MARKS SIGNIFICANT PROGRESS TOWARD ACHIEVING A FULL EMR (ELECTRONIC MEDI CAL RECORD AS A STAGE 6 HOSPITAL, DOYLESTOWN DOES FULL ELECTRONIC MEDICATION MANAGEMENT, IS WELL ON ITS WAY WITH CPOE (COMPUTERIZED PHYSICIAN ORDER ENTRY) WITH ABOUT 32% OF INPATI ENT ORDERS ARE CURRENTLY GENERATED THROUGH CPOE, HAS FULL PACS (DIGITAL RADIOLOGY IMAGES) AND ONLINE CLINICAL DECISION SUPPORT THE NEXT, AND HIGHEST, STAGE ACCORDING IS HIMSS EMR STAGE 7, DOYLESTOWN IS EXPECTED TO REACH THIS LEVEL IN ABOUT A YEAR OR SO DOYLESTOWN HOSP ITAL HAS ALSO RECEIVED A MICROSOFT HEALTH USERS GROUP (MS-HUG) INNOVATION AWARD IN THE ARE A OF HIE (HEALTH INFORMATION EXCHANGE) AND INTEROPERABILITY FOR ITS WORK ON THE DOYLESTOWN CLINICAL NETWORK THIS NETWORK TIES TOGETHER THE EMR SYSTEMS OF THE HOSPITAL AND COMMUNIT Y PHYSICIANS THE HOSPITAL HAS 185 PHYSICIANS ON THE NEXTGEN NETWORK, WHICH AUTOMATICALLY TRANSFERS A PATIENT'S EMR TO SPECIALISTS AND THE HOSPITAL OF THOSE, MORE THAN 50 ARE ACTI VE EMR USERS THERE ARE ABOUT 400,000 PATIENTS IN OUR COMMUNITY ENROLLED IN THIS NETWORK THE ULTIMATE GOAL IS TO SAFELY AND EFFICIENTLY SHARE A PATIENT'S HEALTH INFORMATION THROUG HOUT THE HEALTHCARE CONTINUUM DOYLESTOWN HOSPITAL IS AMONG THE TOP 5% IN THE NATIONAL FOR PATIENT SAFETY FOR THE THIRD CONSECUTIVE YEAR ---------- ---------- ---------- FOR THE THIRD YEAR IN A ROW, DOYLESTOWN HOSPITAL HAS RECEIVED T HE HEALTHGRADES PATIENT SAFETY EXCELLENCE AWARD, INDICATING THAT ITS PATIENT SAFETY RATING S ARE IN THE TOP 5% OF U S HOSPITALS DOYLESTOWN IS ONE OF ONLY SEVEN HOSPITALS IN PENNSY LVANIA TO BE A THREE-TIME RECIPIENT OF HEALTHGRADES PATIENT SAFETY EXCELLENCE AWARD (2009 - 2011) THIS ALSO MAKES DOYLESTOWN HOSPITAL ONE OF ONLY 99 HOSPITALS NATIONWIDE TO RECEIV E HEALTHGRADES PATIENT SAFETY EXCELLENCE AWARD THREE YEARS IN A ROW (2009 - 2011) DOYLEST OWN HOSPITAL HAS ALSO RECEIVED THE HEALTHGRADES OUTSTANDING PATIENT EXPERIENCE AWARD THREE YEARS IN A ROW DOYLESTOWN IS ONE OF ONLY 19 HOSPITALS IN THE U S - AND THE ONLY HOSPITA L IN PENNSYLVANIA - TO BE A THREE-TIME RECIPIENT OF BOTH THE PATIENT SAFETY EXCELLENCE AWA RD (2009-2011) AND OUTSTANDING PATIENT EXPERIENCE AWARD (2009-2010/11) THIS YEAR'S STUDY FINDS THAT MEDICARE PATIENTS AT PATIENT SAFETY EXCELLENCE AWARD HOSPITALS WERE 46 26% LESS LIKELY TO EXPERIENCE A PATIENT SAFETY EVENT DURING THE TIME PERIOD STUDIED THE EIGHTH AN NUAL HEALTHGRADES PATIENT SAFETY IN AMERICAN HOSPITALS STUDY ANALYZED NEARLY 40 MILLION HO SPITALIZATION RECORDS FROM APPROXIMATELY 5,000 HOSPITALS NATIONWIDE THAT PARTICIPATE IN TH E MEDICARE PROGRAM PARTICIPATION IN THE HEALTHGRADES STUDY IS NOT VOLUNTARY, AND HOSPITAL S CANNOT CHOOSE TO OPT OUT OF THE ANALYSIS "TO BE CONSISTENTLY RECOGNIZED FOR PATIENT SAF ETY HELPS VALIDATE OUR EFFORTS TO ENSURE THE HIGHEST QUALITY CARE," SAID DOYLESTOWN HOSPIT AL PRESIDENT RICHARD REIF "PATIENT SAFETY AND PATIENT QUALITY ARE AT THE CORE OF OUR BEIN G - IT IS WHY WE EXIST IT TOUCHES EVERYTHING WE DO THE TRUST WE STRIVE FOR WITH OUR PATI ENTS AND THEIR FAMILIES IS BUILT ON PATIENT SAFETY AND THE WAY WE DELIVER THAT CARE WHEN WE ENTER THE LIVES OF OUR PATIENTS AND THEIR FAMILIES, THEY EXPECT US TO KEEP THEIR SAFETY AS OUR NUMBER ONE PRIORITY OUR TEAM OF PHYSICIANS, NURSES, CLINICAL STAFF AND VOLUNTEERS ARE VIGILANT IN MEETING THAT EXPECTATION " "ENSURING THE HIGHEST LEVEL OF PATIENT SAFETY IS AT THE HEART OF WHAT WE DO," SAID DOYLESTOWN HOSPITAL PRESIDENT RICHARD REIF "OUR PATI ENTS AND THEIR FAMILIES EXPECT THE BEST CARE DELIVERED IN A COMPASSIONATE MANNER, AND WE E XPECT TO MEET THAT EXPECTATION IN TURN, WE EXPECT OUR TALENTED TEAM OF PHYSICIANS, NURSES , CLINICAL STAFF AND VOLUNTEERS TO BE ATTENTIVE TO THOSE DETAILS THAT MATTER MOST TO PATIE NTS WE CONSTANTLY LOOK AT PATIENT SAFETY AND THE PROCESSES THAT GO INTO CREATING A SAFE P ATIENT EXPERIENCE HERE AT DOYLESTOWN HOSPITAL " "ON BEHALF OF HEALTHGRADES I'D LIKE TO CON GRATULATE DOYLESTOWN HOSPITAL FOR A TRACK RECORD OF PATIENT SAFETY THAT IS AMONG THE BEST IN THE NATION," SAID RICK MAY, MD, A VICE PRESIDENT AT HEALTHGRADES AND CO-AUTHOR OF THE S TUDY "HOSPITALS LIKE DOYLESTOWN HOSPITAL ARE SETTING BENCHMARKS OF SUPERIOR PERFORMANCE T HAT WE WOULD LIKE TO SEE OTHER HOSPITALS EMULATE." THE SEVENTH ANNUAL HEALTHGRADES PATIENT SAFETY IN AMERICAN HOSPITALS STUDY APPLIES METHODOLOGY DEVELOPED BY THE U S DEPARTMENT O F HEALTH AND HUMAN SERVICES' AGENCY FOR HEALTHCARE

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	RESEARCH AND QUALITY TO IDENTIFY THE INCIDENCE RATES OF 15 PATIENT SAFETY INDICATORS AMON G MEDICARE PATIENTS AT VIRTUALLY ALL OF THE NATION'S NEARLY 5,000 NONFEDERAL HOSPITALS AD DITIONALLY, HEALTHGRADES APPLIED ITS METHODOLOGY USING 12 PATIENT SAFETY INDICATORS TO IDE NTIFY THE BEST-PERFORMING HOSPITALS, OR PATIENT SAFETY EXCELLENCE AWARD HOSPITALS, WHICH R EPRESENT THE TOP 5% OF ALL U S HOSPITALS HEALTHGRADES DEVELOPED THIS AWARD TO GIVE PATIE NTS MORE INFORMATION ABOUT CHOOSING A HOSPITAL IN THE HEALTHGRADES ANALYSIS, THE FOLLOWIN G ARE THE PATIENT SAFETY INDICATORS STUDIED - COMPLICATIONS OF ANESTHESIA - DEATH IN LOW MORTALITY DIAGNOSTIC RELATED GROUPINGS (DRGS) - DECUBITUS ULCER (BED SORES) - DEATH AMONG SURGICAL INPATIENTS WITH SERIOUS TREATABLE COMPLICATIONS - IATROGENIC PNEUMOTHORAX (COLLAP SED LUNG) - SELECTED INFECTIONS DUE TO MEDICAL CARE - POST-OPERATIVE HIP FRACTURE - POST-O PERATIVE HEMORRHAGE OR HEMATOMA - POST-OPERATIVE PHYSIOLOGIC AND METABOLIC DERANGEMENTS - POST-OPERATIVE RESPIRATORY FAILURE - POST-OPERATIVE PULMONARY EMBOLISM OR DEEP VEIN THROMB OSIS - POST-OPERATIVE SEPSIS - POST-OPERATIVE ABDOMINAL WOUND DEHISCENCE - ACCIDENTAL PUNC TURE OR LACERATION - TRANSFUSION REACTION DOY LESTOWN HOSPITAL IS AMONG THE TOP 5% IN THE N ATION FOR PATIENT EXPERIENCE FOR THE FOURTH CONSECUTIVE YEAR ---------- ---------- --------- HEALTHGRADES, THE NATION'S MOST TRUSTED SOURCE FO R RESEARCHING AND SELECTING DOCTORS AND HOSPITALS, NAMED DOY LESTOWN HOSPITAL A RECIPIENT O F THE 2011 OUTSTANDING PATIENT EXPERIENCE AWARD THIS DISTINCTION RANKS DOY LESTOWN HOSPITA L AMONG THE TOP 5% OF HOSPITALS NATIONWIDE BASED ON AN ANALYSIS OF PATIENT SATISFACTION DA TA FOR 3,797 U S HOSPITALS THIS YEAR'S STUDY MARKS THE FOURTH CONSECUTIVE YEAR DOY LESTOW N HOSPITAL'S PATIENT EXPERIENCE HAS BEEN RECOGNIZED, SOMETHING ONLY 120 HOSPITALS IN THE N ATION HAVE ACHIEVED ACCORDING TO HEALTHGRADES, 80% OF PATIENTS TREATED AT THE NATION'S BE ST-PERFORMING HOSPITALS WOULD DEFINITELY RECOMMEND THE HOSPITAL COMPARED TO ONLY 55% OF PA TIENTS WHO RECEIVED CARE FROM THE POOREST-PERFORMING HOSPITALS DOY LESTOWN HOSPITAL ALSO R ECENTLY RECEIVED THE 2011 HEALTHGRADES PATIENT SAFETY EXCELLENCE AWARD MARKING THE THIRD C ONSECUTIVE YEAR IN A ROW FOR THIS DISTINCTION DOY LESTOWN IS ONE OF ONLY 18 HOSPITALS IN T HE U S - AND THE ONLY HOSPITAL IN PENNSYLVANIA - TO BE A FOUR-TIME RECIPIENT OF THE OUTST ANDING PATIENT EXPERIENCE AWARD AND THREE-TIME RECIPIENT OF THE PATIENT SAFETY EXCELLENCE AWARD "A HOSPITAL EXPERIENCE INCLUDES FAR MORE THAN SIMPLY THE QUALITY OF THE MEDICAL CAR E," SAID DOY LESTOWN HOSPITAL PRESIDENT RICHARD REIF "IT INCLUDES THE INTERACTIONS BETWEEN A PATIENT AND ALL THE PEOPLE WHO MAKE UP THE 'HOSPITAL'- THE DOCTORS, NURSES, NON-CLINICA L STAFF AND VOLUNTEERS PATIENTS PLACE THEIR TRUST IN US TO PROVIDE THE BEST MEDICAL CARE IN AN ENVIRONMENT THAT MAKES THEM FEEL SAFE AND RESPECTED WHEN PATIENTS LEAVE OUR HOSPITA L, THEY NOT ONLY REMEMBER THE MEDICAL TREATMENT THEY'VE RECEIVED, BUT THE PEOPLE WHO TREAT ED THEM AND THE WAY THOSE PEOPLE AFFECTED THEIR LIVES DURING THEIR STAY " HEALTHGRADES ANA LYZED HCAHPS (HOSPITAL CONSUMER ASSESSMENT OF HEALTHCARE PROVIDERS AND SYSTEMS) HOSPITAL S URVEY DATA OBTAINED FROM THE CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS), FROM APRIL 2009 TO MARCH 2010 HEALTHGRADES IDENTIFIED THOSE HOSPITALS PERFORMING IN THE TOP 10% IN T HE NATION FOR PATIENT SATISFACTION, BASED ON SURVEY RESPONSES FROM PATIENTS TREATED AT THO SE FACILITIES THESE 339 HOSPITALS WERE DESIGNATED AS 2011 OUTSTANDING PATIENT EXPERIENCE AWARD RECIPIENTS HOSPITALS HAD TO MEET BED SIZE, SURVEY-RESPONSE SIZE, AND CLINICAL-QUALI TY THRESHOLDS IN ORDER TO BE ELIGIBLE FOR THE AWARD INFORMATION ON AWARD RECIPIENTS AND T HE RATINGS METHODOLOGY IS AVAILABLE, FREE TO THE PUBLIC, AT WWW HEALTHGRADES COM

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	"IT'S CLEAR THAT PATIENTS ARE DRIVING HIGHER QUALITY IN OUR NATION'S HOSPITALS," SAID DR RICK MAY, HEALTHGRADES VICE PRESIDENT OF CLINICAL QUALITY PROGRAMS "HOSPITALS LIKE DOYLES TOWN HOSPITAL TAKE HCAHPS SURVEY RESULTS VERY SERIOUSLY AND INVEST TIME AND RESOURCES TO E NSURE EACH PATIENT'S EXPERIENCE IS THE BEST POSSIBLE. THIS IS YET ANOTHER EXAMPLE OF HOW T RANSPARENCY IN HEALTHCARE DRIVES QUALITY " WHEN COMPARED TO HOSPITALS PERFORMING IN THE BO TTOM 10% FOR PATIENT SATISFACTION, HEALTHGRADES OUTSTANDING PATIENT EXPERIENCE AWARD RECIP IENT HOSPITALS ARE ATTRIBUTED WITH THE FOLLOWING - 45% MORE PATIENTS GAVE THE HOSPITAL AN OVERALL RATING OF A 9 OR A 10 (10 BEING THE HIGHEST POSSIBLE) - 34% MORE PATIENTS RESPOND ED THAT THEY ALWAYS RECEIVED HELP FROM STAFF QUICKLY - 24% MORE PATIENTS REPORTED THAT THE STAFF ALWAYS EXPLAINED THEIR MEDICATIONS TO THEM PRIOR TO ADMINISTERING THEM - 19% MORE P ATIENTS FELT THEIR PAIN WAS ALWAYS WELL CONTROLLED - 45% MORE PATIENTS REPORTED THAT THEY WOULD DEFINITELY RECOMMEND THE HOSPITAL TO THEIR FAMILY OR FRIENDS GILDA'S CLUB OPENS IN DOYLESTOWN HOSPITAL ---------- LOCAL RESIDENTS LIVING WITH CANCER AND THEIR FAMILIES CAN FIND STRENGTH AND SUPPORT AT THE NEW GILDA'S CLUB AT DOYLEST OWN HOSPITAL THE RED RIBBON WAS CUT ON DECEMBER 15, 2010 FOR THE NEWEST GILDA'S CLUB LOCA TION, OFFERING CONVENIENT SERVICES AND SPECIAL PROGRAMS FOR ANYONE TOUCHED BY CANCER "IT MEANS A LOT THAT IT'S HERE," SAID LENA MARDER, PROGRAM DIRECTOR OF GILDA'S CLUB DELAWARE V ALLEY "MEMBERS OF THE COMMUNITY HAVE THE ABILITY TO BE HERE AT THE HOSPITAL FOR TREATMENT AND THEN COME HERE FOR SOCIAL AND EMOTIONAL SUPPORT, OR EVEN JUST GET A CUP OF COFFEE." G ILDA'S CLUB IS A NETWORK OF AFFILIATE CLUBHOUSES WHERE MEN, WOMEN AND CHILDREN LIVING WITH CANCER, AS WELL AS THEIR FRIENDS AND FAMILIES, MEET TO LEARN HOW TO LIVE WITH CANCER, WHA TEVER THE OUTCOME. GILDA'S CLUB IS NAMED IN MEMORY OF COMEDIAN GILDA RADNER, WHO DIED FROM OVARIAN CANCER IN 1989 THE NEW LOCATION AT DOYLESTOWN HOSPITAL FEATURES A KITCHEN AREA, AN ART STUDIO, A RESOURCE LIBRARY AND SPACE FOR YOGA, MEDITATION AND PILATES CLASSES IT I S LOCATED ON THE MAIN FLOOR OF DOYLESTOWN HOSPITAL, ACROSS FROM THE FORMER ER AND IS EASIL Y ACCESSIBLE FROM THE MAIN LOBBY IN ADDITION TO SPEAKERS AND EDUCATIONAL WORKSHOPS, THE F OCUS WILL BE ON HEALING AND CREATIVE ARTS AND THE MIND/BODY CONNECTION KAREN QUINLAN, DIR ECTOR OF CANCER SERVICES AT DOYLESTOWN HOSPITAL, SAID IT WILL BE EASY FOR PATIENTS FROM TH E CANCER INSTITUTE OF DOYLESTOWN HOSPITAL TO GET TO THE NEW GILDA'S CLUB "IT'S SO WONDERF UL TO HAVE SUPPORT SERVICES ON SITE," SHE SAID "AND IT'S A WONDERFUL SOURCE OF SUPPORT " MARION SANDS OF HATBORO BENEFITED FROM THAT SUPPORT AT THE GILDA'S CLUB MAIN LOCATION IN W ARMINSTER, WHICH OPENED IN 2003 HER HUSBAND, BOB, DIED OF CANCER IN 2005 "IT'S SOMETHING SPECIAL WHEN YOU OPEN THAT RED DOOR AND COME IN," SHE SAID "THERE IS HAPPINESS AND SUPPO RT, YOU CAN TALK FREELY AND OPENLY IT'S JUST A FRIENDLY, LOVING PLACE TO BE." CHRISTINE F IGUEROA OF BUCKINGHAM WAS ONE OF THE DONORS WHO MADE THE NEW SATELLITE LOCATION POSSIBLE. WITH FAMILY AND FRIENDS WHO HAVE EXPERIENCED CANCER, CHRISTINE CONSIDERED IT A "WONDERFUL CAUSE." "GILDA'S CLUB HAS DONE SO MUCH FOR THIS COMMUNITY," SHE ADDED OTHER FUNDS WERE DO NATED BY MRS MARIE-LOUISE JACKSON, WHOSE SUPPORT HAS ENABLED SATELLITE LOCATIONS TO OPEN (OR SOON OPEN) AT TWO OTHER AREA HOSPITALS SHERI PUTNAM IS EXECUTIVE DIRECTOR OF THE BUCK S COUNTY PHYSICIAN HOSPITAL ALLIANCE. SHE IS ALSO CHAIRMAN OF THE BOARD OF GILDA'S DELAWAR E VALLEY SHE CALLED IT A "BEAUTIFUL PARTNERSHIP' BETWEEN GILDA'S CLUB AND DOYLESTOWN HOSP ITAL ALL OF GILDA'S CLUB WORKSHOPS AND PROGRAMS ARE FREE AND AVAILABLE TO MEN, WOMEN AND CHILDREN THE OPENING OF THE GILDA'S CLUB IS PART OF THE OVERALL VISION TO OFFER COMPREHEN SIVE CANCER SERVICES IN ONE LOCATION AT DOYLESTOWN HOSPITAL THE CANCER INSTITUTE OF DOYLE STOWN HOSPITAL IS SET TO OPEN IN A NEW FACILITY WITH EXPANDED SERVICES IN APRIL SO THAT EV ERYONE LIVING WITH CANCER-FROM NEWLY DIAGNOSED PATIENTS UNDERGOING TREATMENT TO LONG-TERM SURVIVORS RECEIVING FOLLOW-UP CARE-CAN HAVE ALL THEIR NEEDS MET IN ONE PLACE. GILDA'S CLUB IS JUST ONE OUTLET OF THE SUPPORT SERVICES OFFERED BY THE CANCER INSTITUTE OF DOYLESTOWN HOSPITAL, WHICH ALSO OFFERS A NUMBER OF AMERICAN CANCER SOCIETY PROGRAMS AND SUPPORT GROUP S GILDA'S CLUB AT DOYLESTOWN HOSPITAL WILL HAVE REGULAR HOURS WEDNESDAYS AND THURSDAYS FR OM 10 A M TO 2 P M , AND WILL BE OPEN FOR OTHER EVENTS AND MEETINGS AS SCHEDULED WOMEN'S DIAGNOSTIC CENTER A BREAST IMAGING CENTER OF EXCELLENCE ---------- ---------- DOYLESTOWN HOSPITAL'S WOMEN'S DIAGNOSTIC CENTER HAS BEEN DESIGNATED A BREAST IMAGING CENTER OF EXCELLENCE BY THE AMERICAN COLLEGE OF RADIOLOGY (AC R) BY AWARDING FACILITIES THE STATUS OF A BREAST IMAGING CENTER OF EXCELLENCE, THE ACR RE COGNIZES BREAST IMAGING CENTERS THAT HAVE EARNED A

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	CCREDITATION IN ALL OF THE COLLEGE'S VOLUNTARY, BREAST-IMAGING ACCREDITATION PROGRAMS AND MODULES, IN ADDITION TO THE MANDATORY MAMMOGRAPHY ACCREDITATION PROGRAM THE BREAST IMAGIN G SERVICES AT THIS CENTER ARE FULLY ACCREDITED IN MAMMOGRAPHY, STEREOTACTIC BREAST BIOPSY, BREAST ULTRASOUND AND ULTRASOUND-GUIDED BREAST BIOPSY PEER-REVIEW EVALUATIONS, CONDUCTED IN EACH BREAST IMAGING MODALITY BY BOARD-CERTIFIED PHYSICIANS AND MEDICAL PHYSICISTS WHO ARE EXPERTS IN THE FIELD, HAVE DETERMINED THAT THIS FACILITY HAS ACHIEVED HIGH PRACTICE ST ANDARDS IN IMAGE QUALITY, PERSONNEL QUALIFICATIONS, FACILITY EQUIPMENT, QUALITY CONTROL PR OCEDURES, AND QUALITY ASSURANCE PROGRAMS LAST YEAR, DOYLESTOWN HOSPITAL EARNED ANOTHER PR ESTIGIOUS ACCREDITATION THAT SIGNALS THE HIGHEST QUALITY OF BREAST CANCER TREATMENT AND SE RVICES THE HOSPITAL WAS THE FIRST IN BUCKS COUNTY TO EARN THE NATIONAL ACCREDITATION PROG RAM FOR BREAST CENTERS (NAPBC) ACCREDITATION DOYLESTOWN HOSPITAL ALSO HOLDS A COMMENDATIO N AS A COMMUNITY HOSPITAL CANCER PROGRAM FROM THE AMERICAN COLLEGE OF SURGEONS COMMISSION ON CANCER THE ACR, HEADQUARTERED IN RESTON, VA , IS A NATIONAL ORGANIZATION SERVING MORE THAN 32,000 DIAGNOSTIC/INTERVENTIONAL RADIOLOGISTS, RADIATION ONCOLOGISTS, NUCLEAR MEDICIN E PHYSICIANS, AND MEDICAL PHYSICISTS WITH PROGRAMS FOR FOCUSING ON THE PRACTICE OF MEDICAL IMAGING AND RADIATION ONCOLOGY, AS WELL AS THE DELIVERY OF COMPREHENSIVE HEALTHCARE SERVI CES V I A HEALTH SYSTEM COMMUNITY BENEFIT ACTIVITIES ========== ========== THE V I A HEALTH SYSTEM IS DEVOTED TO THE COMMUNITY IT SERVES, AND IT SPON SORS AND COORDINATES MANY CHARITABLE ACTIVITIES, WHICH, DESCRIBED IN THE NARRATIVE BELOW, IDENTIFIES WHAT IS DONE DAILY BY THE HEALTH SYSTEM'S ASSOCIATES AND VOLUNTEERS COMMUNITY OUTREACH & BENEFIT ACTIVITIES - ---------- AMERICAN RED CROSS/A UTOLOGOUS BLOOD DONATION THE HOSPITAL PROVIDES SPACE ON A WEEKLY BASIS FOR A BLOOD DONATIO N PROGRAM CONDUCTED BY THE AMERICAN RED CROSS THAT BENEFITS PATIENTS AND THE COMMUNITY BU CKS COUNTY HEALTH IMPROVEMENT PARTNERSHIP THE BUCKS COUNTY HEALTH IMPROVEMENT PARTNERSHIP (BCHIP) IS A COLLABORATIVE EFFORT AMONG DOYLESTOWN HOSPITAL AND THE OTHER FIVE HOSPITALS I N THE COUNTY, ALSO INCLUDING THE BUCKS COUNTY MEDICAL SOCIETY AND THE BUCKS COUNTY DEPARTM ENT OF HEALTH BCHIP ADDRESSES MATERNAL AND CHILD HEALTH ISSUES, MENTAL HEALTH CONCERNS, COORDINATION OF HEALTH PROMOTION AND PREVENTION (NOTABLY TOBACCO AND CARDIOVASCULAR RISK R EDUCTION), SUPPORTS CHIP ENROLLMENT, DOMESTIC VIOLENCE PREVENTION AND PROVIDES ADULT HEALT H AND DENTAL CLINICS FOR UNDERSERVED POPULATIONS THE FOUNDATION CONTRIBUTED $16,500 TO A COMMON FUND, FROM WHICH THESE PROJECTS WERE SUPPORTED CB CARES BOTH THE DOYLESTOWN HOSPIT AL AND THE DOYLESTOWN HEALTH FOUNDATION SUPPORT THE TEAM WITH BOARD MEMBERS WHO PROVIDE LE ADERSHIP, FUNDRAISING AND HUMAN RESOURCE SKILLS THE VALUE OF SPACE, UTILITIES, PHONE, COM PUTER AND CLEANING SERVICES WERE DONATED FOR FY2011 FOR A TOTAL OF $17,534 CHILDREN'S VIL LAGE DAY CARE SUBSIDIES CHILDREN'S VILLAGE, ON-SITE DAY CARE, WELCOMES CHILDREN FROM LOW-I NCOME FAMILIES IN THE AREA AND ALSO CHILDREN WITH SPECIAL NEEDS THAT ARE ELIGIBLE FOR CHIL D-CARE SUBSIDIES A TOTAL OF $6,697 WAS WRITTEN OFF FOR THESE SUBSIDIES

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	ANN SILVERMAN COMMUNITY HEALTH CLINIC THE MISSION OF THE CLINIC IS TO PROVIDE FREE MEDICAL CARE, DENTAL CARE AND SOCIAL SERVICES TO ANY ELIGIBLE PERSON WHO SEEKS ITS HELP THE TARG ET POPULATION IS LOW INCOME, UNDERINSURED OR UNINSURED PEOPLE IN THE GREATER CENTRAL BUCKS COUNTY AREA THE HOSPITAL PROVIDED THE CLINIC WITH OFFICES AND EXAM ROOMS AT A NOMINAL CH ARGE THE FOUNDATION ASSISTED IN SOME OF THE HEALTH NEEDS OF THE PATIENTS THAT GO BEY OND T HE RESOURCES OF THE CLINIC WITH A CONTRIBUTION OF $40,000 OTHER DONATIONS INCLUDED PHARMA CEUTICALS AND MEDICAL TESTING, AS WELL AS SENIOR MANAGEMENT'S TIME CONTRIBUTING TO THE CLI NIC'S BOARD DURING FY10-11 THERE WERE 1,944 VISITS TO THE MEDICAL PROGRAM FOR 829 INDIVID UAL ADULTS AND CHILDREN THERE WERE 964 TREATMENT VISITS FOR THE DENTAL PROGRAM FOR 249 AD ULTS AND CHILDREN COMMUNITY RESPONSE AND WELFARE THE VILLAGE IMPROVEMENT ASSOCIATION COMM UNITY RESPONSE AND WELFARE COMMITTEES CONTRIBUTE DOLLARS FOR THE FOLLOWING PROGRAMS FISH - FRIENDS IN SERVICE TO HUMANITY ($13,523), ANNUAL GIFTS PROGRAM FOR FAMILIES IN NEED ($24 ,500) IN ADDITION, THE WELFARE COMMITTEE PROVIDES SUPPORT FOR PATIENTS OF DOY LESTOWN HOSP ITAL NEEDING MEDICATION ($2,592) COMMUNITY EDUCATION CALENDAR DOY LESTOWN HOSPITAL PUBLISH ED A QUARTERLY CALENDAR WHICH IS DISTRIBUTED TO 187,500 HOUSEHOLDS THIS CALENDAR LISTS CO MMUNICATIONS RELATED TO HEALTH EDUCATION PROGRAMS AND CLASSES THE APPROXIMATE COST OF THI S PUBLICATION IS $ 195,140 ADVERTISEMENTS ARE IN LOCAL NEWSPAPERS WHICH INFORM THE COMMUN ITY MEMBERS ABOUT UPCOMING HEALTH EDUCATION CLASSES, PHY SICIAN LECTURES, SUPPORT GROUPS AN D OTHER HEALTH EDUCATION ACTIVITIES IN ADDITION, DOY LESTOWN HOSPITAL PUBLISHES THREE DISE ASE SPECIFIC NEWSLETTERS WHICH OFFER WELLNESS AND PREVENTION INFORMATION TO PATIENTS WHO H AVE BEEN DIAGNOSED WITH OR ARE CONCERNED ABOUT HEART DISEASE (CARDIAC CONNECTION), OSTEOPO ROSIS, BREAST CANCER, MENOPAUSE AND OTHER WOMEN'S HEALTH ISSUES (HER HEALTH) AND CANCER (C ONCIERGE) MORE THAN 175,000 PEOPLE RECEIVE THIS INFORMATION THROUGH A MAILING TO THEIR HO MES AN ADDITIONAL 2,500 E-NEWSLETTERS ARE ALSO SENT THE COST TO PRODUCE AND DISTRIBUTE T HESE NEWSLETTERS WAS $ 160,480 MEDICAID APPLICATION PREPARATION FOR ALL UNINSURED PA RESI DENTS DOY LESTOWN HOSPITAL OFFERS ALL UNINSURED PA RESIDENTS THE OPTION OF FILING A MEDICAI D APPLICATION HRSI IS THE HOSPITAL'S VENDOR AND THEY HELP OUR PATIENTS THROUGH THE PROCES S THE HOSPITAL IS CHARGED $475/APPLICATION, IF THE APPLICANT OBTAINS ELIGIBILITY HRIS HA S SUCCESSFULLY OBTAINED ELIGIBILITY FOR 145 UNINSURED PATIENTS FOR THIS PROCESS, THE HOSP ITAL PAID HRSI $142,608, STAFF TIME COST INCURRED OF $31,150 LENAPE VALLEY HEALTH FOUNDAT ION THIS ORGANIZATION PROVIDES PSY CHIATRIC COVERAGE AND CLINICAL SUPERVISION FOR UNIT PATI ENTS AND PSY CHIATRIC CONSULTATION SERVICES IN THE HOSPITAL'S EMERGENCY DEPARTMENT THIS IS A COST TO THE HOSPITAL OF $41,400 MARCH OF DIMES DOY LESTOWN HOSPITAL IS A MAJOR SPONSOR OF THE BUCKS COUNTY MARCH OF DIMES SALUTE TO WOMEN OF ACHIEVEMENT BREAKFAST HONORING LOCAL WOMEN WHO HAVE MADE A SIGNIFICANT CONTRIBUTION TO BUCKS COUNTY IN THE AREAS OF HEALTH, CO MMUNITY SERVICE, BUSINESS, VOLUNTEERISM AND EDUCATION SPONSORSHIP SUPPORT TOTALED $3,000 FOUNDATION FUND RAISING PROGRAM THE FOUNDATION'S FUND RAISING PROGRAM REQUESTED UNRESTRIC TED GIFTS FOR THIS FISCAL YEAR THAT WOULD ENABLE DOY LESTOWN HOSPITAL TO CONTINUE ITS MISSI ON OF A RESPONSIVE, HEALING ENVIRONMENT FOR PATIENTS AND THEIR FAMILIES GIFTS BENEFITED M ANY DEPARTMENTS OF THE HOSPITAL, ESPECIALLY THE HEART INSTITUTE, HOSPICE AND THE CANCER CE NTER SPECIAL EVENTS INCLUDED A SILENT AUCTION TO BENEFIT THE CANCER AND HOSPICE PROGRAMS, A HEART BRUNCH, AND A GOLF OUTING THE PLANNED GIVING PROGRAM WAS SUCCESSFUL, INCLUDING T HE GROWTH OF THE CHARITABLE GIFT ANNUITY PROGRAM HOSPICE PROGRAM SUPPORT THE HOSPICE PROG RAM PROVIDED CAREGIVERS FOR RESPITE CARE IN THE HOMES OF TERMINALLY ILL PATIENTS, AND CONT ACTED BEREAVED PEOPLE OVER THE PHONE THROUGHOUT THE YEAR AFTER THE DEATH OF A LOVED ONE T HIS PROGRAM IS VALUED AT $2,712 BEREAVEMENT SUPPORT THE BEREAVEMENT SUPPORT PROGRAM PROVI DED SUPPORT FOR BEREAVED AND HOSPICE FAMILIES THERE ARE VARIOUS TYPES OF BEREAVEMENT SUPP ORT GROUPS THAT TAKE PLACE MONTHLY IN ORDER TO MEET THE NEEDS OF ALL TYPES OF LOSSES THES E PROGRAMS ARE OFFERED ALL YEAR ROUND AND HAVE A CHAPLAIN AND OTHER PROFESSIONAL STAFF IN ATTENDANCE THE HOSPITAL SERVED 86 COMMUNITY MEMBERS, AT A VALUE OF $24,437 PULSE LINE A PHONE LINE THAT IS DEDICATED FOR COMMUNITY INFORMATION, REGISTRATION AND REFERRAL HOSPITA L STAFF SCREENED APPLICANTS AND REFERRED PATIENTS WITH PRIMARY CARE AND SPECIALIST PHYSICI ANS THEY ALSO REFERRED ELIGIBLE PATIENTS TO THE FREE CLINIC OF DOY LESTOWN ESTIMATED STAF F TIME WAS 1,040 HOURS (20 HOURS/WEEK FOR 2 OPERATORS) VALUED AT $20,280 DOY LESTOWN CLINI CAL NETWORK (DCN) THE DCN FACILITATES SEAMLESS TRANSFER OF CLINICAL INFORMATION PROVIDER-T O-PROVIDER TO IMPROVE THE QUALITY OF CARE FOR MEMB

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	ERS OF THE DOYLESTOWN COMMUNITY THERE ARE AN ESTIMATED 12,372 HOURS OF PAID ASSOCIATE TIM E AN ESTIMATED COST OF $230,000 FOR PHONE LINES, MAINTENANCE, DEPRECIATION, ETC AND AN E STIMATED COST OF $19,200 FOR ADMINISTRATION A ESTIMATE OF DIRECT OFFSETTING REVENUE OF $5 0,000 THE OUTCOME FOR THE COMMUNITY IS THE SERVING OF APPROXIMATELY 450,000 PERSONS COLL ABORATION OCCURRED BETWEEN DOYLESTOWN HOSPITAL AND THE BUCKS COUNTY PHYSICIAN HOSPITAL ALL IANCE (BCPHA) SCHOLARSHIP ASSISTANCE 10 SCHOLARSHIPS ARE SUPPORTED BY THE FOUNDATION THRO UGH RESTRICTED GIFTS THESE SCHOLARSHIPS, TOTALING $18,500 ARE AWARDED TO MEN AND WOMEN PU RSUING NURSING, ALLIED HEALTH, PARAMEDIC, AND OTHER TRAINING SEVENTEEN (17) SCHOLARSHIPS ARE SUPPORTED BY THE VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN THESE SCHOLARSHIPS, TO TALING $15,847 ARE AWARDED TO WOMEN PURSUING HEALTH-RELATED CAREERS, AND OUTSTANDING STUDE NTS IN CENTRAL BUCKS COUNTY BEN WILSON SENIOR CENTER NEWSLETTER FOUR TIMES A YEAR A STAFF MEMBER FROM COMMUNITY RELATIONS ASSISTS WITH THE PREPARATION OF A NEWSLETTER FOR THE BEN WILSON SENIOR CENTER IN WARRINGTON BY SUPPLYING HEALTH AND WELLNESS INFORMATION AND EDITOR IAL OVERSIGHT WE THEN PRINT 1,500 COPIES AT A VALUE OF $215 STAFF TIME OF 12 HOURS/ISSUE VALUED AT A TOTAL OF $278, FOR THE FOUR ISSUES COMMUNITY BUSINESS SPONSORSHIPS THROUGHOU T THE YEAR, DOYLESTOWN HOSPITAL HAS MADE CASH DONATIONS TO ASSIST LOCAL BUSINESSES, NON-PR OFITS AND CULTURAL ORGANIZATIONS PROVIDE PROGRAMS AND ACTIVITIES THAT IMPROVE AND/OR ENHAN CE THE OVERALL QUALIFY OF LIFE FOR THE GREATER CENTRAL BUCKS COMMUNITY WE BELIEVE THAT ON E WAY TO KEEP COMMUNITY MEMBERS SAFE, HEALTHY AND VIBRANT IS BY SUPPORTING THE NUMEROUS CO MMUNITY AND BUSINESS GROUPS THAT ARE THE FABRIC OF OUR COMMUNITY AND BY PARTICIPATING IN S PECIAL PROGRAMS AND EVENTS THAT BENEFIT A BROAD SPECTRUM OF COMMUNITY RESIDENTS THE TOTAL AMOUNT DONATED FOR SPONSORSHIPS IS $35,800 VIAL OF LIFE PROGRAM A VIAL OF LIFE IS FREE A T THE NORTH LOBBY INFORMATION DESK AND PROVIDED TO THE AREA AGENCY ON AGING THE CONTENTS ARE PREPARED BY THE HOSPITAL AND CONSIST OF A PLASTIC VIAL AND MEDICAL INFORMATION SHEET THE VIAL IS KEPT IN HOME REFRIGERATORS, WITH A STICKER PLACED ON THE REFRIGERATOR DOOR TO ALERT ARRIVING RESCUE PERSONNEL THAT MEDICAL INFORMATION IS INSIDE APPROXIMATE COST FOR M ATERIALS IS $695, AND VOLUNTEER TIME TO ASSEMBLE THE VIALS IS VALUED AT $3,215 VISITING N URSE PROGRAM FREE SUPPORT THE VISITING NURSES MADE VISITS TO FAMILIES WITHOUT INSURANCE C LINICS WERE HELD AT THE CENTER SQUARE TOWERS, YORKTOWNE MANOR AND BUCKINGHAM SPRINGS, WHIC H ARE ALL SENIOR LIVING COMPLEXES 42 HOURS WERE DONATED AT A COST OF $1,418 HOSPICE PROG RAMS MAILINGS AND TELEPHONE CONTACT TO OTHER COMMUNITY SERVICE ORGANIZATIONS, SUCH AS BEEL ONG ADULT DAY SERVICES, BAYADA NURSES IN HATBORO & BUCKS COUNTY OFFICE, THE MANOR AT YORKT OWN, TO NAME A FEW, AS WELL AS HEALTHCARE ORGANIZATIONS TO OFFER INFORMATION AND EDUCATION REGARDING "END OF LIFE" AND HOSPICE PROGRAMS 49 PAID HOURS AND 10 DONATED HOURS AT A COS T OF $3,189 PLUS REFRESHMENTS AND HANDOUTS AT A COST OF $60 LIBRARY SERVICES AT DOYLESTOW N HOSPITAL THE HOSPITAL HAS AN EXTENSIVE LIBRARY THAT IS OPEN TO USERS FROM THE COMMUNITY, OTHER THAN MEDICAL STAFF, ASSOCATES AND VOLUNTEERS OF THE HOSPITAL PHYSICIANS THAT HAVE PRIVILEGES AT THE HOSPITAL AS WELL AS HONORARY/EMERITUS MEDICAL STAFF MAKE UP THE LARGEST GROUP OF USERS THIS LIBRARY IS OPERATED AT A COST TO THE HOSPITAL OF $78,100

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	HEALTHY E-COOKING SHOW THE HOSPITAL HAS AN ONGOING PROGRAM THAT HAS AN ONLINE DATABASE OF OVER 600 HEALTHY RECIPES AND NUTRITIONAL INFORMATION ALONG WITH VIDEOS THESE ARE ACCESSIB LE THROUGH DOYLESTOWN HOSPITAL'S WEBSITE. THIS ACCESS TO THE COMMUNITY HELPS WITH INFORMAT ION ON OBESITY, DIABETES, CARDIOVASCULAR DISEASE AND ALL DIETARY LINKS. THIS INFORMATION I S AVAILABLE TO HELP PROMOTE HEALTHY EATING HABITS AT A COST TO THE HOSPITAL OF 48 PAID PRO FESSIONAL HOURS AT A COST OF $2,074 AND AN ANNUAL LICENSE FEE OF $14,400. ADAM HEALTH ENCY CLOPEDIA HEALTH INFORMATION IS THE 3RD MOST POPULAR SEARCH ON THE INTERNET. THE HOSPITAL H AS AN EXTENSIVE HEALTH LIBRARY ON ITS WEBSITE WITH OVER 4,000 HEALTH AND WELLNESS ARTICLES AND COVERS OVER 1,500 MEDICAL TOPICS. THE SITE HAS REFERENCE INDEX AND INTERACTIVE TOOLS AT A COST TO THE HOSPITAL OF 20 PAID PROFESSIONAL HOURS AT A COST OF $864 AND AN ANNUAL LI CENSE FEE OF $17,500. EDUCATIONAL PROGRAMS ---------- CANCER SURVIVOR DAY THIS E VENT WAS HELD BY DOYLESTOWN HOSPITAL FOR ALL CANCER SURVIVORS AND THEIR FAMILY AND FRIENDS IT WAS INTENDED TO PROVIDE PSY CHOLOGICAL SUPPORT AND A NETWORKING EXPERIENCE WITH OTHER SURVIVORS AND CONNECT SURVIVORS WITH COMMUNITY RESOURCES. OVER 150 PEOPLE ATTENDED THE EVE NT. VOLUNTEER HOURS INCLUDED PHY SICIANS, NURSING, CLERICAL STAFF ATTENDING FOR A TOTAL OF $1,223. LIFESTYLE LECTURES THIS WAS A SERIES OF INFORMAL EDUCATIONAL LECTURES OFFERED TO T HE COMMUNITY BY MEMBERS OF THE MEDICAL STAFF. THE HOSPITAL COORDINATED THE PROGRAM, WHICH HELPED 304 COMMUNITY MEMBERS. $2,400 IN PHY SICIAN TIME WAS DONATED. DRIVER SAFETY PROGRAM THIS WAS A COOPERATIVE PROGRAM WITH AARP THAT FOLLOWS THEIR RULES FOR PARTICIPATION. WE PR OVIDE ROOM FOR 276 PARTICIPANTS AND 13 CLASSES, WHICH AMOUNTED TO $1,780 IN HOSPITAL DONAT ED COSTS. COMMUNITY LECTURES THE HOSPITAL PROVIDED SPEAKERS FOR VARIOUS COMMUNITY GROUPS A ND ORGANIZATIONS. PRESENTERS FOR EVENTS UTILIZED BOTH STAFF AND PHY SICIANS. THE DONATED ST AFF TIME WAS $1,216 AND THE SESSION HELPED 378 INDIVIDUALS IN THE COMMUNITY. THESE PROGRAM S IMPROVED THE COMMUNITY'S HEALTH AND QUALITY OF LIFE THROUGH EDUCATION. ANNUAL BREAST CAN CER CELEBRATION AND EDUCATION PROGRAM THIS PROGRAM PROVIDED SUPPORT AND EDUCATION FOR 150 PEOPLE. VOLUNTEER NURSING AND CLERICAL STAFF HOSTED THE EVENT FOR A TOTAL OF $24,066. UNDE RSTANDING COMMUNITY & HOSPITAL ACQUIRED INFECTIONS A ONE HOUR PRESENTATION WAS GIVEN BY TH E HOSPITAL'S INFECTION CONTROL NURSE. THE PRESENTATION TALKED ABOUT COMMUNITY ACQUIRED INF ECTIONS, SUCH AS MRSA AND HOSPITAL ACQUIRED INFECTIONS, SUCH AS VTIS. THERE WAS ALSO A DIS CUSSION ABOUT THE TRANSMISSION OF CERTAIN OTHER DISEASES. THE DONATED NURSES' TIME WAS $16 3 AND THE SESSION HELPED 40 INDIVIDUALS. BREAST CANCER SUPPORT GROUP PROVIDED OPPORTUNITIE S FOR EDUCATIONAL AND EMOTIONAL SUPPORT FOR BREAST CANCER SURVIVORS AND THEIR FAMILIES. TH E HOSPITAL PROVIDED EDUCATION TO 25 PERSONS PER MONTH AT A COST OF $1,275. ADDITIONAL PROG RAMS SPONSORED BY THE HOSPITAL FOR CANCER SUPPORT WERE FOUR CANCER EDUCATIONAL PROGRAMS (P SY CHOLOGICAL SUPPORT PROGRAM, BREAST CANCER AND EMOTIONAL SUPPORT PROGRAM, NUTRITION PROGR AM AND THE BENEFITS OF REIKI) AND "BASKET BINGO". COSTS INCURRED FOR THESE EVENTS WERE $2, 664. MAN TO MAN PROSTATE CANCER SUPPORT GROUP EDUCATION THIS MONTHLY PROGRAM ADDRESSES ISS UES AND THE STRUGGLES THAT FACE PROSTATE CANCER SURVIVORS AND THEIR FAMILIES. VOLUNTEER TI ME WAS 15 HOURS VALUED AT $1,543. COACHES VERSES CANCER PROGRAM THE HOSPITAL MET WITH CENT RAL BUCKS SOUTH HIGH SCHOOL EDUCATORS, PRINCIPAL AND COACHES, WHO DESCRIBED A NEED FOR STU DENT CANCER PREVENTION ACTIVITIES. STUDENTS CAME TO THE HOSPITAL AND MADE A VIDEO OF INTER VIEWS WITH PHY SICIANS, NURSES AND CANCER PATIENTS. THE VIDEO WAS THEN SHOWN DURING CB SOUT H HIGH SCHOOL BASKETBALL GAMES. THE PROGRAM SERVED OVER 1000 STUDENTS AND PARENTS/TEACHERS AND WAS VALUED AT $2,700 FOR STAFF TIME AND MATERIALS. LOOK GOOD, FEEL BETTER THIS PROGRA M PROVIDED SUPPORT AND RESOURCES FOR CANCER PATIENTS UNDERGOING CHEMOTHERAPY. 36 INDIVIDUA LS ATTENDED AND $766 WAS THE VALUE OF STAFF AND VOLUNTEER TIME AND RESOURCES. NUTRITION PR ESENTATIONS PROGRAMS WERE HELD THROUGHOUT THE YEAR TO PROVIDE EDUCATION ON NUTRITION TO PR OMOTE OPTIMAL HEALTH. LOCATIONS INCLUDED. SEVERAL CHURCHES, SENIOR COMMUNITIES, TWO CB HIG H SCHOOLS AND VARIOUS WOMEN'S AND MEN'S GROUPS, MENU EVALUATION FOR YORKTOWN MANOR, HEALTH FAIR DISPLAYS FOR YMCA AND MANY LOCAL ELEMENTARY SCHOOLS. OVER 2,820 WERE EDUCATED WITH T HESE PROGRAMS. 180 HOURS OF STAFF TIME SPENT AT A COST OF $7,267 TO THE HOSPITAL. DONATED SUPPLIES AND AIDE TO HAITI, AFRICA AND GUATEMALA AND BREAST/CERVICAL CANCER SCREENING IN K ENYA THESE SUPPLIES AND DONATED HOURS DIRECTLY HELPED IN PATIENT CARE. 110 WOMEN WERE SCRE ENED FOR BREAST AND CERVICAL CANCER. HOSPITAL STAFF AND SUPPLIES ARE VALUED AT $38,319. ST UDENT INTERNSHIP SUMMER PROGRAM THIS PROGRAM IS WITH STUDENTS OF THE GWY NEDD MERCY CARDIOV ASCULAR TECHNOLOGY PROGRAM. THE STUDENTS SPEND 2 W

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	EEKS OBSERVING PROCEDURES IN CARDIAC SERVICES, ECHO AND THE CATH LAB TO HELP THEM DECIDE W HERE THEY WOULD LIKE TO FOCUS THEIR EDUCATIONAL/CAREER AND EDUCATION THE VALUE OF THIS PR OGRAM IS $81,474 FOR SUPPORT STAFF, PHYSICIANS AND PROFESSIONAL STAFF TIME. STUDENT INTERN SHIP RADIOLOGY PROGRAM SIX STUDENTS FROM ABINGTON MEMORIAL HOSPITAL SCHOOL OF RADIOLOGIC T ECHNOLOGY ATTEND THE HOSPITAL'S DEPARTMENT OF RADIOLOGY ON A ROTATION BASIS STUDENTS LEAR N CLINICAL SKILLS THAT ARE IMPORTANT TO THEIR EDUCATIONAL PROCESS RADIOGRAPHERS AT THE HO SPITAL SERVE AS CLINICAL INSTRUCTORS FOR THE STUDENTS ON A ONE TO ON RATIO DOYLESTOWN HOS PITAL DOES NOT RECEIVE A FINANCIAL REWARD FOR THIS AGREEMENT THE COST OF THIS PROGRAM TO THE HOSPTIAL IS $136,648 THERE IS ALSO AN INTERN PROGRAM FOR ONE STUDENT WITH THE ULTRASO UND DEPARTMENT THE COST OF THIS PROGRAM IS $22,525 ALLIED HEALTH FCIS COLLEGE INTERN PRO GRAM STUDENTS WORK WITH A DOYLESTOWN HOSPITAL CARDIAC REHAB ASSOCIATE, DEVELOPING THEIR SK ILLS SUCH AS READING PHYSICIAN REPORTS, COLLECTING INFORMATION FOR FIRST VISIT PATIENTS, A SSESSING SKILLS, DOCUMENTING MEDS, EXERCISE EVALUATIONS, EVALUATING OUTCOMES AND DISCHARGI NG PATIENTS FOR THE STUDENTS COLLEGE TRAINING, THIS IS A MANDATORY CLINICAL EXPERIENCE PR OGRAM THE COST OF THIS PROGRAM TO THE HOSPITAL IS $239,626 SMOKING CESSATION PROGRAM PRO GRAMS WERE HELD USING CDC RESOURCES "CLEANING THE AIR" 44 INDIVIDUALS WERE GIVEN HELP IN QUITTING THE HABIT OF SMOKING THE HOSPITAL'S OVERALL CONTRIBUTION IS VALUED AT $1,000 AL ZHEIMER'S ASSOCIATION FOR FAMILY CAREGIVER TRAINING A PROGRAM WAS HELD AT PINE RUN FOR THE COMMUNITY, AT A VALUE OF $259 FOR TIME AND REFRESHMENTS A MEMORY WALK FOR THE ALZHEIMER' S ASSOCIATION WAS ALSO PRESENTED STAFF, T-SHIRT AND HANDOUT MATERIALS WERE VALUED AT $1,7 54 MATERNITY AND PARENTING ACTIVITIES ---------- BABY WELL THIS P ROGRAM EDUCATED 320 PARENTS ON HOW TO CARE FOR THEIR NEWBORN $2,176 IN STAFF TIME WAS DEV OTED TOWARDS 23 COMMUNITY PROGRAMS HEALTHY BEGINNINGS PROGRAM THIS IS A PROGRAM TO BRING PRENATAL HEALTH TO THE UNDERSERVED IN THE COMMUNITY THIS IS MOSTLY THE INDIVIDUALS WITHOU T THE ABILITY TO PAY OR THOSE WHO HAVE NOT YET ENROLLED OR WHO ARE ENROLLED IN MEDICAID M UCH OF OUR PROGRAM DEALS WITH HIGH RISK PATIENTS AND THOSE WITH SUBSTANCE ABUSE PROBLEMS THERE IS A PHYSICIAN, A SOCIAL WORKER AND A DIETICIAN, AS WELL AS TWO NURSES WHO RUN THE P ROGRAM THE COST OF THIS PROGRAM WAS $269,331 BREASTFEEDING EDUCATION THIS PROGRAM PROVID ES AN INCREASED UNDERSTANDING OF THE BENEFITS OF BREASTFEEDING, WHICH LEADS TO IMPROVED NU TRITION/HEALTH OF INFANTS 132 INDIVIDUALS ATTENDED THE 24 LECTURES THAT WERE HELD THROUGH OUT THE YEAR THE COST TO THE HOSPITAL IS ABOUT $750 CHILDBIRTH CLASSES A PROGRAM TEACHIN G THE HOW-TOS OF CHILDBIRTH SERVED 594 PEOPLE AT A COST OF $15,972 TO THE HOSPITAL THROUGH 25 COURSES SERIES EVERY DAY OF THE WEEK EXCEPT FRIDAY TOURS OF THE BIRTHING CENTER WERE ALSO GIVEN AT A COST TO THE HOSPITAL OF $400 TEEN PARENTING EDUCATION THIS IS A COOPERATI VE PROGRAM WITH CHILD, HOME AND COMMUNITY, INC THE HOSPITAL PROVIDED ROOM FOR THE EDUCATI ONAL COURSE. 40 INDIVIDUALS WERE GIVEN FREE CHILDBIRTH INSTRUCTION $4,600 IS THE VALUE OF THE MEETING SPACE. CHILD DEVELOPMENT THIS PROGRAM WAS IN COOPERATION WITH THE CENTRAL BUC KS SCHOOL DISTRICT HIGH SCHOOL STUDENTS TOURED THE LDRP UNIT THEY VIEWED AND DISCUSSED F AMILY'S ADMISSION FROM BIRTHING ROOM TO POSTPARTUM ROOM TO THE NURSERY DISCUSSIONS WERE H ELD ON NEWBORNS AND BASIC DEVELOPMENT, INCLUDING ICN & TY PES OF INFANTS ADMITTED AT DOYLES TOWN HOSPITAL THE PROGRAM WAS PRESENTED ON TWO DATES, WITH 40 PARTICIPANTS, INCLUDING 1 T EACHER AT A VALUE OF $1,108 THIS PROGRAM REFRESHED NEARLY 34 PARENTS-TO-BE, WHO ALREADY H AVE DELIVERED OTHER CHILDREN, ON THE CHILDBIRTH EXPERIENCE. $680 IN STAFF TIME WAS DEVOTED TO THIS FOR 6 CLASSES DURING THE YEAR

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	SIBLING EDUCATION CLASSES A PROGRAM DESIGNED TO LESSEN A CHILD'S FEELINGS OF ANXIETY AND J EALOUSY THERE WERE 41 PARTICIPANTS IN 9 CLASSES DURING THE YEAR AT A COST TO THE HOSPITAL OF $505 SCHOOL AGE ACTIVITIES ---------- PARENTING AND BABYSITTING EDUCATION THIS IS A COOPERATIVE PROGRAM WITH CHILD, HOME AND COMMUNITY, INC THE HOSPITAL PROVIDED R OOM FOR THE EDUCATIONAL COURSE 105 INDIVIDUALS WERE GIVEN BABYSITTING INSTRUCTION AT A CO ST OF $300 TO THE HOSPITAL GRANDPARENTING CLASSES THIS PROGRAM PREPARED GRANDPARENTS-TO-B E ON HOW TO BE SUPPORT THEIR CHILDREN AS THEY START THEIR OWN FAMILY 45 INDIVIDUALS ATTEN DED THE COURSE, WITH A COST TO THE HOSPITAL OF $750 FOR THE 6 CLASSES PRENATAL REFRESHER CLASSES THIS PROGRAM REFRESHED NEARLY 34 PARENTS-TO-BE, WHO ALREADY HAVE DELIVERED OTHER C HILDREN, ON THE CHILDBIRTH EXPERIENCE $680 IN STAFF TIME WAS DEVOTED TO THIS FOR 6 CLASSE S DURING THE YEAR SIBLING EDUCATION CLASSES A PROGRAM DESIGNED TO LESSEN A CHILD'S FEELIN GS OF ANXIETY AND JEALOUSY THERE WERE 41 PARTICIPANTS IN 9 CLASSES DURING THE YEAR AT A C OST TO THE HOSPITAL OF $505 SCHOOL AGE ACTIVITIES ---------- PARENTING AND BAB YSITTING EDUCATION THIS IS A COOPERATIVE PROGRAM WITH CHILD, HOME AND COMMUNITY, INC THE HOSPITAL PROVIDED ROOM FOR THE EDUCATIONAL COURSE 105 INDIVIDUALS WERE GIVEN BABYSITTING INSTRUCTION AT A COST OF $300 TO THE HOSPITAL SERVICE LEARNING & CAREER ACADEMY THE SERVI CE LEARNING CAREER ACADEMY IS A JOINT PROJECT BETWEEN THE V I A HEALTH SYSTEM AND THE THR EE HIGH SCHOOLS IN THE CENTRAL BUCKS SCHOOL DISTRICT IN COLLABORATION WITH THE CONSUMER A ND FAMILY SCIENCES COURSE, THE HOSPITAL'S DAY CARE CENTER PROVIDES STUDENTS WITH HANDS-ON EXPERIENCE TO ENHANCE LEARNING OF CHILD DEVELOPMENT THEORY IN ADDITION, HOSPITAL PROFESSI ONAL STAFF AND CB FACULTY JOINTLY DESIGNED A CURRICULUM FOR ADVANCED PLACEMENT BIOLOGY STU DENTS, ADVANCED HEALTH STUDENTS AND ANATOMY PHYSIOLOGY STUDENTS, WHO SPEND CLASS TIME ON-S ITE AT THE HOSPITAL TO OBTAIN THE PRACTICAL APPLICATION OF CLASS CONTENT OVER 200 STUDENT S PARTICIPATED IN THIS PROGRAM WHERE $22,000 IN HOSPITAL STAFF TIME AND OTHER COSTS TEDDY BEAR CLINICS CHILDREN IN THE COMMUNITY WERE EXPOSED TO THE EMERGENCY DEPARTMENT AND AMBUL ANCE IN A FUN ENVIRONMENT THE EXPERIENCE TAUGHT THEM TO NOT BE FRIGHTENED IN THE EVENT TH EY MAY NEED EMERGENCY SERVICES OVER 200 CHILDREN CAME THROUGH THE TEDDY BEAR CLINIC AT TH E HOSPITAL DONATED MATERIALS AND STAFF TIME IS VALUED AT $2,840 GIRL SCOUTS THE HOSPITAL PROVIDED MEETING SPACE FOR 2 GIRL SCOUT TROOPS MEETING SPACE WAS VALUED AT $5,400 BUCKS COUNTY DOWN'S SYNDROME SPACE WAS PROVIDED FOR MONTHLY MEETINGS AT CHILDREN'S VILLAGE FOR THE BUCKS COUNTY DOWNS SYNDROME GROUP MEETING SPACE WAS VALUED AT $750 FOCUS ON MOTHERHO OD FAMILY HOME AND COMMUNITY CHILDBIRTH CLASSES FOR TEEN PARENTS MEET AT CHILDREN'S VILLAG E EVERY MONDAY EVENING TO PREPARE FOR CHILDBIRTH INSTRUCTION IS ALSO PROVIDED FOR INFANT CARE, HEALTH & NUTRITIONAL AND LIFE SKILLS MEETING SPACE IS VALUED AT $2,400 ANNUALLY BE REAVEMENT GROUP MEETINGS SPACE IS PROVIDED MONTHLY FOR THESE MEETINGS AT CHILDREN'S VILLAG E AND IS VALUED AT $5,400 LEADERSHIP ACTIVITIES ---------- THE HOSPITAL PRESID ENT/CEO DEVOTED $20,522 WORTH OF HIS TIME TO COMMUNITY BENEFIT ACTIVITIES INCLUDING, BUT N OT LIMITED TO, THE BUCKS COUNTY HEALTH IMPROVEMENT PARTNERSHIP, ANN SILVERMAN COMMUNITY HE ALTH CLINIC, HEALTH QUALITY PARTNERS, DELAWARE VALLEY HEALTHCARE COUNCIL AND GILDA'S CLUB THE VICE-PRESIDENT OF DEVELOPMENT WAS ALSO INVOLVED IN CONTRIBUTING TIME TO ACTIVITIES TH AT BENEFIT THE COMMUNITY INCLUDING ANN SILVERMAN COMMUNITY HEALTH CLINIC, CB CARES, THE A MERICAN RED CROSS, THE CENTRAL BUCKS CHAMBER OF COMMERCE AND THE DOY LESTOWN BUSINESS AND C OMMUNITY ALLIANCE DOYLESTOWN HOSPITAL'S MANAGERS ALSO CONTRIBUTE THEIR LEADERSHIP AND EXP ERTISE TO A VARIETY OF COMMUNITY BOARDS, AGENCIES, AND PROJECTS DURING 2010-2011, A VALUE OF $95,000 IN MANAGER'S TIME WAS GIVEN, OFTEN DURING WORK TIME, TO HELP SOME OF THE FOLLO WING COMMUNITY ORGANIZATIONS ADVOCACY SPEECHES AMERICAN CANCER SOCIETY AMERICAN HERITAGE FCU AMERICAN RED CROSS BLOOD DRIVE BUCKS CO HOSPITAL DECON TASK FORCE BUCKS CO QUALITY C HILD CARE COALITION BUCKS CO MH/MR ADVISORY BOARD BOYS SCOUTS OF AMERICA BUCKS COUNTY HOU SING GROUP BUCKS CO HEALTH IMPROVEMENT PARTNERSHIP CB CHAMBER OF COMMERCE CENTRAL BUCKS M INISTERIUM CB CHRISTIAN WOMEN'S CLUB CHILD, HOME AND COMMUNITY, INC CENTRAL BUCKS FAMILY Y MCA CB CARES COMMUNITY OUTREACH CENTER DELAWARE VALLEY COLLEGE SENIOR EDUCATION DOYLESTOWN ATHLETIC ASSOCIATION DOYLESTOWN BUSINESS & COMMUNITY ALLIANCE DVHC BOARD AND COMMITTEES F AMILY CAREGIVERS OF SENIORS ANN SILVERMAN COMMUNITY HEALTH CLINIC FRIENDS OF PEACE VALLEY NATURE CENTER GILDA'S CLUB GWYNEDD MERCY ADVISORY COMMITTEE HEALTH AND HOUSING TASK FORCE HERITAGE CONSERVANCY LENAPE VALLEY SHRINER'S CLUB LITERACY ACADEMY OF BC IU MARCH OF DIMES MIDDLE BUCKS INSTITUTE OF TECH ADVISORY PROFESSI

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	ONALS WORKING WITH SENIORS SPRINGFIELD TOWNSHIP (SUPERVISOR/PLANNING) TEACHING PROGRAMS -- ---------- DOYLESTOWN HOSPITAL SUPPORTS MEDICAL, NURSING, ALLIED HEALTH, AND HOSPITAL MANAGEMENT PROGRAMS THE FOLLOWING IS A LIST OF SCHOOLS THAT SENT STUDENTS TO THE HOSPITA L FOR PRACTICUMS, CLINICAL ROTATIONS, AND/OR PRECEPTORSHIPS ABINGTON HOSPITAL SCHOOL OF R ADIOLOGY ALBANY COLLEGE ARCADIA UNIVERSITY BUCKS COUNTY COMMUNITY COLLEGE DREXEL UNIVERSIT Y/HAHNEMANN COLLEGE EASTERN UNIVERSITY GWYNEDD MERCY COLLEGE INDIANA UNIVERSITY OF PENNSYL VANIA ITHACA COLLEGE LASALLE UNIVERSITY MONTGOMERY COUNTY COMMUNITY COLLEGE NAZARETH HOSPI TAL PHILADELPHIA COLLEGE OF OSTEOPATHIC MEDICINE SALUS UNIVERSITY SANFORD BROWN INSTITUTE SHIPPENSBURG UNIVERSITY STARR TECHNICAL INSTITUTE TEMPLE UNIVERSITY THOMAS JEFFERSON UNIVE RSITY UNIVERSITY OF PENNSYLVANIA UNIVERSITY OF THE SCIENCES OF PHILADELPHIA UPPER BUCKS TE CHNICAL INSTITUTE DOYLESTOWN HOSPITAL SERVED AS A CLINICAL ROTATION SITE FOR MEDICINE, PHY SICIAN ASSISTANT, ENTRY AND ADVANCED NURSING LEVELS, PHARMACY, RADIOLOGIC TECHNOLOGY, CARD IAC SERVICES AND EXERCISE PHYSIOLOGY ALL PATIENT CARE AREAS WERE UTILIZED IN THE EDUCATIO N OF THESE STUDENTS THE COSTS OF TEACHING THE 467 STUDENTS WERE AT LEAST $373,600 PRE-ME D VOLUNTEER PROGRAM THIS PROGRAM HAS BEEN DEVELOPED BY THE HOSPITAL MEDICAL STAFF AND VOLU NTEER DEPARTMENT IT IS A TEN-WEEK PROGRAM STARTING IN LATE MAY IT IS SUPERVISED BY THE H OSPITAL'S DIRECTOR OF VOLUNTEER SERVICES AND IS COORDINATED WITH A SPECIAL SEMINAR PROGRAM CONDUCTED BY THE DOYLESTOWN HOSPITAL'S MEDICAL STAFF TO INTRODUCE THE STUDENTS TO SELECTE D PHASES OF A MEDICAL CAREER STUDENTS PARTICIPATING IN THE PROGRAM ARE EXPECTED TO GIVE T HE HOSPITAL A MINIMUM OF 100 HOURS OF VOLUNTEER TIME IN VARIOUS PATIENT RELATED SERVICES D URING THE COURSE THE AIM OF THE PROGRAM IS TO GIVE PRE-MEDICAL STUDENTS FIRST-HAND HOSPIT AL EXPERIENCE TO ACQUAINT THEM WITH A TOTAL COMMUNITY HOSPITAL PICTURE THIS PROGRAM BRING S INTO FOCUS THE WORK AND RESPONSIBILITY OF THE PHYSICIAN IN A MODERN HOSPITAL COMPLEX WE HAD 13 STUDENTS IN THIS PROGRAM TIME OF SIX PHYSICIANS, FOUR NURSE EDUCATORS, VOLUNTEER SERVICES AND MATERIALS COST THE HOSPITAL $ 48,706 OUTSIDE GROUP ROOM USAGE ---------- ---------- THE HOSPITAL PROVIDES FREE SPACE FOR MEETINGS TO THE FOLLOWING OUTSIDE GROUPS W ITH A CHARITABLE MISSION THERE WERE 190 INDIVIDUALS BENEFITTED AT A COST OF $2,850 AMERI CAN RED CROSS ANN SILVERMAN FAMILY HEALTH COMMUNITY CLINIC BUCKS COUNTY MEDICAL SOCIETY NA TIONAL ALLIANCE FOR THE MENTALLY ILL HEALTH SCREENINGS & IMMUNIZATIONS ---------- ---------- -- THE HOSPITAL CONDUCTS HEALTH SCREENS AND SUPPORTED IMMUNIZATIONS FOR VARIOU S COMMUNITY MEMBERS HEALTH SCREENINGS DURING THE YEAR, 442 INDIVIDUALS BENEFITED FROM HEA LTH SCREENS STAFF TIME DONATED TO THIS EFFORT IS ESTIMATED AT $5,646 ACTIVITY IMPROVES T HE HEALTH OF THE COMMUNITY IN GENERAL, SPECIFIC GROUPS OF PEOPLE, HELPS CONTAIN HEALTHCARE COSTS AND/OR IMPROVES THE QUALITY OF LIFE FOR ALL MEMBERS OF OUR COMMUNITY THE FOLLOWING IS A LIST OF HEALTH SCREENING AND IMMUNIZATION ACTIVITIES SKIN CANCER SCREENING THIS PRO GRAM SCREENED 108 PATIENTS WITH VOLUNTEER MEDICAL, NURSING AND CLERICAL STAFF TOTALING $2, 859 PROSTATE CANCER SCREENINGS THIS PROGRAM SCREENED 36 PATIENTS WITH VOLUNTEER MEDICAL, NURSING AND CLERICAL STAFF TOTALING $1,787 INFLUENZA IMMUNIZATIONS DOYLESTOWN HOSPITAL PR OVIDED A COMMUNITY FLU SHOT CLINIC IN THE FALL OF 2010 THE VALUE OF THIS TIME TO SERVE 29 8 INDIVIDUALS WAS $1,000 VACCINES WERE PROVIDED BY THE BUCKS COUNTY HEALTH DEPARTMENT - CADUCEUS - EATING DISORDERS ANONY MOUS - FIBROMY ALGIA - AUTISM - INSULIN PUMP - LY MPHEDEMA - NURSING MOTHERS - PARKINSON'S DISEASE - PROSTATE CANCER - STROKE - PULMONARY HY PERTENSIO N - ALZHEIMER'S DISEASE - AUGUSTINE FELLOWSHIP - BREAST CANCER - DOWN'S SYNDROME INTEREST - BUILDING THE FAMILY

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	- LOW VISION - GAMBLERS ANONYMOUS - ICD (IMPLANTABLE DEFIBRILLATOR) - LYME DISEASE - MULTIPLE SCLEROSIS - OVEREATERS ANONYMOUS - PREGNANCY LOSS - SCLERODERMA - BLINDNESS - DIABETES SUPPORT GROUP & SELF-HELP PROGRAMS ---------- SUPPORT GROUPS ARE OFFERED AT NO CHARGE TO THE COMMUNITY, AND A MEMBER OF THE HOSPITAL STAFF LEADS MANY 584 CONFERENCE ROOM HOURS AND 162 PROFESSIONAL HOURS OF SUPPORT WERE PROVIDED TO MORE THAN 3, 200 COMMUNITY MEMBERS THIS AMOUNTED TO $33,630 DONATED IN SPACE AND PROFESSIONAL STAFF TIME AND HOSPITAL MATERIALS THE FOLLOWING IS A LIST OF THE GROUPS THAT HELD REGULAR MEETINGS AT THE HOSPITAL - ALCOHOLICS ANONYMOUS - ALATEEN - BETTER BREATHERS CLUB - NTM (NONTUBERCULOUS MYCOBACTERIUM) - CADUCEUS - EATING DISORDERS ANONYMOUS - FIBROMYALGIA - AUTISM - INSULIN PUMP - LYMPHEDEMA - NURSING MOTHERS - PARKINSON'S DISEASE - PROSTATE CANCER - STROKE - PULMONARY HYPERTENSION - ALZHEIMER'S DISEASE - AUGUSTINE FELLOWSHIP - BREAST CANCER - DOWN'S SYNDROME INTEREST - BUILDING THE FAMILY - LOW VISION - GAMBLERS ANONYMOUS - ICD (IMPLANTABLE DEFIBRILLATOR) - LYME DISEASE - MULTIPLE SCLEROSIS - OVEREATERS ANONYMOUS - PREGNANCY LOSS - SCLERODERMA - BLINDNESS - DIABETES VOLUNTEER PROGRAMS ---------- DOYLESTOWN HOSPITAL ENJOYS THE GENEROUS CONTRIBUTION OF TIME AND TALENT FROM COMMUNITY VOLUNTEERS, STARTING AT THE MINIMUM AGE OF 14 VOLUNTEER OPPORTUNITIES BENEFIT THE COMMUNITY BY PROVIDING, FOR MANY COMMUNITY MEMBERS, A PLACE TO GO OR A WAY TO FEEL NEEDED, THUS PREVENTING A VARIETY OF SOCIAL PROBLEMS THE VOLUNTEER PROGRAM ALLOWS SOME MEMBERS OF THE COMMUNITY TO HELP OTHERS, NOT THROUGH THEIR DOLLARS BUT THROUGH THEIR DONATED TIME IN ADDITION, THE HOSPITAL IS A PLACE FOR COMMUNITY MEMBERS TO REACH OUT TO HELP FRIENDS AND NEIGHBORS OR TO FULFILL COURT-MANDATED COMMUNITY SERVICE OBLIGATIONS AS VOLUNTEERS THROUGHOUT THE YEAR, 864 VOLUNTEERS CONTRIBUTED 124,930 HOURS OF SERVICE TO THEIR COMMUNITY THROUGH OPPORTUNITIES IN EVERY HOSPITAL DEPARTMENT VOLUNTEERS SIGNIFICANTLY ENHANCE PATIENT AND FAMILY SUPPORT IN THE FOLLOWING SERVICE CATEGORIES ADDRESSING, COLLATING, BOOK CART, DIETARY MENU, EMERGENCY DEPARTMENT, GIFT SHOP/CART, HOSPITALITY CART, INFORMATION DESKS, MAIL OR MESSENGER, PRN/FLOATERS, PASTORAL CARE, ANIMAL ASSISTED THERAPY, SNACK BAR, SURGERY WAITING AREA , PATIENT TRANSPORT, SERVICE LEARNING, LDRP (LABOR & DELIVERY) AND OUR "NO ONE DIES ALONE" PROGRAM IN TOTAL, $101,140 WORTH OF MEALS WAS GIVEN TO OUR VOLUNTEERS FREE OF CHARGE BECAUSE THE HOSPITAL WANTS TO PROVIDE EXCEPTIONAL OPPORTUNITIES FOR COMMUNITY MEMBERS TO OFFER TIME AND TALENT TO SUPPORT THE V I A 'S MISSION TO EXCELLENT LOCAL HEALTHCARE, $228,430 IN SALARIES WAS BUDGETED FOR RECRUITMENT, ORIENTATION, MANAGEMENT, RETENTION AND RECOGNITION OF VOLUNTEERS IN PATIENT TRANSPORT, THE GIFT SHIP, AND THROUGHOUT THE PATIENT SERVICES AREAS UNCOMPENSATED HEALTHCARE TO COMMUNITY MEMBERS ========== ========== DOYLESTOWN HOSPITAL AND THE PINE RUN COMMUNITY PROVIDED FREE MEDICAL CARE TO COUNTLESS COMMUNITY MEMBERS WHO COULD NOT PAY FOR THE CARE THEMSELVES THE 2010-2011 FISCAL YEAR'S TOTAL FOR UNCOMPENSATED CARE AMOUNTED TO $4,503,638 SUMMARY OF TOTAL COMMUNITY BENEFIT CONTRIBUTION ---------- COMMUNITY OUTREACH AND BENEFIT ACTIVITIES $ 885,446 EDUCATIONAL PROGRAMS $ 568,538 MATERNITY AND PARENTING ACTIVITIES $ 280,300 SCHOOL AGE ACTIVITIES $ 39,090 LEADERSHIP ACTIVITIES $ 115,522 TEACHING PROGRAMS $ 422,306 OUTSIDE GROUP ROOM USAGE $ 2,850 HEALTH SCREENINGS AND IMMUNIZATIONS $ 4,646 SUPPORT AND SELF-HELP PROGRAMS $ 33,630 VOLUNTEER PROGRAMS $ 101,140 UNCOMPENSATED HEALTH CARE TO COMMUNITY MEMBERS $ 4,503,638 COMMUNITY SUPPORT $6,380,139 - PROGRAMS AND SERVICES THAT WERE COORDINATED AND SPONSORED BY EITHER THE HOSPITAL AND/OR FOUNDATION AND WERE DIRECTLY PAID FOR OR CAME AT A COST TO THE EITHER HOSPITAL AND/OR FOUNDATION $576,967 - PROGRAMS AND SERVICES THAT WERE COORDINATED AND SPONSORED BY EITHER THE HOSPITAL AND/OR FOUNDATION BUT DID NOT INCUR ADDITIONAL EXPENSES TO THE HOSPITAL AND/OR FOUNDATION TOTAL $6,957,106 NOTE WHEN CALCULATING THE DOLLAR VALUE OF PAID TIME DONATED TO COMMUNITY OUTREACH OR COMMUNITY BENEFIT ACTIVITIES THE FOLLOWING SIMPLIFIED SALARY EQUIVALENTS WERE USED PHYSICIAN/SENIOR MANAGEMENT (PRESIDENT/VICE PRESIDENT) - $110 27/HOUR MANAGEMENT, PROFESSIONAL STAFF - $33 76/HOUR TECHNICAL, CLERICAL STAFF - $18 07/HOUR VOLUNTEER STAFF (AS PER NATIONAL BIENNIAL SURVEY) - $21 36/HOUR AS OUTLINED IN SCHEDULE H, PART VI, PLEASE NOTE THAT THE COMMUNITY BENEFIT EXPENSES USED IN THE DENOMINATOR OF THE CALCULATION FOR THE HOSPITAL'S COMMUNITY BENEFIT PERCENTAGE INCLUDE THE EXPENSES FOR PINE RUN RETIREMENT COMMUNITY AND DOYLESTOWN RADIOLOGY GROUP, L P , BOTH ENTITIES INCLUDED AS DIVISIONS OF DOYLESTOWN HOSPITAL IN ITS AUDITED FINANCIAL STATEMENTS, WHICH PROVIDE LITTLE OR NO COMMUNITY BENEFIT SUPPORT THE HOSPITAL'S COMMUNITY BENEFIT PERCENTAGE WO

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COMMUNITY BENEFIT STATEMENT CONTINUED	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	ULD INCREASE TO 6 24% IF ONLY THE ACTUAL EXPENSES OF THE HOSPITAL ARE USED ADDENDUM A DO YLESTOWN HOSPITAL STATEMENT OF PROGRAM AND SERVICES FISCAL YEAR 2010-2011 ========== ========== - ASSOCIATE HEALTH SERVICES - BEH AVIORAL HEALTH SERVICE - EAP - CRISIS SERVICES - CARDIAC AND NEUROLOGICAL SERVICES - DIAGN OSTIC CARDIAC CATHETERIZATION - NON-INVASIVE DIAGNOSTIC TESTING SERVICES - INTERVENTIONAL CARDIOLOGY PROCEDURES - EPS STUDIES (PACEMAKERS, DEVICE IMPLANTATION, ABLATION) - CARDIOVA SCULAR SURGERY - CABG - VALVE REPLACEMENTS/REPAIRS - CRITICAL CARE UNITS - MED/SURG CRITIC AL CARE - CARDIOVASCULAR CRITICAL CARE - DIABETES EDUCATION (INPATIENT AND OUTPATIENT) - N UTRITION EDUCATION AND COUNSELING - EMERGENCY SERVICES - CRISIS INTERVENTION - OBSERVATION /HOLDING UNIT - SANE (SEXUAL ASSAULT NURSE EXAMINER) PROGRAM - DOMESTIC VIOLENCE - ENDOSCO PY - GASTROENTEROLOGY - PULMONOLOGY - ENTEROSTOMAL THERAPY (INPATIENT AND OUTPATIENT) - NU RSING HOME CONSULTATION - WOUND MANAGEMENT - CONTINENCE CARE - FOOD AND NUTRITION SERVICES - WEIGHT MANAGEMENT CLASSES (ADULTS AND CHILDREN) - NUTRITIONAL ASSESSMENT AND COUNSELING - PATIENT MEAL SERVICES - GENERAL MEDICINE - ALLERGIC DISEASES - CARDIOLOGY - DERMATOLOGY - ENDOCRINOLOGY - FAMILY MEDICINE - GASTROENTEROLOGY - INFECTIOUS DISEASE - INTERNAL MEDI CINE - HEMATOLOGY - OBSTETRICS & GYNECOLOGY - NEPHROLOGY - NEUROLOGY - ONCOLOGY - PATHOLOG Y - PEDIATRICS - PHYSICAL MEDICINE/REHABILITATION - PSYCHIATRY - PULMONARY - RHEUMATOLOGY - HEMODIALYSIS - INFECTION CONTROL - IV THERAPY - PICC (PERIPHERALLY INSERTED CENTRAL CATH ETER) - LABORATORY SERVICES - AUTODONATION - BLOOD BANK - CHEMISTRY - CYTOLOGY - HEMATOLOG Y - HISTOLOGY/PATHOLOGY - MICROBIOLOGY - URINALYSIS - MAGNETIC RESONANCE IMAGING (MRI) - M ATERNITY SERVICES - ANTENATAL TESTING - BABY BRACELETS (MATERNAL/INFANT VISITING NURSE) - LABOR AND DELIVERY - MATERNAL/CHILD CARE - NEONATOLOGY - PRENATAL TESTING - POST-PARTUM CA RE - PREPARED CHILDBIRTH EDUCATION - SPECIAL CARE NURSERY (LEVEL II) - WELL BABY NURSERY - MEDICAL RESEARCH - CLINICAL TRIALS - ONCOLOGY (INPATIENT AND OUTPATIENT) - OUTPATIENT INF USION SERVICES - PASTORAL CARE SERVICES - LAY CHAPLAIN - PHARMACY - RADIOLOGY SERVICES - C T SCANNER - PET/CT SCANNER - DIAGNOSTIC RADIOLOGY - INVASIVE AND SPECIAL PROCEDURES - NUCL EAR MEDICINE - ULTRASOUND - REHABILITATION SERVICES (INPATIENT AND OUTPATIENT) - BRAIN INJ URY - CARDIAC REHABILITATION - COGNITIVE REMEDIATION - ELECTROMY OGRAPHY - LY MPHEDEMA THERA PY - HAND THERAPY - NERVE CONDUCTION STUDIES - OCCUPATIONAL THERAPY - PHYSICAL THERAPY - P SYCHOLOGY - SPEECH THERAPY - SWALLOWING TEST - RESPIRATORY SERVICES - PULMONARY FUNCTION T ESTING - PULMONARY REHAB - CASE MANAGEMENT/SOCIAL SERVICES - PSY CHOSOCIAL ASSESSMENTS - CO UNSELING - COMPLEX DISCHARGE PLANNING - CRISIS INTERVENTION - FINANCIAL COUNSELING - ADOPT ION OPTIONS COUNSELING - PATIENT AND FAMILY EDUCATION - INFORMATION AND REFERRAL - SURGICA L SERVICES (INPATIENT AND OUTPATIENT) - ACUPUNCTURE - COSMETIC - DENTISTRY - GENERAL - NER VE BLOCKS - SURGICAL SERVICES CONTINUED - OB/GYN - OPHTHALMOLOGY - ORAL/MAXILLOFACIAL - OR THOPEDICS - OTOLARY NGOLOGY - PEDIATRIC DENTISTRY - PLASTIC SURGERY - POST-ANESTHESIA CARE UNIT - PRE-ADMISSION TESTING - SAME DAY SURGERY (NERVE BLOCKS) - UROLOGY - VASCULAR - TELE METRY / PROGRESSIVE CARE - VISITING NURSE/ HOME CARE - ADULT AND INFANTS (UP TO 1 YEAR) SK ILLED HOME HEALTH SERVICES - NURSING - PHYSICAL THERAPY - OCCUPATIONAL THERAPY - SPEECH TH ERAPY - SOCIAL SERVICES - HOME HEALTH AIDES - BABY BRACELETS (MATERNAL/INFANT VISITING NUR SE) - COMPREHENSIVE HOSPICE PROGRAM - WOMEN'S DIAGNOSTIC CENTER - BONE DENSITOMETRY - MAMM OGRAPHY - STEREOTACTIC BREAST BIOPSY

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DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION A, QUESTIONS 6 & 7	VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN (''VIAD'') IS THE SOLE MEMBER OF THIS ORGANIZATION VIAD HAS THE RIGHT TO ELECT THE MEMBERS OF THIS ORGANIZATION'S BOARD OF DIRECTORS AND HAS CERTAIN RESERVED POWERS AS DEFINED IN THIS ORGANIZATION'S BYLAWS

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION A, QUESTION 11B	THE ORGANIZATION IS AN AFFILIATE IN THE VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN AND CONTROLLED ENTITIES, A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY SYSTEM ("SYSTEM") THE ORGANIZATION'S FEDERAL FORM 990 WAS MADE AVAILABLE TO EACH VOTING MEMBER OF ITS'S GOVERNING BODY, ITS BOARD OF DIRECTORS, FOR REVIEW PRIOR TO FILING WITH THE INTERNAL REVENUE SERVICE THE ORGANIZATION'S FINANCE COMMITTEE HAS THE RESPONSIBILITY TO OVERSEE, REVIEW AND APPROVE OF THE FEDERAL FORM 990, INCLUDING THE PREPARATION, REVIEW AND FILING PROCESS AS PART OF THE TAX RETURN PREPARATION PROCESS THE ORGANIZATION HIRED A PROFESSIONAL CPA FIRM WITH EXPERIENCE AND EXPERTISE IN BOTH HEALTHCARE AND NOT-FOR-PROFIT TAX RETURN PREPARATION TO PREPARE THE FEDERAL FORM 990 THE CPA FIRM'S TAX PROFESSIONALS WORKED CLOSELY WITH THE ORGANIZATION'S FINANCE PERSONNEL AND VARIOUS OTHER INDIVIDUALS OF THE ORGANIZATION AND THE SYSTEM TO OBTAIN THE INFORMATION NEEDED IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN THE CPA FIRM PREPARED A DRAFT FEDERAL FORM 990 AND FURNISHED IT TO THE ORGANIZATION'S FINANCE PERSONNEL AND OTHER INDIVIDUALS FOR THEIR REVIEW THE ORGANIZATION'S FINANCE PERSONNEL AND OTHER INDIVIDUALS REVIEWED THE DRAFT FEDERAL FORM 990 AND DISCUSSED QUESTIONS AND COMMENTS WITH THE CPA FIRM REVISIONS WERE MADE TO THE DRAFT FEDERAL FORM 990 WHERE NECESSARY AND A FINAL DRAFT WAS FURNISHED BY THE CPA FIRM TO THE ORGANIZATION'S FINANCE PERSONNEL AND VARIOUS OTHER INDIVIDUALS FOR FINAL REVIEW AND APPROVAL PRIOR TO THE PROVISION OF THE FEDERAL FORM 990 TO DOYLESTOWN HOSPITAL'S GOVERNING BODY, ITS BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 12	THE ORGANIZATION REGULARLY MONITORS AND ENFORCES COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICY ANNUALLY, ALL MEMBERS OF THE BOARD OF DIRECTORS, OFFICERS AND SENIOR MANAGEMENT PERSONNEL ARE REQUIRED TO REVIEW THE EXISTING CONFLICT OF INTEREST POLICY AND COMPLETE A QUESTIONNAIRE. THE COMPLETED QUESTIONNAIRES ARE RETURNED TO THE EXECUTIVE ASSISTANT TO THE CHIEF EXECUTIVE OFFICER OF THE ORGANIZATION, WHO GATHERS, INVENTORIES AND FILES THE COMPLETED QUESTIONNAIRES THEREAFTER A SUMMARY OF THE COMPLETED QUESTIONNAIRES WHICH CONTAINS INFORMATION DISCLOSED ON AN INDIVIDUAL BY INDIVIDUAL BASIS IS PREPARED AND REVIEWED BY THE ORGANIZATION'S CHIEF ACCOUNTING OFFICER AND CHIEF EXECUTIVE OFFICER THIS SUMMARY IS THEN PRESENTED TO THE ORGANIZATION'S BOARD OF DIRECTORS WHO REVIEWS AND MAKES DECISIONS ON HOW TO HANDLE CONFLICTS OF INTEREST AND ASSOCIATED MITIGATING BEHAVIOR TO BE TAKEN BY THE ORGANIZATION IF NECESSARY

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 15	THE ORGANIZATION'S BOARD OF DIRECTORS HAS AN EXECUTIVE COMPENSATION COMMITTEE ("COMMITTEE") THE COMMITTEE HAS ADOPTED A WRITTEN EXECUTIVE COMPENSATION PHILOSOPHY WHICH IT FOLLOWS WHEN IT REVIEWS AND APPROVES OF THE COMPENSATION AND BENEFITS OF THE ORGANIZATION'S SENIOR MANAGEMENT, INCLUDING THE PRESIDENT/CHIEF EXECUTIVE OFFICER, CHIEF OPERATING OFFICER AND CHIEF FINANCIAL OFFICER THE COMMITTEE REVIEWS THE "TOTAL COMPENSATION" OF THE INDIVIDUALS WHICH IS INTENDED TO INCLUDE BOTH CURRENT AND DEFERRED COMPENSATION AND ALL EMPLOYEE BENEFITS, BOTH QUALIFIED AND NON-QUALIFIED THE COMMITTEE'S REVIEW IS DONE ON AT LEAST AN ANNUAL BASIS AND ENSURES THAT THE "TOTAL COMPENSATION" OF SENIOR MANAGEMENT OF THE ORGANIZATION IS REASONABLE THE ACTIONS TAKEN BY THE COMMITTEE ENABLE THE ORGANIZATION TO RECEIVE THE REBUTTABLE PRESUMPTION OF REASONABLENESS FOR PURPOSES OF INTERNAL REVENUE CODE SECTION 4958 WITH RESPECT TO THE TOTAL COMPENSATION OF CERTAIN MEMBERS OF THE SENIOR MANAGEMENT TEAM, INCLUDING THE PRESIDENT/CHIEF EXECUTIVE OFFICER, CHIEF OPERATING OFFICER AND CHIEF FINANCIAL OFFICER THE THREE FACTORS WHICH MUST BE SATISFIED IN ORDER TO RECEIVE THE REBUTTABLE PRESUMPTION OF REASONABLENESS ARE THE FOLLOWING 1 THE COMPENSATION ARRANGEMENT IS APPROVED IN ADVANCE BY AN "AUTHORIZED BODY" OF THE APPLICABLE TAX-EXEMPT ORGANIZATION WHICH IS COMPOSED ENTIRELY OF INDIVIDUALS WHO DO NOT HAVE A "CONFLICT OF INTEREST" WITH RESPECT TO THE COMPENSATION ARRANGEMENT, 2 THE AUTHORIZED BODY OBTAINED AND RELIED UPON "APPROPRIATE DATA AS TO COMPARABILITY" PRIOR TO MAKING ITS DETERMINATION, AND 3 THE AUTHORIZED BODY "ADEQUATELY DOCUMENTED THE BASIS FOR ITS DETERMINATION" CONCURRENTLY WITH MAKING THAT DETERMINATION THE COMMITTEE IS COMPRISED OF MEMBERS OF THE BOARD OF DIRECTORS EACH OF WHO ARE INDEPENDENT AND ARE FREE FROM ANY CONFLICTS OF INTEREST THE COMMITTEE RELIED UPON APPROPRIATE COMPARABLE DATA, SPECIFICALLY THE COMMITTEE OBTAINED A WRITTEN COMPENSATION STUDY FROM AN INDEPENDENT FIRM WHICH SPECIALIZES IN THE REVIEWING OF HOSPITAL AND HEALTHCARE SYSTEM EXECUTIVE COMPENSATION AND BENEFITS THROUGHOUT THE UNITED STATES THIS STUDY USED COMPARABLE GEOGRAPHIC AND DEMOGRAPHIC MARKET DATA INCLUDING BUT NOT LIMITED TO SIMILAR SIZED HOSPITALS, # OF LICENSED BEDS AND NET PATIENT SERVICE REVENUE THE COMMITTEE ADEQUATELY DOCUMENTED ITS BASIS FOR ITS DETERMINATION THROUGH THE TIMELY PREPARATION OF WRITTEN MINUTES OF THE COMPENSATION COMMITTEE MEETINGS DURING WHICH THE EXECUTIVE COMPENSATION AND BENEFITS WAS REVIEWED AND SUBSEQUENTLY APPROVED THE ACTIONS OUTLINED ABOVE WITH RESPECT TO THE COMMITTEE AND THE ESTABLISHMENT OF THE REBUTTABLE PRESUMPTION OF REASONABLENESS ONLY APPLIES TO CERTAIN SENIOR MANAGEMENT PERSONNEL, INCLUDING BUT NOT LIMITED TO THE PRESIDENT/CHIEF EXECUTIVE OFFICER, CHIEF OPERATING OFFICER AND CHIEF FINANCIAL OFFICER THE COMPENSATION AND BENEFITS OF CERTAIN OTHER INDIVIDUALS CONTAINED IN THIS FORM 990 ARE REVIEWED ANNUALLY BY THE PRESIDENT/CHIEF EXECUTIVE OFFICER WITH ASSISTANCE FROM THE ORGANIZATION'S HUMAN RESOURCES DEPARTMENT IN CONJUNCTION WITH THE INDIVIDUAL'S JOB PERFORMANCE DURING THE YEAR AND IS BASED UPON OTHER OBJECTIVE FACTORS DESIGNED TO ENSURE THAT REASONABLE AND FAIR MARKET VALUE COMPENSATION IS PAID BY THE ORGANIZATION OTHER OBJECTIVE FACTORS INCLUDE MARKET SURVEY DATA FOR COMPARABLE POSITIONS, INDIVIDUAL GOALS AND OBJECTIVES, PERSONNEL REVIEWS, EVALUATIONS, SELF-EVALUATIONS AND PERFORMANCE FEEDBACK MEETINGS

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION B, QUESTION 16	THE ORGANIZATION HAS A JOINT VENTURE POLICY THAT IS IN FULL COMPLIANCE WITH INTERNAL REVENUE SERVICE RULES AND REGULATIONS ON JOINT VENTURE POLICIES AND DISCLOSURES WITH RESPECT TO FEDERAL FORM 990 IN ADDITION, THE ORGANIZATION'S BOARD OF DIRECTORS IS INVOLVED IN EVERY DECISION WITH RESPECT TO JOINT VENTURES IN WHICH IT PARTICIPATES FOR WHICH IT DRAFTS SPECIFIC BOARD RESOLUTIONS FOR THESE MATTERS

Identifier	Return Reference	Explanation
DISCLOSURE INFORMATION	CORE FORM, PART VI, SECTION C, QUESTION 19	THE ORGANIZATION HAS ISSUED TAX-EXEMPT BONDS TO FINANCE VARIOUS CAPITAL IMPROVEMENT PROJECTS, RENOVATIONS AND EQUIPMENT IN CONJUNCTION WITH THE ISSUANCE OF THESE TAX-EXEMPT BONDS, THE ORGANIZATION'S FINANCIAL STATEMENTS WERE INCLUDED WITH THE TAX-EXEMPT BOND PROSPECTUS WHICH WAS MADE AVAILABLE TO THE GENERAL PUBLIC FOR REVIEW THE ORGANIZATION'S FILED CERTIFICATE OF INCORPORATION AND ANY AMENDMENTS CAN BE OBTAINED AND REVIEWED THROUGH THE COMMONWEALTH OF PENNSYLVANIA

Identifier	Return Reference	Explanation
COMPENSATION INFORMATION DISCLOSURE	CORE FORM, PART VII AND SCHEDULE J	PART VII AND SCHEDULE J REFLECT CERTAIN BOARD MEMBERS AND OFFICERS RECEIVING COMPENSATION AND BENEFITS FROM THIS ORGANIZATION PLEASE NOTE THIS REMUNERATION WAS FOR SERVICES RENDERED AS FULL-TIME EMPLOYEES OF THE ORGANIZATION AND NOT FOR SERVICES RENDERED AS A VOTING MEMBER OR OFFICER OF THIS ORGANIZATION'S BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS	CORE FORM, PART XI, QUESTION 5	OTHER CHANGES IN NET ASSETS OR FUND BALANCE INCLUDES - NET ASSETS RELEASED FROM RESTRICTIONS USED FOR PURCHASES OF PROPERTY, PLANT AND EQUIPMENT, $381, - OTHER CHANGES IN ACCRUED PENSION, $8,015,154, - NET ASSETS RELEASED FROM TEMPORARY RESTRICTIONS, ($1,237,287), - INCREASE INTEREST IN NET ASSETS OF DOYLESTOWN HEALTH FOUNDATION, TEMPORARILY RESTRICTED, $119,183, - INCREASE INTEREST IN NET ASSETS OF DOYLESTOWN HEALTH FOUNDATION, PERMANENTLY RESTRICTED, $1,456,975 AND - UNREALIZED GAINS ON INVESTMENTS, $5,807,288

Identifier	Return Reference	Explanation
AUDITED FINANCIAL STATEMENTS	CORE FORM, PART XII, QUESTION 2	THE ORGANIZATION IS AN AFFILIATE WITHIN THE VILLAGE IMPROVEMENT ASSOCIATION OF DOYLESTOWN AND CONTROLLED ENTITIES (''SYSTEM'') A BIG FOUR INDEPENDENT CPA FIRM AUDITED THE CONSOLIDATED FINANCIAL STATEMENTS OF THE TAXPAYER AND ALL AFFILIATES FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND JUNE 30, 2010, RESPECTIVELY AND ISSUED A CONSOLIDATED FINANCIAL STATEMENT WITH CONSOLIDATING SCHEDULES BY ENTITY AN UNQUALIFIED OPINION WAS ISSUED EACH YEAR BY THE INDEPENDENT CPA FIRM IN ADDITION, AN INDEPENDENT BIG FOUR CPA FIRM AUDITED THE FINANCIAL STATEMENTS OF DOYLESTOWN HOSPITAL FOR THE FISCAL YEARS ENDED JUNE 30, 2011 AND JUNE 30, 2010, RESPECTIVELY AN UNQUALIFIED OPINION WAS ISSUED EACH YEAR BY THE INDEPENDENT CPA FIRM WITH RESPECT TO THE AUDITED FINANCIAL STATEMENTS OF THIS ORGANIZATION THE DOYLESTOWN HOSPITAL FINANCE COMMITTEE ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND THE SELECTION OF AN INDEPENDENT AUDITOR

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME CAROLYN DELLA RODOLFA TITLE CHAIR - DIRECTOR HOURS 9

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME JEAN P LEISTER TITLE VICE CHAIR - DIRECTOR HOURS 3

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME WHITNEY CHANDOR TITLE SECRETARY - DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME JOAN PARLEE TITLE TREASURER - DIRECTOR HOURS 3

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME CAROLYN SADOWSKI TITLE ASST SEC/ASST TREASURER - DIR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME WILLIAM E BOGER CPA TITLE DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME MARIANNE E CHABOT TITLE DIRECTOR HOURS 6

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME BETTY DIEM TITLE DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME GREGORY GALLANT MD TITLE DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME BARBARA KIEFFER CPA TITLE DIRECTOR HOURS 6

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME:KATHRYN A LAMBERT TITLE:DIRECTOR HOURS 26

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME SCOTT S LEVY MD TITLE DIRECTOR - VP CMO HOURS 20

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME BRIAN MCLEOD TITLE DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME MICHAEL G MOORADD MD TITLE DIRECTOR HOURS 3

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME RICHARD A REIF TITLE DIRECTOR - PRESIDENT/CEO HOURS 26

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME FREDERICK E SCHEA CPA CMA TITLE DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME KAREN L SIMON TITLE DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME JOHN SOFFRONOFF TITLE DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME DENNIS WALSH TITLE DIRECTOR HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME ELEANOR WILSON RN MSN MHA TITLE DIRECTOR - VP/COO HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME JAMES C BROWNLOW TITLE CHIEF OPERATING OFFICER HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME DANIEL L UPTON TITLE CHIEF FINANCIAL OFFICER HOURS 9

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME BARBARA HEBEL TITLE VP HUMAN RESOURCES HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME RICHARD LANG TITLE VP INFORMATION MANAGEMENT HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME LINDA PLANK TITLE VP DEVELOPMENT HOURS 40

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME LOUIS IOBBI TITLE DIRECTOR PHARMACY HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME KENNETH CONFALONE TITLE EXECUTIVE DIRECTOR PINE RUN HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME JOHN MITCHELL TITLE DIRECTOR HEART CENTER HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME STEVEN DAY JR TITLE DIRECTOR OF RISK SERVICES HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME ELIZABETH SEEBER TITLE CHIEF ACCOUNTING OFFICER HOURS 9

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME PATRICIA STOVER TITLE EXECUTIVE DIRECTOR - NURSING HOURS

Identifier	Return Reference	Explanation
HOURS DEVOTED FOR RELATED ORGANIZATION	FORM 990 PART VII	NAME SHERI M PUTNAM TITLE EXECUTIVE DIRECTOR - BCPHA HOURS

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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
DOYLESTOWN HOSPITAL

Employer identification number
23-1352174

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
(1) DOYLESTOWN HEALTH FOUNDATION 595 WEST STATE STREET DOYLESTOWN, PA 18901 23-2368196	FUNDRAISING	PA	501(C)(3)	509(A)(1)	VIAD		
(2) VILLAGE IMPROVEMENT ASSN OF DOYLESTOWN 595 WEST STATE STREET DOYLESTOWN, PA 18901 23-2368200	HEALTHCARE	PA	501(C)(3)	509(A)(1)	N/A		
(3) VIA AFFILIATES 595 WEST STATE STREET DOYLESTOWN, PA 18901 23-2368197	HEALTHCARE	PA	501(C)(3)	509(A)(3)	DHF		

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? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) DOYLESTOWN SURGICAL CTR LLC 595 WEST STATE STREET DOYLESTOWN, PA18901 23-1352174	MEDICAL SVCS	PA	DH	RELATED	117,846	595,953		No	0		No	60 000 %
(2) DOYLESTOWN RADIOLOGY GROUP LP 1240 OLD YORK ROAD WARMINSTER, PA18974 23-1352174	MEDICAL SVCS	PA	DH	RELATED	681,133	313,964		No	0		No	51 000 %

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
(1) DOYLESTOWN HOSPITAL HLTH & WELLNESS CTR 595 WEST STATE STREET DOYLESTOWN, PA18901 23-3022645	FITNESS CNTR	PA		C CORP			

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

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

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to other organization(s)	1b	Yes	
c Gift, grant, or capital contribution from other organization(s)	1c	Yes	
d Loans or loan guarantees to or for other organization(s)	1d	Yes	
e Loans or loan guarantees by other organization(s)	1e	Yes	
f Sale of assets to other organization(s)	1f		No
g Purchase of assets from other organization(s)	1g		No
h Exchange of assets	1h		No
i Lease of facilities, equipment, or other assets to other organization(s)	1i		No
j Lease of facilities, equipment, or other assets from other organization(s)	1j		No
k Performance of services or membership or fundraising solicitations for other organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations by other organization(s)	1l		No
m Sharing of facilities, equipment, mailing lists, or other assets	1m		No
n Sharing of paid employees	1n	Yes	
o Reimbursement paid to other organization for expenses	1o	Yes	
p Reimbursement paid by other organization for expenses	1p	Yes	
q Other transfer of cash or property to other organization(s)	1q	Yes	
r Other transfer of cash or property from other organization(s)	1r		No

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproprtionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation

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Form **4797**

Department of the Treasury
Internal Revenue Service (99)

Sales of Business Property

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

▶ Attach to your tax return. ▶ See separate instructions.

OMB No 1545-0184

2010

Attachment Sequence No **27**

Name(s) shown on return
DOYLESTOWN HOSPITAL

Identifying number
23-1352174

1 Enter the gross proceeds from sales or exchanges reported to you for 2010 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20 (see instructions) . . | **1** |

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

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

3	Gain, if any, from Form 4684, line 42	**3**	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37	**4**	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824	**5**	
6	Gain, if any, from line 32, from other than casualty or theft	**6**	
7	Combine lines 2 through 6 Enter the gain or (loss) here and on the appropriate line as follows	**7**	
	Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9 Skip lines 8, 9, 11, and 12 below		
	Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9 If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below		
8	Nonrecaptured net section 1231 losses from prior years (see instructions)	**8**	
9	Subtract line 8 from line 7 If zero or less, enter -0- If line 9 is zero, enter the gain from line 7 on line 12 below If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return (see instructions)	**9**	

Part II **Ordinary Gains and Losses** (see instructions)

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

SALE OF EQUIPMENT	01-01-2000	01-31-2010	6,145			

11	Loss, if any, from line 7	**11**	( )
12	Gain, if any, from line 7 or amount from line 8, if applicable	**12**	
13	Gain, if any, from line 31	**13**	
14	Net gain or (loss) from Form 4684, lines 34 and 41a	**14**	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36	**15**	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824	**16**	
17	Combine lines 10 through 16	**17**	6,145
18	For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below For individual returns, complete lines a and b below		
a	If the loss on line 11 includes a loss from Form 4684, line 38, column (b)(ii), enter that part of the loss here Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23 Identify as from "Form 4797, line 18a " See instructions.	**18a**	
b	Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a Enter here and on Form 1040, line 14	**18b**	

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

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

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

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30	Total gains for all properties Add property columns A through D, line 24	30	
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b Enter here and on line 13 . .	31	
32	Subtract line 31 from line 30 Enter the portion from casualty or theft on Form 4684, line 36 Enter the portion from other than casualty or theft on Form 4797, line 6	32	

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

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

Consolidated Financial Statements and Report of Independent Certified Public Accountants

Doylestown Hospital

June 30, 2011 and 2010

Contents

Grant Thornton

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Report of Independent Certified Public Accountants

Board of Directors
Doylestown Hospital

We have audited the accompanying consolidated balance sheets of Doylestown Hospital (the "Corporation") as of June 30, 2011 and 2010, and the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended These financial statements are the responsibility of the Corporation'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 as established by the American Institute of Certified Public Accountants 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over financial reporting Accordingly, we express no such opinion An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and 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 consolidated financial position of Doylestown Hospital as of June 30, 2011 and 2010, and the consolidated results of their operations and 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.

Grant Thornton LLP

Philadelphia, Pennsylvania

September 29, 2011

Doylestown Hospital

CONSOLIDATED BALANCE SHEETS

June 30,

ASSETS	2011	2010
Current assets		
Cash and cash equivalents	$ 32,529,543	$ 23,314,562
Assets limited as to use	519,544	1,219,647
Patient accounts receivable, net of allowance for doubtful accounts of approximately $3,121,000 and $3,586,000 at June 30, 2011 and 2010, respectively	24,319,123	24,885,883
Supplies	5,521,227	5,074,778
Other current assets	5,178,649	5,764,256
Total current assets	68,068,086	60,259,126
Assets limited as to use		
Internally designated - by Board of Directors	45,330,132	43,063,180
Externally designated	7,506,762	7,506,750
	52,836,894	50,569,930
Interest in net assets of Doylestown Health Foundation	13,433,646	11,857,488
Property, plant and equipment, net	172,849,608	180,153,909
Deferred financing costs, net	3,072,061	3,292,304
Other assets	3,045,741	2,582,500
Total assets	$313,306,036	$308,715,257

The accompanying notes are an integral part of these consolidated financial statements

Doylestown Hospital

CONSOLIDATED BALANCE SHEETS (continued)

June 30,

LIABILITIES AND NET ASSETS	2011	2010
Current liabilities		
Current portion of long-term debt	$ 3,981,718	$ 3,895,675
Current portion of self-insured liabilities	3,028,396	2,782,533
Accrued interest payable	453,256	287,257
Accounts payable	13,629,904	16,871,375
Accrued salaries and payroll taxes	4,731,634	4,389,900
Accrued vacation	5,913,577	5,851,137
Other liabilities	2,294,035	1,768,203
Estimated settlements with third-party payors	29,123	1,247,322
Deposit of deferred entry fees	94,500	320,250
Due to affiliated entities, net	3,161,211	1,880,622
Total current liabilities	37,317,354	39,294,274
Long-term debt, net of current portion	143,996,269	147,940,591
Interest rate swaps	4,868,261	5,502,663
Self-insured liabilities, net of current portion	2,808,998	2,763,628
Accrued pension	9,915,602	21,555,230
Deferred entry fees	6,020,778	5,098,252
Other liabilities	443,635	1,203,279
Total liabilities	205,370,897	223,357,917
Net assets		
Unrestricted		
Corporation	92,561,724	70,369,538
Non-controlling interest	212,909	192,491
Total unrestricted	92,774,633	70,562,029
Temporarily restricted	1,726,860	2,937,823
Temporarily restricted, held by Foundation	2,566,654	2,447,471
Total temporarily restricted	4,293,514	5,385,294
Permanently restricted, held by Foundation	10,866,992	9,410,017
Total net assets	107,935,139	85,357,340
Total liabilities and net assets	$313,306,036	$308,715,257

The accompanying notes are an integral part of these consolidated financial statements

Doylestown Hospital

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

Years ended June 30,

	2011	2010
Unrestricted net assets		
Revenue		
Net patient service revenue	$ 218,906,776	$ 216,607,534
Amortization of deferred entry fees	286,973	270,683
Other revenue	18,810,777	16,946,779
Bequests	698,395	570,628
Total revenue	238,702,921	234,395,624
Expenses		
Salaries and wages	91,743,986	92,874,177
Employee benefits	22,977,850	26,502,570
Professional fees	4,375,461	4,556,150
Supplies and other expenses	87,909,349	85,886,140
Provision for bad debts	3,752,790	3,501,026
Depreciation and amortization	17,481,998	17,023,770
Interest	6,259,317	4,229,732
Total expenses	234,500,751	234,573,565
Operating income (loss)	4,202,170	(177,941)
Other income and losses		
Investment income	1,618,356	1,172,600
Net realized gains on sale of investments	505,151	293,747
Change in net unrealized gains on trading securities	5,780,615	3,558,395
Change in fair value of interest rate swaps	634,402	(4,056,443)
Gain on sale of land	-	454,784
Excess of revenue and other income over expenses and other losses	12,740,694	1,245,142
Excess of revenue attributable to non-controlling interest	(20,418)	(120,367)
Excess of revenue and other income over expenses and other losses attributable to the Corporation	12,720,276	1,124,775

Continued on Next Page

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS (continued)

Years ended June 30,

	2011	2010
Unrestricted net assets (continued)		
Excess of revenue and other income over expenses and other losses attributable to the Corporation *(from previous page)*	$ 12,720,276	$ 1,124,775
Other changes in unrestricted net assets		
Change in net unrealized gains on other-than-trading securities	26,673	270,002
Change in non-controlling interest	20,418	192,491
Net assets released from restrictions used for purchases of property, plant, and equipment	381	22,091
Net transfers from the Doylestown Health Foundation	1,429,702	2,067,364
Other changes in accrued pension	8,015,154	809,357
Increase in unrestricted net assets	22,212,604	4,486,080
Temporarily restricted net assets		
Restricted contributions	26,324	3,501
Net assets released from restrictions - property, plant and equipment	(1,237,287)	(826,062)
Increase in interest in net assets of Doylestown Health Foundation	119,183	53,033
Decrease in temporarily restricted net assets	(1,091,780)	(769,528)
Permanently restricted net assets		
Increase (decrease) in interest in net assets of Doylestown Health Foundation	1,456,975	(71,651)
Increase in net assets	22,577,799	3,644,901
Net assets, beginning of year	85,357,340	81,712,439
Net assets, end of year	$ 107,935,139	$ 85,357,340

The accompanying notes are an integral part of these consolidated financial statements

Doylestown Hospital

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30,

	2011	2010
Operating activities		
Increase in net assets	$ 22,577,799	$ 3,644,901
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	17,481,998	17,023,770
Amortization of deferred entry fees	(286,973)	(270,683)
Gain on sale of land	-	(454,784)
Provision for bad debts	3,752,790	3,501,026
Change in accrued pension	(8,015,154)	(809,357)
Earnings on joint ventures	(413,551)	132,728
Net realized and unrealized losses on investments	(6,312,439)	(3,828,397)
Change in fair value of interest rate swaps	(634,402)	1,056,443
Restricted contributions	(26,324)	(3,501)
Doylestown Hospital Foundation transfers, net	(119,183)	(53,033)
Net change in restricted assets held by Doylestown Health Foundation	(1,576,158)	18,618
Net change in non-controlling interest	(20,418)	(192,491)
Changes in certain assets and liabilities		
Patient accounts receivable	(3,186,030)	(9,015,643)
Supplies	(446,449)	(277,352)
Other assets	475,954	(1,553,705)
Accrued interest payable	165,999	(1,545,072)
Accounts payable	(3,241,471)	2,564,878
Accrued salaries, payroll taxes, and vacation	404,174	1,365,340
Other accrued liabilities	(3,567,053)	(2,710,492)
Due to/from affiliated entities, net	1,280,589	4,379,500
Estimated third-party payor settlements	(1,218,199)	1,247,322
Net cash provided by operating activities before net change in trading securities	17,075,499	17,220,016
Net change in trading securities	4,045,487	(4,332,281)
Net cash provided by operating activities	21,120,986	12,887,735
Investing activities		
Purchases of property, plant, and equipment, net	(10,115,311)	(59,066,509)
Decrease in assets limited as to use - other than trading securities	700,091	37,323,587
Distributions received/investments in joint ventures, net	80,381	136,871
Net cash used in investing activities	(9,334,839)	(21,606,051)
Financing activities		
Proceeds from issuance of long-term debt	-	7,999,382
Repayment of long-term debt	(3,700,422)	(7,127,367)
Proceeds from deferred entry fee deposits	983,749	211,750
Doylestown Health Foundation transfers, net	119,183	53,033
Restricted contributions	26,324	3,501
Net cash (used in) provided by financing activities	(2,571,166)	1,140,299
Net increase (decrease) in cash and cash equivalents	9,214,981	(7,578,017)
Cash and cash equivalents, beginning of year	23,314,562	30,892,579
Cash and cash equivalents, end of year	$ 32,529,543	$ 23,314,562
Supplemental disclosure of cash flow information		
Interest paid, net of interest capitalized	$ 6,093,318	$ 5,774,804
Change in construction payable	$ -	$ 1,152,824

The accompanying notes are an integral part of these consolidated financial statements

NOTE A - ORGANIZATION

The mission of Doylestown Hospital is to provide a responsive, healing environment for its patients and their families, and to improve the quality of life for all members of its community Doylestown Hospital includes the operations of two divisions Doylestown Hospital (the "Hospital") and Pine Run Retirement Community ("Pine Run" or the "Community"), as well as the operations of the Doylestown Radiology Group, LP (collectively, the "Corporation") The two divisions operate within a single 501(c)(3) tax-exempt organization The Hospital is a 247-bed acute care facility, located in Doylestown, Pennsylvania, and provides health care services to the surrounding community Pine Run consists of a 127-bed skilled nursing facility and 40-bed personal care facility (the Health Center) and 300 independent living units, including 24 units in Fringetree Courts (the Village) on 42 acres of land in Bucks County, and a 107-bed personal care facility (Lakeview) located on a separate, 7 5 acre campus in Doylestown Doylestown Radiology Group, LP is a Pennsylvania limited partnership that operates a freestanding MRI facility in Hartsville, Pennsylvania The Hospital owns 51% of Doylestown Radiology Group, LP d/b/a Advanced Open MRI ("AOM") The Corporation is a controlled entity of The Village Improvement Association of Doylestown (the "Association") The Association also controls The Doylestown Health Foundation (the "Foundation") The Foundation owns or controls VIA Affiliates and Doylestown Health and Wellness Center, Inc

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1 Principles of Consolidation

The consolidated financial statements of Doylestown Hospital include the accounts of the Hospital, Pine Run, and AOM including AOM's non-controlling interest reported as a component of net assets All significant intercompany or divisional balances and transactions have been eliminated

2 Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 Estimates also affect the reported amounts of revenues and expenses during the reporting period The most significant management estimates and assumptions related to the determination of allowance for doubtful accounts and contractual allowances for patient accounts receivable, useful lives of property, plant and equipment, actuarial estimates for the postretirement benefit plan, self-insured reserves, fair value of interest rate swap agreements and the reported fair values of certain assets and liabilities Actual results could differ from those estimates

3 Fair Value of Financial Instruments

Financial instruments consist of cash and cash equivalents, patient accounts receivable, assets limited as to use, accounts payable, estimated settlements with third-party payors, interest rate swaps and long-term debt The carrying amounts reported in the consolidated balance sheets for cash and cash equivalents, patient accounts receivable, assets limited as to use, accounts payable, estimated settlements with third-party payors and interest rate swaps approximate fair value Management's estimates of the fair value of other financial instruments are described in elsewhere in the notes of the consolidated financial statements

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4 Cash and Cash Equivalents

Cash and cash equivalents include all cash balances and highly liquid investments purchased with original maturities of three months or less at the date of purchase The Corporation places its temporary cash investments with financial institutions At times, such investments may be in excess of the Federal Depository Insurance limits

5 Allowance for Doubtful Accounts

The Corporation provides an allowance for estimated losses resulting from uncollectible accounts Accounts receivable are charged off against the reserve for doubtful accounts when management determines that recovery is unlikely and the Corporation ceases collection efforts During the year ended June 30, 2010, the Corporation refined its methodology for estimating the allowance for doubtful accounts based on an evaluation of the Corporation's current collection patterns As a result of the refinement, a change in estimate of $1,900,000 was recorded to reduce the provision for bad debts for the year ended June 30, 2010

6 Supplies

Supplies are stated at the lower of cost (first-in, first-out method) or market value

7 Assets Limited as to Use and Investment Income

Assets limited as to use include assets set aside by the Board of Directors (the "Board"), and assets held by trustees under bond indenture agreements Amounts set aside by the Board are designated for property, plant and equipment replacement and expansion The Board retains control over designated assets and may, at its discretion, subsequently use the assets for other purposes Assets limited as to use also include assets held in escrow under a development agreement, forfeited employer contributions to the 403(b) Tax Sheltered Annuity Plan for non-vested employees who have left the employment of Pine Run, and whose contributions were forfeited but retained by the plan to offset future considerations, and a Statutory Liquid Reserve Requirement for Continuing Care Retirement Communities, required by the Pennsylvania Insurance Department for Pine Run Assets limited as to use that are required for current obligations are reported as current assets

Investments in debt and equity securities are measured at fair value based on quoted market prices The Corporation's investments are designated as trading securities, except for assets limited as to use under bond indenture agreements or for retirement plans, which are considered other than trading Investment income, realized gains and losses, and changes in net unrealized gains and losses on trading securities are recorded as other income and losses or restricted investment income, if the donor or legislation restricts such income Unrealized gains and losses on other than trading securities are recorded as other changes in unrestricted net assets

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

8 Property, Plant and Equipment

Property, plant and equipment are recorded at cost Donated assets are recorded at their fair value at the date of donation Depreciation is provided over the estimated useful lives of each depreciable asset and is computed using the straight-line method Interest costs incurred on borrowed funds during the period of construction on capital assets are capitalized as a component of the costs of acquiring those assets Upon sale or retirement of depreciable property, the cost and related accumulated depreciation are removed from the related accounts and resulting gains or losses are reflected in other income and losses

Useful lives are based on the following ranges for each type of asset

Land improvements	5 - 20 years
Buildings	20 - 35 years
Fixed equipment	5 - 25 years
Movable equipment	5 - 20 years

9 Long-Lived Assets

The Corporation continually evaluates whether events and circumstances have occurred that indicate the remaining estimated useful life of long-lived assets may warrant revision or that the remaining balance may not be recoverable When factors indicate that long-lived assets should be evaluated for possible impairment, the Corporation uses an estimate of the related undiscounted operating income over the remaining life of the long-lived asset in measuring whether the long-lived asset is recoverable The impairment loss on these assets is measured as the excess of the carrying amount of the asset over its fair value Fair value is based on market prices where available, or discounted cash flows At June 30, 2011, management believes that no revisions to the remaining useful lives or write-down of long-lived assets are required

10. Deferred Financing Fees

Deferred financing fees are being amortized over the period the related debt is outstanding using the effective interest method

11 Charity Care

The Corporation provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates Unreimbursed charges from medical assistance programs on behalf of patients that meet the Corporation's charity care criteria are also considered charity care The Corporation does not pursue collection of amounts determined to qualify as charity care, and establishes reserves for these amounts Accordingly, such amounts are not reported as revenue in the accompanying consolidated statements of operations and changes in net assets

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The amount of charges forgone for services and supplies furnished under the Corporation's charity care policy are summarized in the following table

	Year ended June 30,	
	2011	2010
Unreimbursed charges from Medical Assistance Programs	$ 12,705,895	$ 13,506,389
Free care and financial assistance	4,605,416	4,059,300
	$ 17,311,311	$ 17,565,689

12 Net Patient Service Revenue

The Corporation has agreements with third-party payors, including commercial insurance carriers and health maintenance organizations, which provide payments at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, capitated payments, reimbursed costs, discounted charges and per diem payments 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 due to future audits, reviews and investigations Retroactive adjustments are accrued on an estimated basis in the period the services are rendered and adjusted in future periods as final settlements are determined or as years are no longer subject to such audits, reviews, and investigations

13. Other Revenue

Pine Run charges all residents a monthly service fee which varies according to the size of the living space occupied and the type of agreement The agreement includes living space, utilities, some meals, housekeeping, and transportation services Monthly service fees are recognized as income when due

Revenue is earned through a monthly service fee contract with no entry fee component, as defined in the Resident Agreement For an additional monthly fee, certain residents had the option to purchase 90 cumulative days of room and board during the resident's lifetime in the Health Center or Lakeview without paying any additional amount over the monthly Village fee As of June 30, 2011, there were 241 residents with resident agreements, 2 of whom also hold the optional 90-day Health Center contract

For the 24 units in Fringetree Court, Pine Run offers the Villagei Agreement for Fringetree Court, a 90% refundable from reoccupancy proceeds contract Ten percent of the original entry fee is amortized into operating revenue prorated over the actuarially determined lives of each resident or couple, adjusted annually The remaining 90% is deferred and amortized into operating revenue on the straight-line method over the remaining useful life of the facility, which was estimated to be 30 years at the original occupancy date Any gains on the reoccupancy of the units are realized by the Community, and are deferred and amortized into operating revenue over the estimated remaining useful life of the facility

At June 30, 2011 and 2010, the portion of deferred entry fee revenue subject to such refund provisions under these contracts amounted to $5,448,201 and $4,600,869, respectively

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

14 Deposits

Deposits from prospective residents are required for apartment units as part of a Wait List Program At June 30, 2011 and 2010, cash balances of $50,756 and $61,654, respectively, related to refundable deposits and are included in other liabilities Deposits for the Wait List Program may be refundable or nonrefundable based on the prospective resident's desired priority on the Wait List

In 2007, Pine Run began Fringetree Court to incorporate a mid-rise building of 24 apartments to replace some apartments on the existing campus In these apartments residents receive the same services provided to other apartment residents They are a 90% refundable entry fee offering These are larger two-bedroom and two-bedroom/den units with in-building parking The project was completed under a development agreement whereby the building was constructed by the developer, and the developer would be paid from the proceeds of entry fees deposits up to a predetermined amount as defined in the development agreement The completion date of this project was April 2008 As of June 30, 2011, all of the units are under contract, and all obligations and payments due to the developer have been satisfied

15. Derivatives

The Corporation recognizes all derivative financial instruments in the consolidated balance sheets at fair value Management has determined that interest rate swap agreements do not qualify as hedges for financial reporting purposes Consequently, the changes in the fair value of interest rate swap agreements are included as a component of excess of revenue and other income over expenses and other losses in the consolidated statements of operations and changes in net assets

The interest rate swap agreements are used by the Corporation to manage interest rate exposures and to hedge the changes in cash flows on variable rate revenue bonds Derivative financial instruments involve, to a varying degree, elements of market and credit risk The market risk associated with these instruments resulting from interest rate movements is expected to offset the market risk of the liability being hedged

16 Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets represent those whose use has been limited by donors to a specific time period or purpose Permanently restricted net assets have been restricted by donors to be maintained in perpetuity with income to support services in accordance with donor stipulations Gains and losses on investments are reported as increases or decreases in unrestricted net assets unless restricted by donor stipulations or law As the donors' intentions are met, the net assets are reclassified to unrestricted and reported in the consolidated statements of operations and changes in net assets as other revenue for operating purposes and as other changes in unrestricted net assets for acquisitions of property, plant and equipment

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

17 Excess of Revenue and Other Income over Expenses and Other Losses

The consolidated statements of operations and changes in net assets include the excess of revenue and other income over expenses and other losses Changes in unrestricted net assets which are excluded from the excess of revenue and other income over expenses and other losses, consistent with industry practice, include permanent transfers to and from affiliates, net assets released from restriction for property, plant and equipment, unrealized gains and losses on other than trading securities, change in non-controlling interest, and other changes in accrued pension

18 Income Tax

A tax position is recognized or derecognized by the Corporation based on a "more likely than not" threshold This applies to positions taken or expected to be taken in a tax return The Corporation does not believe its consolidated financial statements include material uncertain tax positions

19 New Accounting Guidance

In August 2010, the Financial Accounting Standards Board ("FASB") issued amended authoritative guidance to reduce the diversity in practice regarding the measurement basis used in the identification and disclosure of charity care by health care entities The amendments in this guidance require that cost be used as the measurement for charity care disclosure purposes and that cost be identified as the direct and indirect cost of providing the care The guidance also requires entities to disclose their method used to identify or determine such costs This authoritative guidance is effective for financial statements issued for fiscal years beginning after December 15, 2010 and should be applied retrospectively to all prior fiscal years presented Early application is permitted The Corporation has not early adopted this guidance, but plans to adopt it for the year ending June 30, 2012 The new guidance is not expected to affect the results of operations or financial position, however, changes to the charity care disclosures will be required

In August 2010, the FASB issued amended authoritative guidance to reduce the diversity in practice related to the accounting by health care entities for medical malpractice claims and similar liabilities, and their related expected insurance recoveries The amendments in this guidance state that insurance claims liabilities should be determined without consideration of any expected insurance recoveries, consistent with practice in other industries, and clarifies that health care entities should no longer net expected insurance recoveries against the related claims liabilities, thus recognizing their gross exposure in the financial statements This authoritative guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2010 A cumulative-effect adjustment should be recognized in opening equity in the period of adoption if a difference exists between any liabilities and insurance receivables recorded as a result of applying the amendments in this guidance Retrospective and early applications are also permitted The Corporation has not early adopted this guidance, but plans to adopt it for the year ending June 30, 2012 The Corporation is evaluating the impact of adopting this guidance

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

In July 2011, the FASB issued authoritative guidance to provide amendments to the presentation of the statement of operations for certain healthcare entities and enhanced disclosure about net patient service revenue and the related allowance for doubtful accounts These amendments require certain health care entities to present their provision for bad debts associated with patient service revenue as a deduction from patient service revenue (net of contractual allowances and discounts) These amendments also require disclosure of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts Additionally, health care entities are required to provide enhanced disclosure about their policies for recognizing revenue and assessing bad debts

This guidance is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011, with early adoption permitted The amendments to the presentation of the provision for bad debts related to patient service revenue in the statement of operations should be applied retrospectively to all prior periods presented The disclosures required by the amendments in this update should be provided for the period of adoption and subsequent reporting periods The Corporation is evaluating the impact of adopting this guidance on its results of operations and financial position

NOTE C - NET PATIENT SERVICE REVENUE

The Corporation has agreements with third-party payors that provide for payments at amounts different from established charges The Corporation's inpatient acute care services and outpatient services for Medicare and Medicaid program beneficiaries are paid at prospectively determined rates per inpatient discharge or outpatient visit These payments vary according to a patient classification system that is based on clinical, diagnostic, and other factors

Certain services for Medicare beneficiaries are paid based on a cost reimbursement methodology, subject to certain limitations These services are reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the program's fiscal intermediary Provisions for estimated adjustments resulting from audit and final settlements have been recorded Differences between the estimated adjustments and the amounts settled are recorded in the year of settlement Fiscal intermediaries have not audited the cost reports for the years ended June 30, 2011 and 2010

In December 2010, the Department of Public Welfare ("DPW") received approval from the Centers for Medicare and Medicaid Services ("CMS") for the Pennsylvania state plan amendments pursuant to Pennsylvania Act 49 of 2010 that, among other things, established a new inpatient hospital fee-for-service payment system (using APR-DRG), established enhanced hospital payments through the state's Medical Assistance ("MA") managed care program and secured additional matching Medicaid funds through the establishment of the Quality Care Assessment In February 2011, the DPW received the approvals necessary from CMS on the final technical language for the DPW contracts with managed care organizations The Hospital and Healthcare Association of Pennsylvania issued hospital-specific impacts of the MA payment modernization for fiscal year 2011 The Corporation recorded net patient service revenue of $2,064,732, other operating revenue of $843,362 and other expense of $2,912,572 for an operating income impact of $(4,478) in its consolidated statements of operations and changes in net assets for the year ended June 30, 2011

NOTE C - NET PATIENT SERVICE REVENUE - Continued

The Corporation has also entered into payment agreements with certain commercial third-party payors and administrators The basis for payments under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates Certain agreements have retrospective audit clauses allowing the payor to review and adjust claims subsequent to initial payment

In the opinion of management, adequate provision has been made for any reimbursement changes that may result from third-party adjustments or cost report settlements Net patient service revenue includes unfavorable adjustments of $1,247,000 for the year ended June 30, 2010 identified through internal compliance reviews or as anticipated adjustments

Revenues from the Medicare and Medicaid programs, collectively, accounted for approximately 29% and 28% of net patient service revenues for the years ended June 30, 2011 and 2010, respectively Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term Management believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing While no such regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretations as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs

NOTE D - ASSETS LIMITED AS TO USE

Assets limited as to use consist of the following:

	June 30, 2011	June 30, 2010
Internally designated by Board of Directors		
Cash	$ 51,194	$ 48,626
Equity mutual funds	45,278,938	43,014,554
	$ 45,330,132	$ 43,063,180
Externally designated under bond indenture, development, 403(b) and statutory agreements:		
Cash	$ 1,995,056	$ 2,695,147
Government securities	6,031,250	6,031,250
	8,026,306	8,726,397
Less assets limited as to use that are required for current liabilities	(519,544)	(1,219,647)
	$ 7,506,762	$ 7,506,750

NOTE D - ASSETS LIMITED AS TO USE - Continued

Assets limited as to use externally designated are maintained for the following purpose

	June 30, 2011	June 30, 2010
Development agreement	$ -	$ 7,000
Benefit plan 403(b)	84,066	-
Statutory reserve requirement	10,739	18,166
Debt service fund	184,677	144,657
Construction fund	240,062	1,049,824
Debt service reserve fund	7,506,762	7,506,750
	$ 8,026,306	$ 8,726,397

NOTE E - PROPERTY, PLANT AND EQUIPMENT

	June 30, 2011	June 30, 2010
Land	$ 15,276,375	$ 15,276,375
Land improvements	3,323,647	3,220,290
Building and fixed equipment	234,746,846	228,597,409
Movable equipment	132,699,663	128,694,639
	386,046,531	375,788,713
Less accumulated depreciation	(214,863,471)	(197,590,889)
	171,183,060	178,197,824
Construction-in-progress	1,666,548	1,956,085
	$ 172,849,608	$ 180,153,909

Depreciation expense was $17,261,756 and $16,798,111 for the years ended June 30, 2011 and 2010, respectively

During fiscal 2010, the Corporation sold land with a book value of $1,191,665 and recognized a gain on the sale of the land of $454,784 The gain on the sale of the land was recorded as a component of other income and losses in the consolidated statements of operations and changes in net assets

NOTE F - LONG-TERM DEBT

	June 30, 2011	June 30, 2010
Hospital		
Revenue Bonds 2008 Series A	$ 49,610,000	$ 53,140,000
Revenue Bonds 2008 Series B	75,000,000	75,000,000
Bond Premium 2008 Series A and B	1,087,529	1,260,338
Mortgage Payable Parking Garage	7,676,295	7,800,289
Pine Run		
Pine Run Series 1998A	14,755,000	14,755,000
Bond Discount Pine Run Series 1998A	(225,837)	(240,789)
Doylestown Radiology Equipment Loan	75,000	121,428
	147,977,987	151,836,266
Less current portion	(3,981,718)	(3,895,675)
	$ 143,996,269	$ 147,940,591

The Corporation uses current quoted market prices in estimating the fair value of its Revenue Bonds and the carrying value of the other long-term debt approximates fair value The fair value of the Corporation's long-term debt, at June 30, 2011 and 2010, is $147,997,353 and $150,140,598, respectively

The Doylestown Hospital Authority (the "Authority") has issued Revenue Bonds on behalf of the Hospital and Pine Run

Doylestown Hospital

The Series 2008A Bonds were issued to fund construction projects and include $53,140,000 of serial bonds which mature in varying annual amounts ranging from $3,650,000 to $5,530,000 through 2023 with interest rates ranging from 3 15% to 5 0% The 2008A Bonds are subject to optional redemption prior to maturity by the Authority, at the direction of the Hospital, as a whole or in part at any time on or after July 1, 2018, at a price equal to 100% of the principal amount of the 2008A Bonds to be redeemed, plus accrued interest to the date of redemption The 2008A Bonds were issued to finance certain capital expenditures.

The 2008A Bonds are insured by Assured Guarantee and collateralized by hospital property Additionally, the agreement contained certain restrictive covenants that require the Hospital to maintain certain thresholds for a debt service coverage ratio, a day's cash on hand ratio, and a debt to capitalization ratio.

The Series 2008B Bonds were used to refund certain old debt and include $75,000,000 of serial bonds which mature in varying annual amounts ranging from $1,370,000 to $6,205,000 beginning in 2022 through 2037, which bear interest at a variable interest rate subject to conversion to a fixed rate at the option of the Hospital The variable interest rates, due monthly, are determined on a Weekly Mode, Term Rate Mode, or Fixed Rate Mode At June 30, 2011 and 2010, the Authority was using the Weekly Mode interest rate and this rate was 0 08% and 0 26%, respectively The 2008B Bonds are subject to optional redemption on any interest payment date by the Authority,

NOTE F - LONG-TERM DEBT - Continued

at the direction of the Hospital, at a redemption price equal to the outstanding principal amount The 2008B Bonds are collateralized by certain Hospital property and secured by an irrevocable letter of credit with a bank, which expires on March 31, 2013 There are no amounts outstanding on the letter of credit at June 30, 2011

In November 2009, the Hospital entered a mortgage agreement in the amount of approximately $8,000,000 for the construction of a parking garage The ten-year mortgage is at a fixed rate of 4 99% for ten years, with a balloon payment due of $4,942,800 in February 2020 The mortgage is collateralized by the parking garage and parking garage land Annual principal payments on the mortgage range from $256,718 to $598,555

Pine Run

The 1998 Series A Bonds consist of $14,755,000 5 0% term bonds, which mature in varying annual amounts from 2024 through 2028 The 1998 Bonds are subject to mandatory redemption in part prior to maturity beginning on July 1, 2024 and on each July 1 thereafter through and including maturity ranging from $2,670,000 to $3,245,000 The redemption price equals the principal amount plus accrued interest The Series 1998 A Bonds are also subject to an optional redemption prior to maturity by the Authority, at the direction of the Hospital, in whole or in part at any time on or after January 1, 2008 at redemption prices ranging from 100% to 102% The 1998 Series A Bonds are collateralized by a priority mortgage lien on certain facilities and assets used in operations

A summary of principal payments for all the long-term debt for the next five years and thereafter is as follows

2012	$ 3,981,718
2013	4,069,825
2014	4,278,601
2015	4,473,081
2016	4,673,301
Thereafter	125,639,769
	$147,116,295

A summary of interest cost and investment income on borrowed funds held by the trustee follows·

	Year ended June 30,	
	2011	2010
Interest cost		
Capitalized	$ -	$ 1,907,295
Charged to operations	6,259,317	4,229,732
Total	$ 6,259,317	$ 6,137,027
Investment income		
Capitalized	$ -	$ 149,309
Credited to other revenue	252,297	322,447
Total	$ 252,297	$ 471,756

NOTE G - DERIVATIVE FINANCIAL INSTRUMENTS

In connection with the issuance of the Series 2008B Bonds, an interest rate swap agreement was entered into in the aggregate notional amount of $45,000,000 (maturity 2037) The swap provides for payments by the Hospital of fixed rates of 3 94% in exchange for variable interest payments by the counterparty which are intended to approximate the interest payments on the Series 2008B Bonds

An additional interest rate swap agreement was entered into in the aggregate notional amount of $15,000,000 (maturity 2019) The swap provides for payments by the Hospital at fixed rates of 2 95% in exchange for variable interest payments by the counterparty which are intended to approximate the interest payments on the Series 2008B Bonds

The change in the fair value of the Corporation's interest rate swap agreements for the year ended June 30, 2011 was a decrease in the interest rate swap liability of $634,402 and an increase of $4,056,443 for the year ended June 30, 2010 The change is included in other income (losses) as a component of excess of revenues and other income over expenses and losses in the consolidated statements of operations and changes in net assets At June 30, 2011 and 2010, the fair value of the interest rate swaps represented a liability of $4,868,261 and $5,502,663, respectively

The Corporation has established policies and procedures to limit the potential for counterparty credit risk, including establishing limits for credit exposure and continually assessing the creditworthiness of counterparties As a matter of practice, the Corporation will enter into transactions only with counterparties whose obligations are rated "A-" or above as rated by Standard & Poor's, or "A3" or above as rated by Moody's

The Corporation's exposure to credit risk, associated with its derivative financial instruments, is measured on an individual counterparty basis, as well as by groups of counterparties that share similar attributes As of the date the consolidated financial statements were issued, the Corporation was not exposed to any risk of loss

NOTE H - PENSION PLANS

The Hospital has a defined benefit noncontributory pension plan covering all full-time and certain part-time employees Plan benefits are generally based on years of service and the employees' compensation during the last five years of employment The Hospital's policy is to fund annually at least the minimum amount required by the Employee Retirement Income Security Act of 1974 The Hospital has frozen the defined benefit plan as of December 31, 2010

NOTE H - PENSION PLANS - Continued

The Hospital uses a June 30 measurement date for the plan The following table summarizes information about the pension benefit plan

	June 30, 2011	June 30, 2010
Changes in benefit obligation		
Projected benefit obligation, beginning of year	$ 67,523,233	$ 61,303,959
Service cost	1,782,317	3,324,406
Interest cost	3,748,388	3,709,188
Change due to curtailment	(3,000,000)	-
Actuarial loss	475,478	2,301,064
Benefits paid	(4,905,578)	(3,115,384)
Projected benefit obligation, end of year	$ 65,623,838	$ 67,523,233
Accumulated benefit obligation	$ 65,623,838	$ 62,500,000
Changes in plan assets		
Fair value of plan assets, beginning of year	$ 45,991,535	$ 36,164,800
Actual return on plan assets, net of expenses	9,496,220	5,031,080
Employer contribution	5,126,059	7,887,507
Benefits paid	(4,905,578)	(3,115,384)
Fair value of plan assets, end of year	$ 55,708,236	$ 45,968,003
Funded status - accrued pension	$ (9,915,602)	$ (21,555,230)
Amounts recognized in accumulated unrestricted net assets consist of		
Unrecognized net loss	$ 15,093,310	$ 24,124,683
Unrecognized prior service cost	-	(1,016,219)
	$ 15,093,310	$ 23,108,464
Net periodic benefit cost consists of		
Components of net periodic benefit cost		
Service cost	$ 1,782,317	$ 3,324,406
Interest cost	3,748,388	3,709,188
Expected return on assets	(4,184,238)	(3,225,207)
Amortization of		
Unrecognized net actuarial loss	1,171,337	1,450,844
Unrecognized prior service cost	(73,149)	(146,298)
	2,444,655	5,112,933
Curtailment gain	(943,070)	-
Net periodic benefit cost	$ 1,501,585	$ 5,112,933

NOTE H - PENSION PLANS - Continued

	June 30, 2011	June 30, 2010
Amounts recognized in other changes in unrestricted net assets consist of		
Net loss	$ (8,170,272)	$ 495,189
Amortization of loss	1,171,337	(1,450,844)
Amortization of prior service cost	(73,149)	146,298
Curtailment effect on prior service cost	(943,070)	-
Net amount recognized	$ (8,015,154)	$ (809,357)
Total recognized in other changes in unrestricted net assets and net periodic benefit cost	$ (6,513,569)	$ 4,303,576

The estimated net loss for the pension plan that will be amortized from accumulated other changes in unrestricted net assets in to net periodic benefit cost in the next fiscal year is $600,000

	2011	2010
Assumptions		
Weighted-average assumptions used to determine benefit obligations at June 30		
Discount rate	5 75%	5 75%
Rate of compensation increase	N/A	2 50%
Weighted-average assumptions used to determine net periodic benefit cost for years ended June 30		
Discount rate	5 75%	6.30%
Rate of compensation increase	2 50%	2 50%
Expected long-term return on plan assets	9 00%	9 00%

To develop the expected long-term rate of return on plan assets assumption, the Hospital considered the historical returns and the future expectations for returns for each asset class, as well as the target allocation of the pension portfolio as shown below This resulted in the selection of the 9 00% expected long-term return on plan assets

The pension plan's actual weighted-average asset allocations and target asset allocations, by asset category, are as follows

Asset category	Target asset allocation	June 30, 2011	June 30, 2010
Cash	0%	0%	1%
Equity securities	57	60	55
Fixed income securities	28	28	31
Other	15	12	13
	100%	100%	100%

NOTE H - PENSION PLANS - Continued

The policy, as established by the Hospital with input from the investment manager, is to provide for growth of capital with a moderate level of volatility by investing assets per the target allocations stated above The investment policy is reviewed on a regular basis under the advisement of the investment manager An Investment Advisory Group of the Board of Directors reviewed the asset allocation and recommendations of the investment manager

Fair Values of Plan Assets

The following table presents the Hospital's categorization of the assets of the pension plan within the fair value hierarchy as of June 30

	Total	Level 1	Level 2	Level 3
2011				
Cash	$ 1,000	$ 1,000	$ -	$ -
Equity securities (a)	33,675,122	33,675,122	-	-
Fixed income securities (b)	15,637,955	15,637,955	-	-
Other (c)	6,394,159	-	6,394,159	-
	$ 55,708,236	$ 49,314,077	$ 6,394,159	$ -

	Total	Level 1	Level 2	Level 3
2010				
Cash	$ 205,092	$ 205,092	$ -	$ -
Equity securities (a)	25,389,698	25,389,698	-	-
Fixed income securities (b)	14,349,873	14,349,873	-	-
Other (c)	6,023,340	-	-	6,023,340
	$ 45,968,003	$ 39,944,663	$ -	$ 6,023,340

a) Comprised of various equity securities which include U S large, mid-cap and small-cap equities

b) Comprised of high yield debt and investment grade bonds

c) Other investments is comprised of an alternative investment with various strategy funds, including relative value investments, discretionary global macrofunds, managed futures, structured products and direct lending The alternative investment has a one-year lock-up period from the date of purchase (the Hospital purchased the investment in fiscal 2010) Subsequent to the lock-up period, the alternative investment can be redeemed at the net asset value of the alternative investment by written notice 65 days prior to the quarterly tender date There are no further commitments required for the alternative investment

NOTE H - PENSION PLANS - Continued

The Corporation measures fair value of investments using the market value approach for all investments except for alternative investments Fair value of the Corporation's alternative investment is determined based upon the net asset value of the fund per share provided by the fund manager The fair value of the underlying securities and other financial information of the alternative investment may involve estimates that require a degree of judgment Because the net asset value reported by the fund is used as a practical expedient to estimate the fair value of the Corporation's interest therein, its classification as Level 3 is based on the Corporation's ability to redeem its interest at or near the date of the balance sheet

The table below sets forth a summary of changes in the fair value of the pension plan's Level 3 assets for the year ended June 30

	2011	2010
Balance at beginning of year	$ 6,023,340	$ -
Purchases	-	6,100,000
Change in unrealized gains and losses	370,819	(76,660)
Transfer to Level 2	(6,394,159)	-
Balance at end of year	$ -	$ 6,023,340

Cash Flows

Contributions

The Hospital expects to contribute approximately $2,500,000 in pension contributions during fiscal year 2012

Estimated Future Benefit Payments

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

2012	$ 2,500,000
2013	2,500,000
2014	2,600,000
2015	2,600,000
2016	2,700,000
2017-2021	13,500,000

Defined Contribution Plans

The Hospital has a defined contribution plan covering all full-time and certain part-time employees The plan is designed to provide eligible employees with long-term savings and investment opportunities Participation in this plan is voluntary Employees are eligible to participate upon hire, and Associates meeting eligibility requirements are eligible for employer contributions effective the first of the month following the date of hire For the years ended June 30, 2011 and 2010, the Hospital made matching contributions of approximately $280,299 and $505,866, respectively The Hospital suspended its matching contributions to the defined contribution plan, beginning July 1, 2010, and reinstated the match effective January 1, 2011 In addition, the Hospital began making base employer defined contributions for each eligible Associates effective January 1, 2011 These base contributions totaled $678,541 for fiscal year ending June 30, 2011

NOTE H - PENSION PLANS - Continued

Pine Run has a defined contribution retirement plan for all employees Participants may make voluntary contributions to the plan limited to 20% of their compensation Employer contributions to the plan are discretionary as determined by the Board of Directors and are distributed to certain eligible salaried and hourly employees The employer contribution for the years ended June 30, 2011 and 2010 was $100,196 and $100,987, respectively

NOTE I - INSURANCE COVERAGE AND SELF-INSURED RESERVES

Medical Professional Liability Insurance

The Medical Care Availability and Reduction of Error ("MCARE") Act was enacted by the legislature of the Commonwealth of Pennsylvania ("Commonwealth") in 2002 This Act created the MCARE Fund, which replaced The Pennsylvania Medical Professional Liability Catastrophe Loss Fund (the "Medical CAT Fund"), as the agency for the Commonwealth to facilitate the payment of medical malpractice claims exceeding the primary layer of professional liability insurance carried by Pine Run and other health care providers practicing in the Commonwealth

The MCARE Fund is funded on a "pay as you go basis" and assesses health care providers, based on a percentage of the rates established by the Joint Underwriting Association (also a Commonwealth agency) for basic coverage. The MCARE Act of 2002 provides for a further reduction to the current MCARE coverage of $500 per occurrence to $250 per occurrence and the eventual phase-out of the MCARE Fund, subject to the approval of the PA Insurance Commissioner To date, the PA Insurance Commissioner has deferred the change in coverage and eventual phase-out of the MCARE Fund to future years

The Hospital's annual premiums paid for participation in MCare were $343,102 and $341,749 for the years ended June 30, 2011 and 2010, respectively. No provision has been made for any future MCare Fund assessments in the accompanying consolidated financial statements as the Hospital's portion of the MCare Fund unfunded liability cannot be reasonably estimated The Hospital also maintains $15,000,000 of excess insurance coverage above the MCare Fund limits

The Hospital also has liabilities totaling approximately $847,000 and $964,000 at June 30, 2011 and 2010, respectively, in self-insured medical malpractice liabilities in the consolidated balance sheets for estimates of liability for the self-insured retention under current and prior commercial malpractice policies

The liability for self-insured medical malpractice claims incurred but not recorded (discounted at 4% and 5% at June 30, 2011 and 2010, respectively) of approximately $1,891,000 and $1,800,000 at June 30, 2011 and 2010, respectively, is included in self-insured liabilities in the consolidated balance sheets

Workers' Compensation Insurance

The Corporation has a self-insured workers' compensation program subject to a self-insured retention of $500,000 per claim for both the years ended June 30, 2011 and 2010 Claims exceeding the self-insured retention are covered under an excess insurance policy, the maximum limit of indemnity is statutory and the employers' liability maximum limit of indemnity per occurrence and aggregate is $1,000,000 for both 2011 and 2010

NOTE I - INSURANCE COVERAGE AND SELF-INSURED RESERVES - Continued

The liability for workers' compensation claims (discounted at 4% and 5% at June 30, 2011 and 2010, respectively) of $2,428,396 and $2,182,533 at June 30, 2011 and 2010, respectively, is included in self-insured liabilities in the consolidated balance sheets The Hospital maintains continuous surety bond coverage of $3,600,000 at June 30, 2011 and 2010, and has an irrevocable letter of credit with automatic renewal of $2,550,000 at June 30, 2011 and 2010 as collateral for payment of claims No amounts were outstanding on the bond or letter of credit at June 30, 2011 and 2010

Employee Medical Benefits

The Corporation is self-insured for employee medical benefits The liabilities for medical claims of $600,000 at June 30, 2011 and 2010 are included in the current portion of self-insured liabilities in the consolidated balance sheets, and represent the estimated costs of medical services provided by other hospitals, physicians and other medical care providers, which will be paid out in future periods The stop-loss insurance limit is $100,000, for both 2011 and 2010, for all claims in any one year by any one individual

NOTE J - FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements) The three levels of the fair value hierarchy are as follows

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporation has the ability to access at the measurement date

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

- Level 3 inputs are unobservable inputs for the asset or liability

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety

NOTE J - FAIR VALUE MEASUREMENTS - Continued

The following table presents assets and liabilities that are measured at fair value on a recurring basis at June 30

	Total	Level 1	Level 2	Level 3
2011				
Cash and cash equivalents	$ 32,529,543	$ 32,529,543	$ -	$ -
Internally designated by Board of Directors	45,330,132	45,330,132	-	-
Externally designated under bond indenture, 403(b) and statutory liquid reserve	8,026,306	1,995,056	6,031,250	-
Total assets	$ 85,885,981	$ 79,854,731	$ 6,031,250	$ -
Liabilities				
Interest rate swaps	$ 4,868,261	$ -	$ 4,868,261	$ -
Total liabilities	$ 4,868,261	$ -	$ 4,868,261	$ -
2010				
Cash and cash equivalents	$ 23,314,562	$ 23,314,562	$ -	$ -
Internally designated by Board of Directors	43,063,180	43,063,180	-	-
Externally designated under bond indenture, development agreements and statutory liquid reserve	8,726,397	2,695,147	6,031,250	-
Total assets	$ 75,104,139	$ 69,072,889	$ 6,031,250	$ -
Liabilities				
Interest rate swaps	$ 5,502,663	$ -	$ 5,502,663	$ -
Total liabilities	$ 5,502,663	$ -	$ 5,502,663	$ -

The Corporation determines the estimated fair value for its Level 1 securities using the market approach The Corporation determines the estimated fair value for its Level 2 securities and interest rate swap using transactions and inputs that are derived principally from or corroborated by other observable market data

NOTE K - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

The Corporation has recorded temporarily restricted net assets which are available for the following purposes

	June 30, 2011	June 30, 2010
Various health care services	$ 5,377	$ 3,545
Investment in property, plant and equipment	1,721,483	2,934,278
	$ 1,726,860	$ 2,937,823

The Corporation has recorded an interest in temporarily restricted net assets held by the Foundation for the benefit of the Corporation whose use has been limited to a specified time period or purpose These temporarily restricted net assets are available for the following purposes

	June 30, 2011	June 30, 2010
Various health care services	$ 2,372,949	$ 2,283,976
Investment in property, plant and equipment	193,705	163,495
	$ 2,566,654	$ 2,447,471

The Corporation has also recorded as permanently restricted an interest in the net assets held by the Foundation for funds held in trust for the benefit of the Corporation, the principal of which is held in perpetuity by donor stipulation The income from these funds is available for the current operations of the Corporation and for the years ended June 30, 2011 and 2010 totaled $255,924 and $337,582, respectively At June 30, 2011 and 2010, these amounts totaled $10,866,992 and $9,410,017, respectively

NOTE L - RELATED PARTY TRANSACTIONS

The Corporation has various transactions with related parties The following table summarizes these transactions

	June 30, 2011	June 30, 2010
Fees paid by Foundation for management and other support	$ 645,536	$ 675,508
Transfers to Foundation		
Funds received from legacies	698,395	570,628
Transfers from Foundation (restricted and unrestricted)		
To finance property, plant and equipment	1,429,702	2,067,364
To other operating revenue	7,106	37,432

NOTE L - RELATED PARTY TRANSACTIONS - Continued

Due (to) from affiliated entities related to the following

	June 30, 2011	June 30, 2010
Due from Doylestown Health Foundation	$ 3,143,708	$ 3,873,169
Due (to) VIA Affiliates	(8,390,195)	(8,073,557)
Due from Health and Wellness Center	1,823,692	1,822,388
Other	261,584	497,378
	$ (3,161,211)	$ (1,880,622)

The amounts included in due from Doylestown Health Foundation represent the Hospital's right to assets held by Doylestown Health Foundation for which the Hospital is the beneficiary These funds will be transferred to the Hospital as pledge payments are received The amounts due to VIA Affiliates represent expenses recognized in hospital operations to support/reimburse the practices for development of clinical programs The amounts due from the Health and Wellness Center represent expenditures processed through hospital systems related to the Spa and Fitness Center Beginning March 2010, the Corporation is no longer operating the Spa and Fitness Center These funds will be recovered as the Health and Wellness Center receives rental payments from an unrelated entity

NOTE M - FUNCTIONAL EXPENSES

The Corporation provides general health care services to residents within their geographic location including acute care, home care, pediatric care, outpatient surgery, long-term care, and hospice care as well as operates an independent living facility Expenses related to providing these services are as follows

	June 30, 2011	June 30, 2010
Health care	$ 211,563,681	$ 212,580,600
Retirement facility	8,385,617	8,096,336
Administrative	14,551,453	13,896,629
	$ 234,500,751	$ 234,573,565

NOTE N - INVESTMENTS IN JOINT VENTURES

The Corporation has the following amounts recorded in other assets in the consolidated balance sheets related to investments in joint ventures

	June 30, 2011	June 30, 2010
Bucks County Physicians Hospital Alliance	$ 25,000	$ -
Doylestown Surgical Center, LLC	1,333,510	1,114,137
Medical Office Building ("MOB")	799,713	799,713
Doylestown PET Associates	303,083	214,286
	$ 2,461,306	$ 2,128,136

The Hospital owns 50% of the Bucks County Physicians Hospital Alliance ("BCPHA"), a physician hospital organization The Hospital accounts for its investment in BCPHA using the equity method of accounting

The Hospital purchased 60% of the Doylestown Surgical Center, LLC, a for-profit business, in March 2007 The Hospital participates as a limited partner The Hospital does not have voting control of the Doylestown Surgical Center Accordingly, the Hospital records its investment in Doylestown Surgical Center using the equity method of accounting.

The Hospital owns 23 3% of Pavilion I and 25 5% of Pavilion II, which are considered the Medical Office Building The Hospital accounts for its investment in MOB using the equity method of accounting

The Hospital owns 49% of the Doylestown PET Associates, LLC, a for-profit business corporation The Hospital accounts for its investment in Doylestown PET Associates using the equity method of accounting

Other revenue includes a net increase/(decrease) of $308,172 and ($132,728) related to joint venture gains for the years ended June 30, 2011 and 2010, respectively, as well as cash distributions of $105,381 and $136,871 for the years ended June 30, 2011 and 2010, respectively

NOTE O - CONTINGENCIES

Lease obligations

The following is a five-year schedule of minimum lease commitments under noncancellable operating leases for the Corporation in effect as of June 30, 2011

Year ending June 30	
2012	$ 3,051,176
2013	2,935,809
2014	2,318,150
2015	1,837,487
2016	1,232,145

NOTE O - CONTINGENCIES - Continued

Rental expense amounted to $2,976,495 and $2,565,671 for the years ended June 30, 2011 and 2010, respectively

Litigation

The Corporation is a defendant in several matters of litigation all in the ordinary course of conducting business In the opinion of management, the ultimate outcome of these matters will not have a material effect on the Corporation's financial position, results of operations, or cash flows

NOTE P - CONCENTRATIONS OF CREDIT RISK

The Corporation grants credit without collateral to 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

	June 30,	
	2011	2010
Blue Cross	15%	13%
Medicare	29	33
Self-pay	17	12
Keystone Health Plan	12	11
Commercial	9	14
Aetna	8	8
Medical Assistance	6	5
Other	4	4
	100%	100%

NOTE Q - SUBSEQUENT EVENTS

The Corporation evaluated its June 30, 2011 consolidated financial statements for subsequent events through the date the financial statements were issued The Corporation is not aware of any subsequent events other than those previously disclosed in the consolidated financial statements which would require recognition or disclosure in the accompanying consolidated financial statements

SUPPLEMENTAL INFORMATION

Audit • Tax • Advisory

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Report of Independent Certified Public Accountants on Supplemental Information

Board of Directors
Doylestown Hospital

Our audits were conducted for the purpose of forming an opinion on the 2011 and 2010 consolidated financial statements taken as a whole The following financial information as listed on the table of contents is presented for purposes of additional analysis and is not a required part of the consolidated financial statements Such information has been subjected to the auditing procedures applied in our audits of the 2011 and 2010 consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole

Grant Thornton LLP

Philadelphia, Pennsylvania

September 29, 2011

Doylestown Hospital

CONSOLIDATING BALANCE SHEET

June 30, 2011

ASSETS	Doylestown Hospital Division	Pine Run Division	Doylestown Radiology Group, LP	Eliminations	Consolidated Doylestown Hospital
Current assets					
Cash and cash equivalents	$ 29,240,210	$ 3,071,779	$ 217,554	$ -	$ 32,529,543
Assets limited as to use	424,739	94,805	-	-	519,544
Patient accounts receivable, net	22,439,154	1,756,664	123,305	-	24,319,123
Supplies	5,447,778	73,449	-	-	5,521,227
Other current assets	4,966,238	187,711	24,700	-	5,178,649
Total current assets	62,518,119	5,184,408	365,559	-	68,068,086
Assets limited as to use					
Internally designated - by Board of Directors	45,330,132	-	-	-	45,330,132
Externally designated	6,031,250	1,475,512	-	-	7,506,762
	51,361,382	1,475,512	-	-	52,836,894
Interest in net assets of Doylestown Health Foundation	13,433,646	-	-	-	13,433,646
Property, plant and equipment, net	143,066,405	29,543,145	240,058	-	172,849,608
Deferred financing costs, net	2,804,758	267,303	-	-	3,072,061
Other assets	3,257,340	-	9,998	(221,597)	3,045,741
Total assets	$276,441,650	$ 36,470,368	$ 615,615	$ (221,597)	$313,306,036
LIABILITIES AND NET ASSETS					
Current liabilities					
Current portion of long-term debt	$ 3,906,718	$ -	$ 75,000	$ -	$ 3,981,718
Current portion of self-insured liabilities	1,969,573	1,058,823	-	-	3,028,396
Accrued interest payable	453,256	-	-	-	453,256
Accounts payable	12,388,766	1,135,029	106,109	-	13,629,904
Accrued salaries and payroll taxes	4,147,520	584,114	-	-	4,731,634
Accrued vacation	5,424,365	489,212	-	-	5,913,577
Other liabilities	1,759,054	534,981	-	-	2,294,035
Estimated settlement with third-party payors	29,123	-	-	-	29,123
Deposit of deferred entry fees	-	94,500	-	-	94,500
Due to Affiliated Entities	3,114,606	46,605	-	-	3,161,211
Total current liabilities	33,192,981	3,943,264	181,109	-	37,317,354
Long-term debt, net of current portion	129,467,106	14,529,163	-	-	143,996,269
Interest rate swaps	4,868,261	-	-	-	4,868,261
Due to affiliated entities	(11,180,559)	11,180,559	-	-	-
Self-insured liabilities, net of current portion	2,735,665	73,333	-	-	2,808,998
Accrued pension	9,915,602	-	-	-	9,915,602
Deferred entry fees	-	6,020,778	-	-	6,020,778
Other liabilities	443,635	-	-	-	443,635
Total liabilities	169,442,691	35,747,097	181,109	-	205,370,897
Net assets					
Unrestricted					
Corporation	91,843,830	717,894	434,506	(434,506)	92,561,724
Non-controlling interest	-	-	-	212,909	212,909
Total unrestricted	91,843,830	717,894	434,506	(221,597)	92,774,633
Temporarily restricted	1,721,483	5,377	-	-	1,726,860
Temporarily restricted, held by Foundation	2,566,654	-	-	-	2,566,654
Total temporarily restricted	4,288,137	5,377	-	-	4,293,514
Permanently restricted, held by Foundation	10,866,992	-	-	-	10,866,992
Total net assets	106,998,959	723,271	434,506	(221,597)	107,935,139
Total liabilities and net assets	$276,441,650	$ 36,470,368	$ 615,615	$ (221,597)	$313,306,036

Doylestown Hospital

CONSOLIDATING BALANCE SHEET

June 30, 2010

ASSETS	Doylestown Hospital Division	Pine Run Division	Doylestown Radiology Group LP	Eliminations	Consolidated Doylestown Hospital
Current assets					
Cash and cash equivalents	$ 19,213,355	$ 3,902,854	$ 198,353	$ -	$ 23,314,562
Assets limited as to use	1,194,481	25,166	-	-	1,219,647
Patient accounts receivable, net	23,505,466	1,239,175	141,242	-	24,885,883
Supplies	5,014,457	60,321	-	-	5,074,778
Other current assets	5,559,494	172,113	32,649	-	5,764,256
Total current assets	54,487,253	5,399,629	372,244	-	60,259,126
Assets limited as to use					
Internally designated - by Board of Directors	43,063,180	-	-	-	43,063,180
Externally designated	6,031,250	1,475,500	-	-	7,506,750
	49,094,430	1,475,500	-	-	50,569,930
Interest in net assets of Doylestown Health Foundation	11,857,488	-	-	-	11,857,488
Property, plant and equipment, net	151,578,154	28,230,445	345,310	-	180,153,909
Deferred financing costs, net	3,008,837	283,467	-	-	3,292,304
Other assets	2,772,849	-	9,998	(200,347)	2,582,500
Total assets	$272,799,011	$ 35,389,041	$ 727,552	$ (200,347)	$308,715,257
LIABILITIES AND NET ASSETS					
Current liabilities					
Current portion of long-term debt	$ 3,774,247	$ -	$ 121,428	$ -	$ 3,895,675
Current portion of self-insured liabilities	1,824,561	957,972	-	-	2,782,533
Accrued interest payable	287,257	-	-	-	287,257
Accounts payable	15,615,817	1,042,272	213,286		16,871,375
Accrued salaries and payroll taxes	3,799,342	590,558	-	-	4,389,900
Accrued vacation	5,261,238	589,899	-	-	5,851,137
Other liabilities	1,012,129	756,074	-	-	1,768,203
Estimated settlement with third-party payors	1,247,322	-	-	-	1,247,322
Deposit of deferred entry fees	-	320,250	-	-	320,250
Due to affiliated entities, net	1,818,815	61,807	-	-	1,880,622
Total current liabilities	34,640,728	4,318,832	334,714	-	39,294,274
Long-term debt, net of current portion	133,426,380	14,514,211	-	-	147,940,591
Interest rate swaps	5,502,663	-	-	-	5,502,663
Due to affiliated entities	(11,519,964)	11,519,964	-	-	-
Self-insured liabilities, net of current portion	2,738,628	25,000	-	-	2,763,628
Accrued pension	21,555,230	-	-	-	21,555,230
Deferred entry fees	-	5,098,252	-	-	5,098,252
Other liabilities	1,203,279	-	-	-	1,203,279
Total liabilities	187,546,944	35,476,259	334,714	-	223,357,917
Net assets					
Unrestricted					
Corporation	70,460,301	(90,763)	392,838	(392,838)	70,369,538
Non-controlling interest	-	-	-	192,491	192,491
Total unrestricted	70,460,301	(90,763)	392,838	(200,347)	70,562,029
Temporarily restricted	2,934,278	3,545	-	-	2,937,823
Temporarily restricted, held by Foundation	2,447,471	-	-	-	2,447,471
Total temporarily restricted	5,381,749	3,545	-	-	5,385,294
Permanently restricted, held by Foundation	9,410,017	-	-	-	9,410,017
Total net assets	85,252,067	(87,218)	392,838	(200,347)	85,357,340
Total liabilities and net assets	$272,799,011	$ 35,389,041	$ 727,552	$ (200,347)	$308,715,257

CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended June 30, 2011

	Doylestown Hospital Division	Pine Run Division	Doylestown Radiology Group, LP	Eliminations	Consolidated Doylestown Hospital
Unrestricted net assets					
Revenue					
Net patient service revenue	$199,729,282	$ 17,841,939	$ 1,335,555	$ -	$218,906,776
Amortization of deferred entry fees	-	286,973	-	-	286,973
Other revenue	8,201,596	10,630,433	-	(21,252)	18,810,777
Bequests	698,395	-	-	-	698,395
Total revenue	208,629,273	28,759,345	1,335,555	(21,252)	238,702,921
Expenses					
Salaries and wages	81,601,868	9,893,611	248,507	-	91,743,986
Employee benefits	20,016,593	2,915,402	45,855	-	22,977,850
Professional fees	4,338,189	37,272	-	-	4,375,461
Supplies and other expenses	75,682,367	11,423,481	803,501		87,909,349
Provision for bad debts	3,652,723	75,693	24,374	-	3,752,790
Depreciation and amortization	14,793,025	2,579,406	109,567	-	17,481,998
Interest	5,170,043	1,027,193	62,081	-	6,259,317
Total expenses	205,254,808	27,952,058	1,293,885	-	234,500,751
Operating income	3,374,465	807,287	41,670	(21,252)	4,202,170
Other income and losses					
Investment income	1,616,986	1,370	-	-	1,618,356
Net realized gains on sale of investments	505,151	-	-	-	505,151
Change in unrealized losses on trading securities	5,780,615	-	-	-	5,780,615
Change in fair value of interest rate swaps	634,402	-	-		634,402
Excess of revenue and other income over expenses and other losses	11,911,619	808,657	41,670	(21,252)	12,740,694
Excess of revenue attributable to non-controlling interest	-	-	-	(20,418)	(20,418)
Excess of revenue and other income over expenses and other losses attributable to the Corporation	11,911,619	808,657	41,670	(41,670)	12,720,276
Other changes in unrestricted net assets					
Change in net unrealized losses on other-than-trading securities	26,673	-	-	-	26,673
Change in non-controlling interest	-	-	-	20,418	20,418
Net assets released from restrictions used for purchases of property, plant and equipment	381	-	-	-	381
Net transfers to Doylestown Health Foundation	1,429,702	-	-	-	1,429,702
Other changes in accrued pension	8,015,154	-	-	-	8,015,154
Increase in unrestricted net assets	21,383,529	808,657	41,670	(21,252)	22,212,604
Temporarily restricted net assets					
Restricted contributions	-	26,324	-	-	26,324
Net assets released from restrictions	(1,212,795)	(24,492)	-	-	(1,237,287)
Increase in interest in net assets of Doylestown Health Foundation	119,183	-	-	-	119,183
(Decrease) increase in temporarily restricted net assets	(1,093,612)	1,832	-	-	(1,091,780)
Permanently restricted net assets					
Increase in interest in net assets of Doylestown Health Foundation	1,456,975	-	-	-	1,456,975
Increase in net assets	21,746,892	810,489	41,670	(21,252)	22,577,799
Net assets, beginning of year	85,252,067	(87,218)	392,838	(200,347)	85,357,340
Net assets, end of year	$106,998,959	$ 723,271	$ 434,508	$ (221,599)	$107,935,139

Doylestown Hospital

CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended June 30, 2010

	Doylestown Hospital Division	Pine Run Division	Doylestown Radiology Group LP	Eliminations	Consolidated Doylestown Hospital
Unrestricted net assets					
Revenue					
Net patient service revenue	$199,497,904	$ 15,617,468	$ 1,492,162	$ -	$216,607,534
Amortization of deferred entry fees	-	270,683	-	-	270,683
Other revenue	7,075,957	9,996,028	73	(125,279)	16,946,779
Bequests	570,628	-	-	-	570,628
Total revenue	207,144,489	25,884,179	1,492,235	(125,279)	234,395,624
Expenses					
Salaries and wages	82,497,378	10,127,929	248,870	-	92,874,177
Employee benefits	24,240,904	2,216,367	45,299	-	26,502,570
Professional fees	4,146,850	37,272	372,028	-	4,556,150
Supplies and other expenses	74,890,684	10,555,204	440,252	-	85,886,140
Provision for bad debts	3,449,013	23,276	28,737	-	3,501,026
Depreciation and amortization	14,310,507	2,608,899	104,364	-	17,023,770
Interest	3,195,500	1,027,193	7,039	-	4,229,732
Total expenses	206,730,836	26,596,140	1,246 589	-	234,573,565
Operating income (loss)	413,653	(711,961)	245,646	(125,279)	(177,941)
Other income and losses					
Investment income	1,172,600	-	-	-	1,172,600
Net realized gains on sale of investments	293,747	-	-	-	293,747
Change in net unrealized gains on trading securities	3,558,395	-	-	-	3,558,395
Change in fair value of interest rate swaps	(4,056,443)	-	-	-	(4,056,443)
Gain on sale of land	454,784	-	-	-	454,784
Excess in (deficiency of) revenue and other income over expenses and other losses	1,836,736	(711,961)	245,646	(125,279)	1,245,142
Excess in (deficiency of) revenue attributable to non-controlling interest	-	-	-	(120,367)	(120,367)
Excess in (deficiency of) revenue and other income over expenses and other losses attributable to the Corporation	1,836,736	(711,961)	245,646	(245,646)	1,124,775
Other changes in unrestricted net assets					
Change in net unrealized losses on other-than-trading securities	270,002	-	-	-	270,002
Change in non-controlling interest	-	-	-	192,491	192,491
Net assets released from restrictions used for purchases of property, plant and equipment	22,091	-	-	-	22,091
Net transfers from Doylestown Health Foundation	2,067,364	-	-	-	2,067,364
Other changes in accrued pension	809,357	-	-	-	809,357
Increase (decrease) in unrestricted net assets	5,005,550	(711,961)	245,646	(53,155)	4,486,080
Temporarily restricted net assets					
Restricted contributions	-	3,501	-	-	3,501
Net assets released from restrictions	(822,270)	(3,792)	-	-	(826,062)
Increase in interest in net assets of Doylestown Health Foundation	53,033	-	-	-	53,033
Decrease in temporarily restricted net assets	(769,237)	(291)	-	-	(769,528)
Permanently restricted net assets					
Decrease in interest in net assets of Doylestown Health Foundation	(71,651)	-	-	-	(71,651)
Increase (decrease) in net assets	4,164,662	(712,252)	245,646	(53,155)	3,644,901
Net assets, beginning of year	81,087,405	625,034	147,192	(147,192)	81,712,439
Net assets, end of year	$ 85,252,067	$ (87,218)	$ 392,838	$ (200,347)	$ 85,357,340