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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)

2010

OMB No 1545-0047

S Inspect

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

Tax-exempt status Solicic Solicic Microstructions A947(a)(1) or Solicic Group exemption number	A Fo	r the	010 calendar year,	ortax year beg	inning 10-01-2010 and	ending 09-30-20	11	_	
Marine dange Comp Section Com	B Ch	eck ıf a						D Employe	r identification number
Rame change Rout Man Section American Rout Man Section American Rout Man Section	☐ Add	dress ch	ange DBA RUTLA	ND REGIONAL MEDI	CAL CENTER			03-018	3483
Terminated Amended return Application pending Amended return Amende			ige RUTLAND R		CENTER			E Telephon	e number
Amended return Application pending F Name and address of principal officer THOMAS WHUBENER 160 ALLEN STREET RUTLAND, VT 05701 I Tax-exempt status ▼ Sulcy(3) ▼ Sulcy(3) ▼ Sulcy(1) ▼ (insert no) ▼ 4947(a)(1) or ▼ 527 J Website: ➤ WWW RRMC ORG K Form of organization ▼ Corposition ▼ Trust ▼ Association ○ Other ►	Ind	tıal retu	Nullibel all		r if mail is not delivered to stre	eet address)	Room/suite	(802)7	75-7111
Application pending F Name and address of principal officer THO MAS WHUEBRER 160 ALERI STRET RUTLAND, VT 05701 Website: ➤ WWW RRMC ORG WWW RRMC ORG K Form of organization Trust Association Other Lever of formation 1892 M State of legal domicals TO PROVIDE COMPREHENSIVE INPATIENT AND OUTPATIENT MEDICAL SERVICES AND TO IMPROVE HEALTH OF THE RESIDENTS OF RUTLAND AND SURROUNDING COMMUNITIES SEE SCHEDULE O FOR ADDITIONAL INFORMATION 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 3 1 5 Total number of individuals employed in calendar year 2010 (Part V, line 2a) . 5 1,61 5 Total number of volunteers (estimate if necessary) . 6 6 36 77 Total unrelated business revenue from Part VIII, column (C), line 12 . 7a 2,064,03 b) Net unrelated business taxable income from Form 990-T, line 34 . 16,12,11 799,79 8 Contributions and grants (Part VIII, line 1a) . 1,629,587 365,05 9 Program service revenue (Part VIII, line 1a) . 1,629,587 365,05 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . 1,61,211 799,79 11 Other revenue (Part VIII, column (A), lines 3, 6, 8c, 9c, 10c, and 11e) . 1,629,733 1,265,02 15 Salaines, other compensation, employee benefits (Part IX, column (A), line 3 1,289,733 1,265,02 15 Salaines, other compensation, employee benefits (Part IX, column (A), line 3 1,289,733 1,265,02 16 Professional fundraising fees (Part IX, column (A), lines 1-3 1,289,733 1,265,02 17 Other expenses (Part IX, column (A), lines 1-4 7,75,655,361 85,725,31 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25 1,77,460,388 1,942,455 1,944,538 1,944,538 1,944,538 1,944,538 1,944,538 1,944,545 1,944,538 1,944,635 1,944,538 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545 1,944,545	_							G Gross ross	unto ¢ 100 177 020
F Name and address of principal officer THOMAS W HUBBNET 100 ALLEN STREET RUTLAND, VT 05701 William 105 Medical principal officer RUTLAND, VT 05701 Medical principal officer RUTLAND, VT 05701 Medical principal officer RUTLAND, VT 05701 Medical principal officer Medical principal o			RUTLAND, \		and ZIP + 4			G Gloss rece	ipts \$ 199,177,029
THO MAS W HUEBNER 160 ALLEN STREET RUTLAND, VT 05701	, Ар	piicatioi							
160 ALLEN STREET RULAND, VT 05701 Tax-exempt status Structure Folicol Foli					principal officer		H(a) Is this a	group return for a	ffiliates? Yes Vo
Tax-exempt status F 501(c)(2) S01(c) () (msert no) 4947(a)(1) or 527 H(c) Group exemption number			160 ALL	EN STREET			H(b) Are all	affılıates ınclude	ed?
			RUILAN	ID,VI 05/01			1 , ,		
Park Summary	 I Та	ıx-exem	pt status 🔽 501(c)(3	3)	◀ (insert no)	1) or	H(c) Grou	p exemption	number ►
Part Summary		ebsite	:► WWW RRMC OF	₹G			1		
Part Summary	K For	m of or	anization 🔽 Corporatio	on F Trust F Associ	nation ☐ Other ►		L Year of for	mation 1892	M State of legal domicile VT
1 Briefly describe the organization's mission or most significant activities				714301 71330	sation y other P		L rear or ro	maden 1032	Trotate or legal dofficile. Vi
TO PROVIDE COMPREHENSIVE INPATIENT AND OUTPATIENT MEDICAL SERVICES AND TO IMPROVE HEALTH OF THE RESIDENTS OF RULLAND AND SURROUNDING COMMUNITIES SEE SCHEDULE O FOR ADDITIONAL INFORMATION			-	organization's mi	ssion or most significant	activities			
Number of voting members of the governing body (Part VI, line 1a) 3 1 1 1 1 1 1 1 1 1	v	-	O PROVIDE COMF	PREHENSIVE IN	IPATIENT AND OUTPA	TIENT MEDICA			
Number of voting members of the governing body (Part VI, line 1a) 3 1 1 1 1 1 1 1 1 1	e E								
Number of voting members of the governing body (Part VI, line 1a)	Ë	-							
Number of voting members of the governing body (Part VI, line 1a)	ş	2	heck this box 🔭 i	f the organizatio	n discontinued its operat	ions or disposed	l of more than 2	5% of its net	assets
7a		3	lumber of voting me	mbers of the gov	erning body (Part VI, lin	e 1a)		3	17
7a	Š.	4	lumber of independe	ent voting memb	ers of the governing body	(Part VI, line 1	b)	4	12
7a	Ē	5	otal number of indiv	ıduals employed	in calendar year 2010 ((Part V , line 2a)		5	1,617
7a	<u> </u>	6	otal number of volu	nteers (estimate	ıfnecessary)			6	367
## Prior Year Current Year	•	7a -	otal unrelated busir	ness revenue fro	m Part VIII, column (C),	line 12		7a	2,064,036
8		ь	let unrelated busine	ss taxable incor	ne from Form 990-T, line	34		7b	176,363
Program service revenue (Part VIII, line 2g)							Prio	r Year	Current Year
Total revenue (Part VIII, Column (A), lines 5, 64, 8c, 9c, 10c, and 11e) Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	g _i	8	Contributions and	grants (Part VII	I, line 1h)		·		
Total revenue (Part VIII, Column (A), lines 5, 64, 8c, 9c, 10c, and 11e) Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	Ĕ	9							
Total revenue (Part VIII, Column (A), lines 5, 64, 8c, 9c, 10c, and 11e) Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u> </u>	1		•		•		_	
12)							no	-926,4/2	6,549
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) 1,289,733 1,265,02 14 Benefits paid to or for members (Part IX, column (A), line 4) 0 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 100,515,144 107,256,17 16a Professional fundraising fees (Part IX, column (A), line 11e) 0 16 Total fundraising expenses (Part IX, column (D), line 25) ▶ 0 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) 75,655,361 85,725,31 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 177,460,238 194,246,52 19 Revenue less expenses Subtract line 18 from line 12 3,230,899 -4,794,35 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 177,460,238 194,246,52 19 Revenue less expenses Subtract line 18 from line 12 3,230,899 -4,794,35 10 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 177,460,238 194,246,52 10 Total expenses Subtract line 18 from line 12 3,230,899 -4,794,35 10 Total expenses Subtract line 18 from line 12 3,230,899 -4,794,35 10 Total expenses (Part IX, column (A), lines 1-3 1.265,02 10 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 10 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 10 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 10 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 10 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 10 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 10 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 17 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 17 Total fundraising expenses (Part IX, column (B), lines 1-3 1.265,02 18 Total fundr		12			·			80,691,137	189,452,173
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 100,515,144 107,256,17 16a Professional fundraising fees (Part IX, column (A), line 11e) 0		13						1,289,733	1,265,028
16a Professional fundraising fees (Part IX, column (A), line 11e)		14	Benefits paid to or	for members (Pa	art IX, column (A), line 4)		0	0
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) 75,655,361 85,725,31 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 177,460,238 194,246,52 19 Revenue less expenses Subtract line 18 from line 12 3,230,899 -4,794,35	ø	15		npensation, emp	loyee benefits (Part IX,	column (A), lines	. 1	00 515 144	107 256 177
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) 75,655,361 85,725,31 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 177,460,238 194,246,52 19 Revenue less expenses Subtract line 18 from line 12 3,230,899 -4,794,35	136	16a	•	aising fees (Part	IX column (Δ) line 11e)	<u> </u>		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) 75,655,361 85,725,31 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 177,460,238 194,246,52 19 Revenue less expenses Subtract line 18 from line 12 3,230,899 -4,794,35	⊕ ⊕			_		,			
18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) 177,460,238 194,246,52 19 Revenue less expenses Subtract line 18 from line 12	Э					24f)	_	75.655.361	85.725.318
19 Revenue less expenses Subtract line 18 from line 12		1							
Year 20 Total assets (Part X, line 16)	<u>%</u> 8								End of Year
21 Total liabilities (Part X, line 26)	See See	20	Total assets (Dart	X line 16)					
□ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □	A AS								
22 Net assets or fund balances Subtract line 21 from line 20 90,100,943 83,841,75	2 2 2 3								<u> </u>
	Pa	rt II							•
The case of faint surfaces sustrated miles 2.1 in the case of faint surfaces of fain	Net Assets or Fund Balances	17 18 19 20 21 22	Other expenses (P Total expenses A Revenue less expenses Total assets (Part Total liabilities (Part Net assets or fund Signature Blo	Part IX, column (dd lines 13-17 enses Subtract X, line 16) . art X, line 26) . balances Subtr	A), lines 11a-11d, 11f- (must equal Part IX, coluine 18 from line 12	ımn (A), lıne 25)	Beginning Y	77,460,238 3,230,899 of Current ear 86,761,925 96,660,982 90,100,943	194,246 -4,794 End of Year 197,570 113,728 83,841
					uningd this astrony	ng pece " '	echodules = 1 :	otopies *-	d to the best of
Part II Signature Block Under penalties of periusy I declare that I have examined this return, including accompanying schedules and statements, and to the best of my	know	ledge a							
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 a									
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 a			*****						
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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 a knowledge. ******* 2012-06-09					ERVICES				
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 a knowledge. Sign Here ****** 2012-06-09			Type or print name	and title					
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 a knowledge. Sign ****** 2012-06-09				ary V Garwitz	Preparer's signature Gary	V Garwitz			- PTIN
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 an knowledge. Sign ****** 2012-06-09 Signature of officer Date EDWARD OGORZALEK CFO/VP FISCAL SERVICES Type or print name and title Print/Type Preparer's signature Date Check if self- PTIN	Paid	L	roparor o marino						Firm's ETN
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 alknowledge. Sign ****** 2012-06-09			Firm's address 🕨 910 E S	ST LOUIS 200/PO BO	X 1190				
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 at knowledge. Sign ******* 2012-06-09	Use	Only							Phone no • (417) 865- 8701
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 at knowledge. Sign ******* 2012-06-09	May	tha IP			er shown above? (see ins	etructions)			 ▼Yes 「No

Par		tatement of Program Service Accomplishments heck if Schedule O contains a response to any question in this Part III	. .
1	Briefly d	escribe the organization's mission	
ENV	RONMEN	SUPERIOR, INTEGRATED, DIAGNOSTIC, THERAPEUTIC AND PREVENTATIVE HEALTH SERVICES IN IT TO THOSE IN THE RUTLAND REGION AND SURROUNDING COMMUNITIES THROUGH THE STREN Hnology, AND RELATIONSHIPS	
2		rganization undertake any significant program services during the year which were not listed on Form 990 or 990-EZ?	✓ No
	If "Yes,"	describe these new services on Schedule O	
3	Did the o	rganization cease conducting, or make significant changes in how it conducts, any program?	▽ No
	If "Yes,"	describe these changes on Schedule O	
4	Section !	the exempt purpose achievements for each of the organization's three largest program services by expens 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of gons to others, the total expenses, and revenue, if any, for each program service reported	
4a	(Code) (Expenses \$ 62,091,257 including grants of \$ 0) (Revenue \$	81,455,279)
	PULMONA	Y CARE ANCILLARY CARE SERVICES INCLUDE OPERATING ROOM, EMERGENCY ROOM, PHYSICAL REHABILITATION, ANESTHESIOLO RY, RESPIRATORY, PHYSICAL THERAPY, CARDIAC CATH, ENDOSCOPY, AMBULATORY, DELIVERY, RADIATION, PSYCHIATRIC COUNS , RECOVERY, HIV CLINIC, AND SPEECH THERAPY SEE SCHEDULE O FOR MORE INFORMATION	
41-	(Code) (Expenses \$ 37,801,253 including grants of \$ 0) (Revenue \$	49,590,100)
4b	•	T CARE INPATIENT CARE SERVICES INCLUDE MEDICAL AND SURGICAL, INTENSIVE CARE, HOSPITALISTS, REHABILITATION, PSYCH	
		ECOLOGY, NURSERY, AND NURSING SEE SCHEDULE O FOR MORE INFORMATION	LATRIC, OBSTETRICS
4c	(Code) (Expenses \$ 21,934,492 including grants of \$ 0) (Revenue \$	28,775,068)
		TIC SERVICES DIAGNOSTIC SERVICES INCLUDE LABORATORY, RADIOLOGY, ELECTROENCEPHALOGRAPHY, AND CT SCANNING SEE FORMATION	SCHEDULE O FOR
4d	O ther p	rogram services (Describe in Schedule O)	
	(Expens	ses \$ 19,663,847 including grants of \$ 1,265,278) (Revenue \$ 25,796	,291)
4e	Total pi	rogram service expenses►\$ 141,490,849	

Part TV	Check	list 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)? $^{f g}$	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^{\bullet}	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 1	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 2	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			
а	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
	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.	11c		No
	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a	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
Ь	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? <i>If</i> "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	

Par	t 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 $\textcircled{\textbf{5}}$	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	
	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
	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
	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)			
а	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		No
С	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? <i>If</i> "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 \Box Yes \Box 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	
		F	orm 990	(2010)

Form 990 (2010)

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
Enter the number reported in Box 3 of Form 1096 Enter -0 - if not applicable 182			
Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable			
Did the organization comply with backup withholding rules for reportable payments to vendors and reportable			
gaming (gambling) winnings to prize winners?	1c	Yes	
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			
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)			
Did the organization have unrelated business gross income of \$1,000 or more during the	3a	Yes	
If "Yes," has it filed a Form 990-T for this year? <i>If "No," provide an explanation in Schedule O</i>	3b	Yes	
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		N
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			
Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		N
Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		N
If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
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		N
If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
Organizations that may receive deductible contributions under section 170(c).			
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		N
If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		N
If "Yes," indicate the number of Forms 8282 filed during the year			
Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit	7e		N
Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		N
If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a	7h		
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		
Sponsoring organizations maintaining donor advised funds.			
Did the organization make any taxable distributions under section 4966?	9a		
Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
Section 501(c)(7) organizations. Enter			
Initiation fees and capital contributions included on Part VIII, line 12 10a Gross receipts, included on Form 990, Part VIII, line 12, for public use of club			
Gross receipts, included on Form 990, Part VIII, line 12, for public use of club [10b]			
Section 501(c)(12) organizations. Enter			
Gross income from members or shareholders			
Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
If "Yes," enter the amount of tax-exempt interest received or accrued during the year			
Section 501(c)(29) qualified nonprofit health insurance issuers.			
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		
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			
Enter the amount of reserves on hand 13c			
Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
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.

itains a response to any question in					

Se	ection 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			
b	Enter the number of voting members included in line 1a, above, who are independent			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
а	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
	ection B. Policies (This Section B requests information about policies not required by the Internal			
ке	evenue Code.)		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a	165	No
	If "Yes," does the organization have written policies and procedures governing the activities of such chapters,	100		140
	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?			
а	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b		No
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its			
	participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		
Se	ection C. Disclosure			
17	List the States with which a copy of this Form 990 is required to be filed▶			

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 Vpon 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 ► EDWARD OGORZALEK
 160 ALLEN STREET
 RUTLAND, VT 05701
 (802) 775-7111

<u>Part VIII</u> Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

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

- 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 organ	nization nor any r	<u>elated o</u>	rgan	zatio	on c	ompen	sate	d any current office	er, director, or trust	ee
(A) Name and Title	(B) Average hours		tion (′)			(D) Reportable compensation from the	(E) Reportable compensation from related	(F) Estimated amount of other compensation
	per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	from the organization and related organizations
See Additional Data Table										

GE MEDICAL SYSTEMS

C A INDUSTRIES INC DBA AUREUS

\$100,000 in compensation from the organization \blacktriangleright 33

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

	(A) Name and Title	(B) Average hours		(ition that a			ıll		Rep comp	(D) ortable ensation m the	(E) Reportable compensatio from related		(F) Estima	ated of other
		per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organi	rm the zation (W- 19-MISC)	organizations (W- 2/1099- MISC)	,	compen from organızat relat organıza	the ion and ed
See A	Additional Data Table			 				 				\dashv		
				 				 				+		
				\vdash				\vdash				+		
				_				┼				+		
				_				_				+		
				<u> </u>				_				4		
				<u> </u>										
1b	Sub-Total				٠.	•	'	 				+		
С	Total from continuation sheets						Þ							
d	Total (add lines 1b and 1c) .							F		5,177,203		0		644,496
2	Total number of individuals (inc \$100,000 in reportable compe						above) who	receive	ed more tha	n			
													Yes	No
3	Did the organization list any fo on line 1a? <i>If</i> "Yes," complete So					ey e	employ	ee, o	r highes	t compens	ated employee	_		
4	For any individual listed on line					nand	sation	• and (other co	mnencation	from the	3	Yes	
•	organization and related organization													
_	individual			•	•	•		•				4	Yes	
5	Did any person listed on line 1a services rendered to the organi									janization o	r individual for	5		No
Se	ection B. Independent Cor	ntractors												
1	Complete this table for your five \$100,000 of compensation from			ındep	ende	ent d	contra	ctors	that re	ceived more	e than			
		(A)								Docor	(B)		(Compos	
SHER	IDAN HEALTHCARE OF VERMONT	me and business ad	u1C55								iption of services		Compe	
										ANESTHETIS	15		1	.,809,913
CERN	IER CORP				_					PROFESSION	AL		1	.,058,853
VISTA	A STAFFING SOLUTIONS INC									TEMPORARY	STAFFING			745,584

2 Total number of independent contractors (including but not limited to those listed above) who received more than

639,815

639,008

SERVICE CONTRACTS

TEMPORARY STAFFING

art '	<u> </u>	Statement of Reven	ue					
					(A) Total revenue	(B) Related or exempt function revenue	business	(D) Revenue excluded from tax under
								512, 513, or 514
92 92	1a	Federated campaigns	1a					
₩	L	Membership dues	. 1b					
ಕ್≧		·						
कुं हैं	С	Fundraising events	1c					
<u> </u>	d	Related organizations	. 1d	195,120				
∞ેં≣	_	Government grants (contributions)	1e	272,024				
ᅙᅏ						ļ		
돌	f	All other contributions, gifts, grants similar amounts not included above		497,915				
≣ੂੁਙ	q	Noncash contributions included in l	ines 1a-1f \$					
Contributions, gifts, grants and other similar amounts		Total. Add lines 1a-1f	.		965,059			
) m		Iotal. Add lilles 1a-11						
e E				Business Code				
e e	2a	NET PATIENT SERVICE REVENUE		000000	194.011.653	104 011 653		
æ	b	LABORATORY DIAGNOSTIC AND SC	REENING SERV	900099	1,906,151	184,011,652	1,906,151	
e G	C	CAFETERIA	ALEMANO SERV	722210	936,038			
<u>5</u>	d	ENTEROSTOMAL NURSING SERVICE	ES .	623000	85,719		85,719	
Program Serwice Revenue	e	OCCUPATIONAL HEALTH SERVICES		621400	72,166		72,166	
Ē	_	All other program service re		021400	72,100	669,048	·	
\$					669,048			
4	g	Total. Add lines 2a-2f	<u> </u>		187,680,774			
	3	Investment income (includir	ng dividends, interest					
		and other similar amounts)			229,926			229,926
	4	Income from investment of tax-ex	empt bond proceeds		590			590
	5	Royalties			0			
			(ı) Real	(II) Personal				
	6a	Gross Rents	108,942					
	b	Less rental	102,393					
		expenses Rental income	6,549					
	_	or (loss)	<u> </u>					
	d	Net rental income or (loss)			6,549			6,549
			(ı) Securities	(II) O ther				
	7a	Gross amount from sales of	10,170,963	20,775				
		assets other than inventory						
	ь	Less cost or	9,575,969	46,494				
		other basis and sales expenses						
	С	Gain or (loss)	594,994	-25,719				
	d	Net gain or (loss)			569,275			569,275
**		Gross income from fundraisi						
ž		(not including						
Other Revenue		\$	l					
Ř		of contributions reported on See Part IV, line 18						
<u></u>		,	a					
Ě	ь	Less direct expenses .	b					
0		Net income or (loss) from fu			0			
			ctivities See Part IV, line 19 . a	a				
				ь				
		Net income or (loss) from ga		_	0			
		Gross sales of inventory, les						
		returns and allowances .	-					
			a					
	b	Less cost of goods sold .	. b					
	С	Net income or (loss) from sa	les of inventory 🕒		0			
		Mıscellaneous Revenue		Business Code				
	11a	3						
	Ь)						
	-							
		All other revenue						
	е	Total. Add lines 11a-11d			0			
	12	Tatal various Control of		}				
	12	Total revenue. See Instructi	ons		189,452,173	105 5:5 ==	2,064,036	806,340
						185,616,738		

Part IX Statement of Functional Expenses

	Section 501(c)(3) and 501(c)(4) organizations must			·D)	
	Il other organizations must complete column (A) but are not required to o		(B), (C), and ((c)	(D)
	ot include amounts reported on lines 6b, o, 9b, and 10b of Part VIII.	(A) Total expenses	Program service expenses	Management and general expenses	Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	1,265,028	1,265,028		
2	Grants and other assistance to individuals in the US 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	3,694,094	2,327,804	1,366,290	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	158,521	158,521		
7	Other salaries and wages	79,245,283	66,420,769	12,824,514	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,450,730	3,819,600	1,631,130	_
9	Other employee benefits	13,390,321	9,358,671	4,031,650	
10	Payroll taxes	5,317,228	3,705,994	1,611,234	
а	Fees for services (non-employees) Management	0			_
b	Legal	440,779	54,131	386,648	
c	Accounting	153,395		153,395	
d	Lobbying	76,512		76,512	
e	Professional fundraising services See Part IV, line 17	0			
f	Investment management fees	388,085		388,085	
g	Other	12,106,742	8,515,868	3,590,874	
12	Advertising and promotion	784,407	276,718	507,689	
13	Office expenses	4,982,193	3,819,388	1,162,805	
14	Information technology	3,654,861	119,933	3,534,928	
15	Royalties	0			
16	Occupancy	4,600,483	3,214,008	1,386,475	
17	Travel	1,019,868	400,016	619,852	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	328,356	285,080	43,276	
20	Interest	2,260,132	1,575,263	684,869	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	9,960,292	6,942,109	3,018,183	
23	Insurance	2,604,969		2,604,969	
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	MEDICAL SUPPLIES & DRUGS	20,864,107	20,864,107		
b	MEDICAID TAX ASSESSMENT	11,729,019		11,729,019	
c	BAD DEBTS	8,089,213	8,089,213		
d	LICENSES, DUES, SUBSCRIPTIONS	1,159,946	177,698	982,248	
e	RECRUITING & RETENTION	109,041	82,107	26,934	
f	All other expenses	412,918	18,823	394,095	
25	Total functional expenses. Add lines 1 through 24f	194,246,523	141,490,849	52,755,674	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				

Pa	rt X	Balance Sheet					
					(A) Beginning of year		(B) End of year
	1	Cash—non-interest-bearing	ı		3,355	1	3,575
	2	Savings and temporary cash investments	14,102,169	2	10,509,296		
	3	Pledges and grants receivable, net			546,012	3	433,193
	4	Accounts receivable, net			21,484,303	4	25,472,660
	5	Receivables from current and former officers, directors, trustee highest compensated employees Complete Part II of	s, key	employees, and			
		Schedule L				5	
	6	Receivables from other disqualified persons (as defined under spersons described in section $4958(c)(3)(B)$, and contributing esponsoring organizations of section $501(c)(9)$ voluntary emploorganizations (see instructions)	mploy	ers, and			
ste		Schedule L				6	
Assets	7	Notes and loans receivable, net				7	
Ą	8	Inventories for sale or use			1,334,965	8	1,333,570
	9	Prepaid expenses and deferred charges			2,000,321	9	3,846,394
	10a	Land, buildings, and equipment cost or other basis <i>Complete Part VI of Schedule D</i>	10a	175,025,610			
	b	Less accumulated depreciation	10b	97,708,537	61,837,130	10c	77,317,073
	11	Investments—publicly traded securities			78,532,635	11	69,834,842
	12	Investments—other securities See Part IV, line 11		12	_		
	13	Investments—program-related See Part IV, line 11		13			
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			6,921,035	15	8,819,737
	16	Total assets. Add lines 1 through 15 (must equal line 34) .			186,761,925	16	197,570,340
	17	Accounts payable and accrued expenses .			25,688,842	17	26,182,460
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities		27,856,439	20	46,218,246	
Sə	21	Escrow or custodial account liability Complete Part IV of Schedu				21	
bilities	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified	,				
Lial		persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties	s .	•	8,165,968	23	3,314,203
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities Complete Part X of Schedule D			34,949,733	25	38,013,673
	26	Total liabilities. Add lines 17 through 25			96,660,982	26	113,728,582
5		Organizations that follow SFAS 117, check here 🕨 🔽 and com	plete	ines 27			
-eo		through 29, and lines 33 and 34.					
Balance	27	Unrestricted net assets			81,384,035	27	77,862,660
Ba	28	Temporarily restricted net assets		8,038,266	28	5,300,456	
Fund	29	Permanently restricted net assets			678,642	29	678,642
Fu		Organizations that do not follow SFAS 117, check here $ ightharpoonup$ a	nd cor	nplete			
ě		lines 30 through 34.					
	30	Capital stock or trust principal, or current funds				30	
Assets	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other for	ınds			32	
Net	33	Total net assets or fund balances			90,100,943	33	83,841,758
I	34	Total liabilities and net assets/fund balances			186,761,925	34	197,570,340

	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		189,4	152,173	
2	Total expenses (must equal Part IX, column (A), line 25)	2	194,24			
3	3 Revenue less expenses Subtract line 2 from line 1					
4	4 Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) 4					
5	Other changes in net assets or fund balances (explain in Schedule O)	5		-1,4	164,835	
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		83,8	341,758	
Pa	Tt XII Financial Statements and Reporting Check if Schedule O contains a response to any question in this Part XII			୮		
1	Accounting method used to prepare the Form 990			Yes	No	
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? \cdot .		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 t 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 is on a separate basis, consolidated basis, or both	ssued				
	Separate basis Consolidated basis 🔽 Both consolidated and separated basis					
За	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?	9	3a		No	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the reaudit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	equired	3b			

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As Filed Data -

DLN: 93493219010862

Employer identification number

OMB No 1545-0047

SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

Name of the organization

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.

Inspection

		D REGIONAL MEDICAL CENTER	03-0183483			
Pai	rt I	Reason for Public Charity Status (All organizations must complete this pa		ctions		
he c	rganız	zation is not a private foundation because it is (For lines 1 through 11, check only one box	×)			
1	\sqcap	A church, convention of churches, or association of churches described in section 170(b)	(1)(A)(i).			
2	Γ	A school described in section 170(b)(1)(A)(ii). (Attach Schedule E)				
3	굣	A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).			
4	Γ	A medical research organization operated in conjunction with a hospital described in sect hospital's name, city, and state	ion 170(b)(1)(A)	(iii). Ent	er the	
5	Γ	An organization operated for the benefit of a college or university owned or operated by a	governmental un	ıt describ	ed ın	
		section 170(b)(1)(A)(iv). (Complete Part II)				
6	Γ	A federal, state, or local government or governmental unit described in section 170(b)(1)	(A)(v).			
7	Γ	An organization that normally receives a substantial part of its support from a governmen described in section 170(b)(1)(A)(vi) (Complete Part II)	ital unit or from th	ne genera	l public	:
8	Г	A community trust described in section 170(b)(1)(A)(vi) (Complete Part II)				
9	Ė	An organization that normally receives (1) more than 331/3% of its support from contribu	utions, membersh	nip fees, a	nd aro	ss
	•	receipts from activities related to its exempt functions—subject to certain exceptions, an	•		_	
		its support from gross investment income and unrelated business taxable income (less s	• •			
		acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part	· ·			
10	Г	An organization organized and operated exclusively to test for public safety. See section 5	•			
11	Γ	An organization organized and operated exclusively for the benefit of, to perform the functione or more publicly supported organizations described in section 509(a)(1) or section 5 the box that describes the type of supporting organization and complete lines 11e throug a Type I b Type II c Type III - Functionally integrated	09(a)(2) See se e h 11h		(a)(3).	Check
е	Γ	By checking this box, I certify that the organization is not controlled directly or indirectly other than foundation managers and other than one or more publicly supported organization section 509(a)(2)				
f		If the organization received a written determination from the IRS that it is a Type I, Type check this box		pporting	organız	ation,
g		Since August 17, 2006, has the organization accepted any gift or contribution from any of following persons?	of the			
		(i) a person who directly or indirectly controls, either alone or together with persons desc	rıbed ın (ıı)		Yes	No
		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)				
		(iii)				

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

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.)

S	ection A. Public Support		and to quanty t			Jaco complete	
	endar year (or fiscal year beginning						
Care	in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1	Gifts, grants, contributions, and						
	membership fees received (Do not						
	ınclude 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						
Ū	line 4						
S	ection B. Total Support		<u> </u>	I I.			
	endar year (or fiscal year beginning						
	ın) >	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7	A mounts from line 4						
8	Gross income from interest,						
Ū	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 activiti	es, etc (See inst	ructions)			12	
13	First Five Years If the Form 990 is t	for the organizati	on's first, second	, thırd, fourth, or	fifth tax year as a	501(c)(3) organı	
	check this box and stop here						►
	-tiC Ct-ti	L'a Carana at B					
<u> </u>	ection C. Computation of Pub Public Support Percentage for 2010			11 column (f))			
	· ·		•	II Column (1))		14	
15	Public Support Percentage for 2009	Schedule A, Pa	rt II, line 14			15	
16a	33 1/3% support test—2010. If the				line 14 is 33 1/3%	or more, check	
_	and stop here. The organization qua						▶ □
b	33 1/3% support test—2009. If the				5a, and line 15 is 3	33 1/3% or more,	- -
	box and stop here. The organization				45.46		►
1/a	10%-facts-and-circumstances test-						
	is 10% or more, and if the organization made						rt a d
	in Part IV how the organization mee	ts the "racts and	circumstances"	test ine organiz	ration qualifies as	a publicly suppo	
L	organization	_2000 If+ba a	anization did not	chack a hay an l	no 12 165 166 -	r 17a and line	► □
D	10%-facts-and-circumstances test- 15 is 10% or more, and if the organ						
	Explain in Part IV how the organization						V
	supported organization	aon meets the 10	acts and circuilis	tances test file	z organizacion qual	mes as a publici	y ▶[¯
18	Private Foundation If the organizati	on did not check	a box on line 13	. 16a. 16b. 17a o	r 17b, check this	box and see	- 1
	instructions	on ala not check	a box on fine 15	, 100, 100, 1700	I by check tills	SON GING SCC	▶ □

organization

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 (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total ın) 🟲 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") 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 Gross receipts from activities that are not an unrelated trade or business under section 513 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf The value of services or facilities furnished by a governmental unit to the organization without charge Total. Add lines 1 through 5 7a Amounts included on lines 1, 2, and 3 received from disqualified 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 Public Support (Subtract line 7c from line 6) Section B. Total Support Calendar year (or fiscal year beginning (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total in) 9 Amounts from line 6 Gross income from interest, 10a dividends, payments received on securities loans, rents, royalties and income from similar sources Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 Add lines 10a and 10b C Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on Other income Do not include 12 gain or loss from the sale of capital assets (Explain in Part IV) Total support (Add lines 9, 10c, 11 and 12) First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here Section C. Computation of Public Support Percentage 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 Investment income percentage for **2010** (line 10c column (f) divided by line 13 column (f)) 17 **17** Investment income percentage from 2009 Schedule A, Part III, line 17 18 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

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 **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).

Schedule A (Form 990 or 990-EZ) 2010

DLN: 93493219010862

OMB No 1545-0047

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

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.

Political Campaign and Lobbying Activities

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
+ Scotion 501/a)/2) organizations. Complete Parts I A and P. Do not complete Part I C

- ◆ Section 501(c)(3) organizations Complete Parts LA and B Do not complete Part LC
- ◆ 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

		t have NOT filed Form 5768 (election			
	e organization answered "Ye ction 501(c)(4), (5), or (6) organi	s," to Form 990, Part IV, Line 5 (F	Proxy Tax) or For	m 990-EZ, Part V, line 35a	(Proxy Tax), then
	me of the organization	zations complete Part III		Employer iden	tification number
	TLAND HOSPITÄL INC A RUTLAND REGIONAL MEDICAL CENTEF	3			
		` ganization is exempt under	section 501(03-0183483 c) or is a section 527	organization.
1		ganization's direct and indirect polit	•	•	
2	Political expenditures	gamzation's direct and muliect point	icai campaign aci	LIVILIES III PAIL IV	_
3	Volunteer hours			•	\$
•	v orunteer nours				
Par	t I-B Complete if the or	ganization is exempt under	section 501(c)(3).	
1	Enter the amount of any excise	e tax incurred by the organization ui	nder section 495	5 ▶	\$
2	Enter the amount of any excise	e tax incurred by organization mana	gers under sectio	n 4955 🕨	\$
3	If the organization incurred a s	section 4955 tax, did it file Form 47	20 for this year?		┌ Yes ┌ No
4a	Was a correction made?				┌ Yes ┌ No
ь	If "Yes," describe in Part IV				
Par	t I-C Complete if the or	ganization is exempt under	section 501(c) except section 501	l(c)(3).
1	Enter the amount directly expe	ended by the filing organization for s	ection 527 exem	pt function activities 🕨	\$
2		organization's funds contributed to c	ther organization	s for section 527	
	exempt funtion activities			•	\$
3	Total exempt function expendi	tures Add lines 1 and 2 Enter here	and on Form 112	20-POL, line 17b	\$
4	Did the filing organization file I	Form 1120-POL for this year?			☐ Yes ☐ No
5	organization made payments l amount of political contribution	nd employer identification number (l For each organization listed, enter t ns received that were promptly and political action committee (PAC) I	he amount paid fro directly delivered	om the filing organization's f to a separate political orga	unds Also enter the nization, such as a
	(a) Name	(b) Address	(c) EIN	(d) A mount paid from filing organization's funds If none, enter -0-	(e) A mount of political contributions received and promptly and directly delivered to a separate political organization If none, enter - 0-
			+		
					1

section 4911 tax for this year?

┌ Yes ┌ No

P	art II-A Complete if the organization under section 501(h)).	is exempt under section 501(c)(3) and	filed Form 5768	(election
	Check / If the filing organization belongs to a			
В_	Check If the filing organization checked bo Limits on Lobbying E (The term "expenditures" means an	(a) Filing Organization's Totals	(b) Affiliated Group Totals	
1a	Total lobbying expenditures to influence public o	opinion (grass roots lobbying)		
b	Total lobbying expenditures to influence a legisl	ative body (direct lobbying)		
C	Total lobbying expenditures (add lines 1a and 1	b)		
d	O ther exempt purpose expenditures			
e	Total exempt purpose expenditures (add lines 1	c and 1d)		
f	Lobbying nontaxable amount Enter the amount columns	from the following table in both		
	If the amount on line 1e, column (a) or (b) is: Not over \$500,000	The lobbying nontaxable amount is: 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		
	Grassroots nontaxable amount (enter 25% of lir	ne 1f)		
h	Subtract line 1g from line 1a If zero or less, ent	er - 0 -		
i	Subtract line 1f from line 1c If zero or less, ente	er-0-		

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.)

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting

	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)		(b)	
		Yes	No	Amount	
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of				
а	Volunteers?	Yes			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes			
С	Media advertisements?		No		
d	Mailings to members, legislators, or the public?		Νo		
е	Publications, or published or broadcast statements?		Νo		
f	Grants to other organizations for lobbying purposes?		Νo		
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		91,372	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No		
i	Other activities? If "Yes," describe in Part IV	Yes		38,876	
j	Total lines 1c through 1i			130,248	
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				
С	If "Yes," enter the amount of any tax incurred by organization managers under section 4912		Ì		
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No		
Par	t III-A Complete if the organization is exempt under section 501(c)(4), section	501(c)(5), o	r 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		

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section Part III-B 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". Dues, assessments and similar amounts from members 1

_	b deep deep deep deep deep deep deep dee	_	
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).		
а	Current year	2a	
b	Carryover from last year	2b	
С	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	

Part IV Supplemental Information

Taxable amount of lobbying and political expenditures (see instructions)

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 EXPENSES	AND 1I	THE ORGANIZATION PAID LOBBYING FEES OF \$76,512 TO A PROFESSIONAL GOVERNMENT AFFAIRS AND COMMUNICATION STRATEGIES COMPANY THE ORGANIZATION'S CEO, THOMAS HUEBNER, SPENDS TIME EACH YEAR WORKING DIRECTLY WITH STATE LEGISLATORS TO IMPROVE SERVICES FOR THE RUTLAND REGION APPROXIMATELY 3 38%, OR \$14,860, OF HIS SALARY IS ALLOCATED TO THIS ACTIVITY ALSO, DUES ARE PAID TO THE HOSPITAL ASSOCIATION AND THE VERMONT HOSPITAL ASSOCIATION A PORTION OF DUES IS ATTRIBUTABLE TO LOBBYING \$7,333 AHA 31,543 VHA

DLN: 93493219010862

OMB No 1545-0047

SCHEDULE D

(Form 990)

Department of the Treasury

Supplemental Financial Statements ► Complete if the organization answered "Yes," to Form 990,

Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Open to Public

ema	Revenue Service	► Attach to Fe	orm 990. ► See separate instructions.			Inspect	tion
	me of the organi		Emp	loyer identific	ation numbe	er	
	TLAND HOSPITAL INC A RUTLAND REGIONA	AL MEDICAL CENTER		03-	0183483		
Pa			dvised Funds or Other Similar F	unds	or Accounts	s. Complet	te if the
	organiz	zation answered "Yes" to Form 99	T .	1	(L) Fdd	- 4 1	
	Total number a	t and of year	(a) Donor advised funds	<u> </u>	(b) Funds and	otner accou	nts
,		tributions to (during year)					
		nts from (during year)					
L		e at end of year					
,	Did the organiz	zation inform all donors and donor adv	L sors in writing that the assets held in dor organization's exclusive legal control?	nor adv	ısed	┌ Yes	
ì	Did the organiz	zation inform all grantees, donors, and	donor advisors in writing that grant funds efit of the donor or donor advisor, or for a			┌ Yes	┌ No
a	rt III Conse	rvation Easements. Complete	ıf the organization answered "Yes" t	to Forn	n 990, Part I'	V, line 7.	
<u>.</u>	Preservati Protection Preservati Complete lines	conservation easements held by the o ion of land for public use (e g , recreati i of natural habitat ion of open space s 2a-2d if the organization held a qual he last day of the tax year	_	certifie	d historic struc	•	a
					Held at the	End of the	Year
a	Total number o	f conservation easements		2a			
b	Total acreage	restricted by conservation easements		2b			
C		servation easements on a certified his	, ,	2c			
d	Number of con	servation easements included in (c) a	cquired after 8/17/06	2d			
	the taxable yea		erred, released, extinguished, or terminate at the second	ed by tr	ie organization	auring	
		nization have a written policy regarding the conservation easements it holds	g the periodic monitoring, inspection, han ?	dling of	violations, and	^d	┌ No
			pecting and enforcing conservation easen				
	•	<u> </u>	ng, and enforcing conservation easement 2(d) above satisfy the requirements of sec		g the year ► \$		
	In Part XIV, de balance sheet,		onservation easements in its revenue and the footnote to the organization's financia				∏ No
ar	t IIII Organ	izations Maintaining Collectio	ons of Art, Historical Treasures, "Yes" to Form 990, Part IV, line 8.	or Ot	her Similar	Assets.	
а	If the organizate art, historical t	tion elected, as permitted under SFAS reasures, or other similar assets held	for public exhibition, education or resear nancial statements that describes these i	ch in fu			2 ,
b	historical treas	·	116, to report in its revenue statement a public exhibition, education, or research is			•	
	(i) Revenues I	ncluded in Form 990, Part VIII, line 1			► \$		
	(ii) Assets incl	luded in Form 990, Part X			► \$		
!	If the organizat	•	orıcal treasures, or other sımılar assets f S 116 relatıng to these ıtems	or finan	· -		
а	Revenues inclu	uded in Form 990, Part VIII, line 1			► \$		
		• •					

b Assets included in Form 990, Part X

Pali	411 Organizations Maintaining Co	liections of Art, H	1IST	<u>ori</u>	<u>cai irea:</u>	sures, or Otne	<u>er Simila</u>	r Asse	ts (co	<u>ntinuea)</u>
3	Using the organization's accession and other items (check all that apply)	records, check any of	f the	foll	owing that	are a significant	use of its c	ollectioi	า	
а	Public exhibition	C	d	Г	Loan or e	xchange program	s			
b	Scholarly research	•	e	Γ	Other					
c	Preservation for future generations									
4	Provide a description of the organization's co Part XIV	llections and explain h	how	the	y further th	e organızatıon's e	xempt purp	ose in		
5	During the year, did the organization solicit of assets to be sold to raise funds rather than t						mılar	Г	Yes	┌ No
Par	Escrow and Custodial Arrange Part IV, line 9, or reported an am	ements. Complete	ıft	he	organızat		Yes" to Fo	rm 990),	
1a	Is the organization an agent, trustee, custod included on Form 990, Part X?	ıan or other ıntermedıa	ary f	or c	ontribution	s or other assets	not	Г	Yes	┌ No
b	If "Yes," explain the arrangement in Part XIV	and complete the foll	lowir	ng ta	able		1			
							<u> </u>	Amou	ınt	
С	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 Fo	rm 990, Part X, line 2	1?					Γ	Yes	∏ No
	If "Yes," explain the arrangement in Part XIV									
Pa	Tt V Endowment Funds. Complete i	f the organization a (a)Current Year					<u>rt IV, line</u> d)Three Years		•) Four Y	ears Back
1a	Beginning of year balance	11,229,688	(5).),241,135	10,799,491	a)mee ream	3 Back (C	<i>5</i> ,1 0 d1 1	ears back
b	Contributions									
c	Investment earnings or losses	253,308			988,553	-558,357				
d	Grants or scholarships									
e	Other expenditures for facilities and programs	5,222,312								
f	Administrative expenses									
g	End of year balance	6,260,684		11	,229,688	10,241,134				
2	Provide the estimated percentage of the year	r end balance held as								
а	Board designated or quasi-endowment 🕨	86 080 %								
b	Permanent endowment ► 13 920 %									
c	Term endowment ► 0 %									
За	Are there endowment funds not in the posses	ssion of the organization	on th	nat a	are held an	d administered fo	r the			
	organization by							2-(:)	Yes	No
	(i) unrelated organizations		•	•				3a(i) 3a(ii)		No No
ь	(ii) related organizations							3b	<u> </u>	140
4	Describe in Part XIV the intended uses of the	·							ı	
Par	t VI Investments—Land, Buildings	s, and Equipment.	. Se	e F	orm 990,	Part X, line 10.				
	Description of investment				Cost or other s (investment		(c) Accum deprecia		(d) Bo	ok value
1a	Land					299,16	1			299,161
b I	Buildings		Ī			37,559,41	7 17,5	555,589	2	0,003,828
c I	Leasehold improvements		Ī			31,022,80	9 12,3	324,332	1	8,698,477
	Equipment		Ī			103,067,26	3 66,7	705,931	3	6,361,332
e	Other		Ī			3,076,96	0 1,1	122,685		1,954,275
	I. Add lines 1a-1e <i>(Column (d) should equal Fo</i>	rm 990, Part X, column	(B),	lıne	10(c).) .		•		7	7,317,073

Part VIII Investments—Other Securities. See	Form 990, Part X, line 1.	
(a) Description of security or category	(b)Book value	(c) Method of valuation
(including name of security)	(D)Dook value	Cost or end-of-year market value
(1)Financial derivatives		
(2)Closely-held equity interests		
Other		
Other		
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)	-	
		12
Part VIII Investments—Program Related. Se	e Form 990, Part X, line	
(a) Description of investment type	(b) Book value	(c) Method of valuation
	,	Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)	•	
Total. (Column (b) should equal Form 990, Part X, col (B) line 13) Part IX Other Assets. See Form 990, Part X, line		
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III	ne 15.	(b) Book value
Part IX Other Assets. See Form 990, Part X, III (a) Description	ne 15. ption	
Part IX Other Assets. See Form 990, Part X, III (a) Description (b) Should equal Form 990, Part X, col.(B) line in the second	ne 15. ption	(b) Book value
Part IX Other Assets. See Form 990, Part X, III (a) Description	ne 15. ption	
Part IX Other Assets. See Form 990, Part X, III (a) Description (b) Should equal Form 990, Part X, col.(B) line in the second	ne 15. ption (5.) X, line 25.	
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Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X	ne 15. ption (5.) X, line 25.	
Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X (a) Description of Liability	15. ption 15.) 15.) 1	
Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X (a) Description of Liability Federal Income Taxes ACCRUED PENSION OBLIGATION	15.) (b) Amount 0 32,074,323	
Total. (Column (b) should equal Form 990, Part X, col.(B) line 2 Part X Other Liabilities. See Form 990, Part X (a) Description of Liability Federal Income Taxes	ne 15. ption 15.) K, line 25. (b) A mount 0	
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Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X (a) Description of Liability Federal Income Taxes ACCRUED PENSION OBLIGATION	15.) (b) Amount 0 32,074,323	
Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X (a) Description of Liability Federal Income Taxes ACCRUED PENSION OBLIGATION	15.) (b) Amount 0 32,074,323	
Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X (a) Description of Liability Federal Income Taxes ACCRUED PENSION OBLIGATION	15.) (b) Amount 0 32,074,323	
Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X (a) Description of Liability Federal Income Taxes ACCRUED PENSION OBLIGATION	15.) (b) Amount 0 32,074,323	
Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X (a) Description of Liability Federal Income Taxes ACCRUED PENSION OBLIGATION	15.) (b) Amount 0 32,074,323	
Total. (Column (b) should equal Form 990, Part X, col.(B) line in Part X Other Liabilities. See Form 990, Part X (a) Description of Liability Federal Income Taxes ACCRUED PENSION OBLIGATION	15.) (b) Amount 0 32,074,323	

	dule D (Form 990) 2010	name in Not Assets from Fam	- 000 to Figure in Chates		Page 4
Par 1		hange in Net Assets from Form	n 990 to Financial Stater	nents 1	189,452,173
2	Total revenue (Form 990, Part \			2	194,246,523
	Total expenses (Form 990, Part				
3	Excess or (deficit) for the year			3	-4,794,350
4	Net unrealized gains (losses) or			4	-507,931
5	Donated services and use of fac	cilities		5	
6	Investment expenses			6	
7	Prior period adjustments			7	
8	Other (Describe in Part XIV)			8	-956,904
9	Total adjustments (net) Add lin	nes 4 - 8		9	-1,464,835
10	Excess or (deficit) for the year p	per financial statements Combine line	s 3 and 9	10	-6,259,185
Par	Reconciliation of Re	evenue per Audited Financial	Statements With Revenu	e per F	eturn
1	Total revenue, gains, and other	r support per audited financial stateme	nts	1	187,701,646
2	Amounts included on line 1 but	t not on Form 990, Part VIII, line 12			
а	Net unrealized gains on investi	ments	. 2a -507,9	31	
b	Donated services and use of fa	icilities	. 2b		
С	Recoveries of prior year grants		. 2c		
d	Other (Describe in Part XIV)		. 2d -1,344,9	89	
е	Add lines 2a through 2d .			. 2e	-1,852,920
3	Subtract line ${f 2e}$ from line ${f 1}$.			. 3	189,554,566
4	Amounts included on Form 990	O, Part VIII, line 12, but not on line 1			
а	Investment expenses not inclu	ıded on Form 990, Part VIII, line 7b	. 4a		
b	Other (Describe in Part XIV)		4b -102,3	9 3	
c	Add lines 4a and 4b			. 4c	-102,393
5		i 4c. (This should equal Form 990, Par		. 5	189,452,173
Part		kpenses per Audited Financia	Statements With Expen	ses per	
1	Total expenses and losses per statements	audited financial		1	193,960,831
2	Amounts included on line 1 but	t not on Form 990, Part IX, line 25			
а	Donated services and use of fa	icilities	2a		
b	Prior year adjustments		. 2b		
С	Otherlosses		. 2c		
d	Other (Describe in Part XIV)		. 2d 102,3	93	
е	Add lines 2a through 2d			. 2e	102,393
3	Subtract line 2e from line 1 .			. 3	193,858,438
4	Amounts included on Form 990	D, Part IX, line 25, but not on line 1:			
а	Investment expenses not inclu	ided on Form 990, Part VIII, line 7b	4a 388,0	85	
b	Other (Describe in Part XIV)		. 4b		
С	Add lines 4a and 4b			. 4c	388,085
5		ıd 4c. (Thıs should equal Form 990, Pa	rt I, line 18)......	. 5	194,246,523
Pai	t XIV Supplemental Info	ormation			
Cor Par	aplete this part to provide the des	criptions required for Part II, lines 3, Part XII, lines 2d and 4b, and Part XI			
	Identifier	Return Reference	Expla	nation	

Identifier	Return Reference	Explanation
Identifier ENDOWMENT FUND PURPOSE	Return Reference SCHEDULE D, PART V, LINE 4	RRMC'S ENDOWMENTS CONSIST OF VARIOUS INDIVIDUAL DONOR-RESTRICTED AND BOARD DESIGNATED FUNDS WHICH WERE ESTABLISHED FOR GENERAL OPERATIONAL AND CERTAIN DEPARTMENTAL PURPOSES AS REQUIRED BY ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA (GAAP), NET ASSETS ASSOCIATED WITH ENDOWMENT FUNDS ARE CLASSIFIED AND REPORTED BASED ON THE EXISTENCE OR ABSENCE OF DONOR-IMPOSED RESTRICTIONS RRMC'S GOVERNIN. BODY HAS INTERPRETED THE STATE OF VERMONT PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT (SPMIFA), ADOPTED IN MAY OF 2009, AS REQUIRING PRESERVATION OF THE FAIR VALUE OF THE ORIGINAL GIFT AS OF THE GIFT DATE OF THE DONOR-RESTRICTED ENDOWMENT FUNDS ABSENT EXPLICIT DONOR STIPULATIONS TO THE CONTRARY AS A RESULT OF THIS INTERPRETATION, RRMC CLASSIFIES AS PERMANENTLY RESTRICTED NET ASSETS (A) THE ORIGINAL VALUE OF GIFTS DONATED TO THE PERMANENT ENDOWMENT, (B) THE ORIGINAL VALUE OF SUBSEQUENT GIFTS TO THE PERMANENT ENDOWMENT, (B) THE ORIGINAL VALUE OF SUBSEQUENT GIFTS TO THE PERMANENT ENDOWMENT AND (C) ACCUMULATION STO THE PERMANENT ENDOWMENT MADE IN ACCORDANCE WITH THE DIRECTION OF THE APPLICABLE DONOR GIFT INSTRUMENT AND COLOUDLATION STO DONOR-RESTRICTED ENDOWMENT FUNDS IS CLASSIFIED AS TEMPORABLY RESTRICTED NET ASSETS UNTIL THOSE ADDED TO THE FUND THE REMAINING PORTION OF DONOR-RESTRICTED ENDOWMENT FUNDS IS CLASSIFIED AS TEMPORABLY RESTRICTED NET ASSETS UNTIL THOSE ADDED TO THE FUND THE REMAINING PORTION OF DONOR-RESTRICTED ENDOWMENT FUNDS IS CLASSIFIED AS TEMPORABLY RESTRICTED NET ASSETS UNTIL THOSE ADDED TO THE FUND THE REMAINING PORTION OF DONOR-RESTRICTED ENDOWMENT FUNDS IS CLASSIFIED AS TEMPORABLY RESTRICTED NET ASSETS UNTIL THOSE ADDED TO THE FUND THE REMAINING PORTION OF DONOR-RESTRICTED ENDOWMENT FUNDS IS CLASSIFIED AS TEMPORABLY RESTRICTED NET ASSETS UNTIL THOSE SUBJECT OF THE ADDADAD OF THE FUND THE FUNDS AS EXPONDITURE BY RESTRICTED OF OR SERVED TO THE SERVED TO THE FUND THE FUND THE FUND AND PRESERVATION OF THE FUND AND PRESERVATION OF THE ADDADAD OF THE COMMENT FUNDS APPROPRIATED FOR EXPE
UNCERTAIN TAX POSITIONS	SCHEDULE D, PART X, LINE 2	PART V, LINE 1E MANAGEMENT HAS EVALUATED THEIR INCOME TAX POSITIONS UNDER THE GUIDANCE INCLUDED IN ASC 74 BASED ON THEIR REVIEW, MANAGEMENT HAS NOT IDENTIFIED ANY MATERIAL UNCERTAIN TAX POSITIONS TO BE RECORDED OR DISCLOSED IN THE FINANCIAL STATEMENTS
OTHER CHANGES IN NET ASSETS	SCHEDULE D, PART XI, LINE 8	\$ 1,076,061 NET GAIN FROM DEF BEN PEN PLAN AND POSTRETRMT BEN COSTS (2,719,815) TRANSFER TO AFFILIATES 2,420,373 CHANGE IN FV OF INVESTMENTS ACCT FOR UNDER FASB 825 (1,733,523) LOSS ON INTEREST RATE SWAP AGREEMENT
RECONCILIATION OF REVENUE - OTHER RECONCILING ITEMS	SCHEDULE D, PART XII, LINE 2D	\$ 1,076,061 NET GAIN FROM DEF BEN PEN PLAN AND POSTRETRMT BEN COSTS (2,719,815) TRANSFER TO AFFILIATES 2,420,373 CHANGE IN FV OF INVESTMENTS ACCT FOR UNDER FASB 825 (1,733,523) LOSS ON INTEREST RATE SWAP AGREEMENT (388,085) INVESTMENT EXPENSES
RECONCILIATION OF EXPENSE - OTHER RECONCILING ITEMS	SCHEDULE D, PART XIII, LINE 2D	\$ 102,393 EXPENSES ALLOCABLE TO RENTAL INCOME INCLUDED WITH EXPENSES ON THE AUDIT REPORT WERE RECLASSED TO BE PROPERLY INCLUDED WITH REVENUE ON THE TAX RETURN

OMB No 1545-0047

Open to Public Inspection

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

RUTLAND HOSPITAL INC

Name of the organization

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

Hospitals

Employer identification number

)BA F	RUTLAND REGIONAL MEDICAL CENTER				03-	0183483			
Pa	rt I Financial Assista	nce and C	ertain Oth	er Community Be	nefits at Cost				
						_		Yes	No
1a	Did the organization have a fi				f "No," skip to questio	n 6a .	1a	Yes	
b	If "Yes," is it a written policy	· · · ·					1b	Yes	
2	If the organization has multip assistance policy to its vario				describes application o	of the financial			
	Applied uniformly to all ho	spitals		Applied uniformly	to most hospitals				
	Generally tailored to indiv	ıdual hospıta	ls						
3	Answer the following based or organization's patients during			nce eligibility criteria ti	hat applied to the large	est number of the			
а	Does the organization use Fe income individuals? If "Yes,"						За	Yes	
	Г 100% Г 150%	▽ 20	оо% Г	Other	<u>%</u>	-			
b									
	"Yes," indicate which of the fo	ollowing is the	e family incor	me limit for eligibility fo	r discounted care .		3b	Yes	
	□ 200% □ 250%	— 30	оо% Г	350% 40	0% 🔽 Other_	<u>500. %</u>			
С	If the organization does not u determining eligibility for free test or other threshold, regard	or discounte	d care Inclu	de in the description w	hether the organizatior				
4	Did the organization's financi					uring the tax year	4	Yes	
5a	provide for free or discounted Did the organization budget amount			=		x year?	5a	Yes	
ь	If "Yes," did the organization							163	No
С	If "Yes" to line 5b, as a resul care to a patient who was elig						5c		110
6a	Does the organization prepare	e a communit	y benefit rep				6a	Yes	
6b	year? If "Yes," did the organization			ublic?		[6b	Yes	
	Complete the following table worksheets with the Schedule		ksheets prov	ided in the Schedule H	instructions Do not s	ubmit these			
7	Financial Assistance and C	ertain Other	Community I	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 be expense		(f) Pero total ex	
а	Financial Assistance at cost (from Worksheets 1 and 2)			2,126,591	0	2,120	5,591	1	140 %
b	Unreimbursed Medicaid (from Worksheet 3, column a)			38,989,375	22,594,867	16,394			810 %
c	Unreimbursed costs—other means-tested government programs (from Worksheet 3,					,	,		
d	column b)			2,168,709	2,703,177	-534	1,468	0	290 %
u	Means-Tested Government Programs			43,284,675	25,298,044	17,986	5,631	9	660 %
e	Other Benefits Community health improvement services and community benefit operations (from								
f	(Worksheet 4)			394,342	6,150	388	3,192	0	210 %
	(from Worksheet 5) Subsidized health services			105,077	0	10	5,077	0	050 %
g	(from Worksheet 6)			12,619,618	9,217,188	3,402	2,430	1	830 %
h i	Research (from Worksheet 7) Cash and in-kind contributions to community groups (from Worksheet 8)			1,356,926	0	1,356	5,926	0	730 %
-	Total Other Benefits			14,475,963	9,223,338	5,252	2,625	2	820 %
k	Total. Add lines 7d and 7j			57,760,638	34,521,382	23,239	,256	12	480 %

Pa	rt II Community Building activities during the of the communities in	tax year, an							ııldıng	ealth
	or the communities	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) D	rect offse revenue	(e) Net commu building expen		(f) Pero total ex	
1	Physical improvements and housing									
2	Economic development									
3	Community support			23,48	6		2	3,486	0	010 %
4	Environmental improvements									
5	Leadership development and training for community members									
	Coalition building			267,57	0		26	7,570	0	140 %
7	Community health improvement advocacy			13,28	7			.3,287	0	010 %
8	Workforce development			223,58	1			3,589		120 %
9	Other									
10	Total Tt IIII Bad Debt, Medicar		lian Buantin	527,93	2		52	7,932	0	280 %
Sect 1	tion A. Bad Debt Expense Did the organization report bad Statement No 15? Enter the amount of the organi					lanagen	nent Association 3,976,33	8 1	Yes	No No
3	Enter the estimated amount of attributable to patients eligible				dicy	3	441,37	3		
4 Sect	Provide in Part VI the text of t In addition, describe the costi rationale for including a portio tion B. Medicare Enter total revenue received fi	ng methodolog n of bad debt a	gy used in detei amounts as con	rmining the amounts nmunity benefit	s reporte	d on lin				
6	Enter Medicare allowable cost	s of care relat	ing to payments	s on line 5		6	66,455,43	7		
7	Subtract line 6 from line 5 Th	ıs ıs the surpl	us or (shortfall)			. 7	-13,290,94	5		
8	Describe in Part VI the extent Also describe in Part VI the c Check the box that describes	osting method the method us	ology or source sed	e used to determine	the amo					
_	Cost accounting system	I Co	st to charge ra	tio I	Other					
	tion C. Collection Practices									
9a 	Does the organization have a If "Yes," does the organization				llastion	· ·	s to be followed for	9a	Yes	
b	patients who are known to qua							9b	Yes	
Pa	rt IV Management Com	<u> </u>								
	(a) Name of entity	(1	b) Description of pi activity of entit		(c) Organ profit % o ownersh	or stock	(d) Officers, directors trustees, or key employees' profit % or stock ownership%	, p	(e) Physic rofit % or ownershi	stock
1										
2								\top		
3								+		
4								+		
5		1								
6										
7		1						+		
8										
9								\top		
10										
11										
12										
		I					I	1		

Part V Facility Information									
Section A. Hospital Facilities (list in order of size, measured by total revenue per facility, from largest to smallest)	8	General medical	Children's hospital	Teaching hospital	Critical acc	Research facility	ER-24 hours	ER-other	
How many hospital facilities did the organization operate during the tax year?1	hospital	edical & surgical	nospital	ospital	Ortical access hospital	acılity	œ		
Name and address									Other (Describe)
1 RUTLAND HOSPITAL 160 ALLEN STREET RUTLAND,VT 05701	x	х					х		MED DEV RURAL COMM HOSP
							-		
			-	-	-		-		
	_		-		-		1		

Hov	v many non-hospital facilities did the organization operate	e during the tax year?
Nar	ne and address	Type of Facility (Describe)
1	RUTLAND REG DIABETES & ENDOCRINOLOGY CTR 8 ALBERT CREE DRIVE RUTLAND, VT 05701	PATIENT CLINIC
2	RUTLAND REG DIABETES & ENDOCRINOLOGY CTR 8 ALBERT CREE DRIVE RUTLAND, VT 05701	PATIENT CLINIC
3	RUTLAND REG DIABETES & ENDOCRINOLOGY CTR 8 ALBERT CREE DRIVE RUTLAND, VT 05701	PATIENT CLINIC
4	RUTLAND REG DIABETES & ENDOCRINOLOGY CTR 8 ALBERT CREE DRIVE RUTLAND, VT 05701	PATIENT CLINIC
5		
6		
7 8		
9		
10		

Part V Facility Information (continued)

Schedule H (Form 990) 2010 Page 8

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
- 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
- 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.)
- 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
ELIGIBILITY FOR DISCOUNTED CARE	SCHEDULE H, PART I, LINE 3B	THE ORGANIZATION WILL PROVIDE DISCOUNTED TO CARE TO LOW INCOME INDIVIDUALS WHOSE FAMILY INCOME FALLS BETWEEN 201% AND 500% OF THE FEDERAL POVERTY GUIDELINES USING A GRADUATED RANGE OF DEDUCTIBLES FROM \$250 AT THE LOWEST LEVEL TO \$3,000 AT THE HIGHEST LEVEL

Identifier	ReturnReference	Explanation
	COLUMN F	THE PERCENT OF TOTAL EXPENSE ON SCHEDULE H, PART I, LINE 7, COLUMN (F), WAS CALCULATED USING TOTAL EXPENSES ON FORM 990, PART IX, LINE 25, COLUMN (A) LESS BAD DEBT EXPENSE OF \$8,089,213 THE COST TO CHARGE RATIO CALCULATED ON THE IRS WORKSHEET 2 WAS USED IN CALCULATING THE FIGURES ON PART I, LINE 7

Identifier	ReturnReference	Explanation
BAD DEBT EXPENSE		THE AUDITED FINANCIAL STATEMENTS DO NOT CONTAIN A FOOTNOTE THAT DESCRIBES BAD DEBT EXPENSE THEY DO, HOWEVER, CONTAIN A FOOTNOTE THAT DESCRIBES PATIENT ACCOUNTS RECEIVABLE RRMC REPORTS PATIENT ACCOUNTS RECEIVABLE FOR SERVICES RENDERED AT NET REALIZABLE AMOUNTS FROM THIRD-PARTY PAYERS, PATIENTS AND OTHERS RRMC PROVIDES AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON A REVIEW OF OUTSTANDING RECEIVABLES, HISTORICAL COLLECTION INFORMATION AND EXISTING ECONOMIC CONDITIONS AS A SERVICE TO THE PATIENT, RRMC BILLS THIRD-PARTY PAYERS DIRECTLY AND BILLS THE PATIENT WHEN THE PATIENT'S LIABILITY IS DETERMINED PATIENT ACCOUNTS RECEIVABLE ARE DUE IN FULL WHEN BILLED ACCOUNTS ARE CONSIDERED DELINQUENT AND SUBSEQUENTLY WRITTEN OFF AS BAD DEBTS BASED ON INDIVIDUAL CREDIT EVALUATION AND SPECIFIC CIRCUMSTANCES OF THE ACCOUNT THE ORGANIZATION CALCULATED BAD DEBT AT COST BY MULTIPLYING THE BAD DEBT ATTRIBUTABLE TO PATIENT ACCOUNTS BY THE RATIO OF PATIENT CARE COST TO CHARGES USED FOR SCHEDULE H, PART I CALCULATIONS BAD DEBT ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S CHARITY CARE POLICY WAS DETERMINED USING POVERTY LIMIT DEMOGRAPHIC INFORMATION OBTAINED THROUGH THE US CENSUS BUREAU USING DATA FROM 2010, APPROXIMATELY 11 1 PERCENT OF RUTLAND COUNTY WAS CONSIDERED TO LIVE IN POVERTY

Identifier	ReturnReference	Explanation
COMMUNITY BENEFITS	SCHEDULE H, PART III, LINE 8	SERVING PATIENTS WITH GOVERNMENT HEALTH BENEFITS, SUCH AS MEDICARE, IS A COMPONENT OF THE COMMUNITY BENEFIT STANDARD THAT TAX-EXEMPT HOSPITALS ARE HELD TO THIS IMPLIES THAT SERVING MEDICARE PATIENTS IS A COMMUNITY BENEFIT AND THAT THE HOSPITAL OPERATES TO PROMOTE THE HEALTH OF THE COMMUNITY

Identifier	ReturnReference	Explanation
MEDICARE COSTING METHODOLOGY	SCHEDULE H, PART III, LINE 8	THE ORGANIZATION USES INFORMATION FROM THE MEDICARE COST REPORT TO COMPUTE THE MEDICARE ALLOWABLE COSTS OF CARE ON LINE 6

Identifier	ReturnReference	Explanation
PROVISIONS OF DEBT COLLECTION POLICY	SCHEDULE H, PART III, LINE 9B	THE PAYMENT PLAN POLICY REQUIRES PAYMENTS OF A MINIMUM OF \$25 00 PER MONTH, AND THAT ALL BALANCES BE PAID WITHIN 10 MONTHS THE FREE CARE POLICY SPECIFICALLY STATES THAT ALL UNINSURED AND UNDERINSURED PATIENTS BE GIVEN INFORMATION ON THE FREE CARE PROGRAM, AND THAT STAFF PERFORM DUE DILIGENCE TO GIVE THEM INFORMATION AND HAVE THE APPLICATION RETURNED, AND THAT THE HOSPITAL SEND 3 STATEMENTS AND A FINAL NOTICE BEFORE SENDING AN ACCOUNT TO BAD DEBT IT ALSO STATES THAT RRMC WILL REFRAIN FROM EXTRAORDINARY COLLECTION ACTIONS TO OBTAIN PAYMENT FOR A DEBT

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT	SCHEDULE H, PART VI, LINE 2	IN APRIL 2009, THE RUTLAND COUNTY HEALTH
		ASSESSMENT WAS COMPLETED RUTLAND REGIONAL MEDICA L CENTER AND THE BOWSE HEALTH TRUST
		CONVENED THE ASSESSMENT TEAM THAT GUIDED THE HEALTH AS SESSMENT THE ASSESSMENT TEAM
		REPRESENTED THE FOLLOWING ORGANIZATIONS RUTLAND REGIONAL ME DICAL CENTER (RRMC), JAMES T
		BOWSE COMMUNITY HEALTH TRUST, RUTLAND COUNTY UNITED WAY, VER MONT DEPARTMENT OF HEALTH,
		RUTLAND AREA VISITING NURSES ASSOCIATION AND HOSPICE (RAVNAH), COMMUNITY HEALTH CLINICS OF
		THE RUTLAND REGION (CHCRR) [THE NEXT ASSESSMENT WILL BE CONDU CTED BETWEEN MAY 2011 AND APRIL
		2012]THE HEALTH ASSESSMENT WAS CONDUCTED IN FIVE (5) PHA SES PHASE 1 ANALYSIS OF VERMONT AND
		RUTLAND COUNTY DATA PHASE 2 SURVEY OF RUTLAND COUNT Y RESIDENTS PHASE 3 COMMUNITY LEADER
		FOCUS GROUPS PHASE 4 PRIORITIZING MEETING WITH COMM UNITY LEADERS PHASE 5 DEVELOPMENT OF THE
		EXECUTIVE SUMMARY / FINAL REPORT DATA ANALYSIS O VER 36 SOURCES OF EXISTING DATA WERE ANALYZED IN
		ORDER TO IDENTIFY AREAS FOR FURTHER STUDY THE DATA DESCRIBES RUTLAND COUNTY AS A POPULATION
		THAT IS OLDER, LESS EDUCATED AND LOWER INCOME
		THAN VERMONTERS AS A WHOLE THERE ARE AN INCREASING NUMBER OF VULNERABLE AND DISAB LED
		RESIDENTS IN RUTLAND COUNTY MANY BARRIERS CHALLENGE THEIR ACCESS TO HEALTH AND HUMAN
		SERVICES, MOST NOTABLY, INADEQUATE ACCESS TO PRIMARY MEDICAL AND DENTAL CARE DUE TO A LACK OF
		HEALTH AND DENTAL INSURANCE AND A SHORTAGE OF PROVIDERS THE LIFESTYLES OF SOME RUTLAN D
		COUNTY RESIDENTS INCREASE THEIR RISKS FOR CHRONIC DISEASE RISK FACTORS FOR HEART DISEAS E
		AND STROKE INCLUDE TOBACCO USE, OBESITY, HIGH BLOOD PRESSURE, DIABETES, INACTIVITY, POOR DIET,
		EXCESSIVE ALCOHOL USE AND HIGH CHOLESTEROL THE RATES FOR EACH OF THESE RISK FACTOR S IN RUTLAND
		COUNTY ARE HIGHER THAN THE STATE AVERAGE SURVEY OF RUTLAND COUNTY RESIDENTS A SURVEY TO
		IDENTIFY BARRIERS TO ACCESSING TRADITIONAL HEALTH SERVICES WAS ANSWERED BY 501 RUTLAND
		COUNTY RESIDENTS THE RESULTS SHOWED THAT YOUNG ADULTS AND THOSE WITHOUT A HIGH S CHOOL DIPLOMA
		ARE LEAST LIKELY TO BE ABLE TO ACCESS THE HEALTH CARE THEY NEED INABILITY TO PAY FOR SERVICES IS
		THE GREATEST BARRIER THE SERVICES THAT ARE LEAST LIKELY TO BE ACCES SED WHEN NEEDED ARE MENTAL
		HEALTH AND ALCOHOL OR DRUG ABUSE COUNSELING COMMUNITY LEADER F OCUS GROUPS THE ASSESSMENT
		TEAM INVITED EIGHTY COMMUNITY LEADERS TO PARTICIPATE IN LOCAL FOCUS GROUPS IN TOTAL,
		FORTY-SIX (46) COMMUNITY LEADERS PARTICIPATED IN FIVE (5) HEALTH AS SESSMENT FOCUS GROUPS ONE
		COMMUNITY LEADER GROUP WAS HELD IN CASTLETON, ONE WAS CONVENED IN BRANDON, AND THREE (3)
		GROUPS WERE CONDUCTED IN RUTLAND THE LEADERS IDENTIFIED THE STR ENGTHS AND CHALLENGES IN
		RUTLAND COUNTY'S HEALTH AND HUMAN SERVICES SYSTEM LACK OF HEALTH AND DENTAL INSURANCE AND
		TRANSPORTATION WERE IDENTIFIED AS THE LEADING BARRIERS TO CARE RUTLAND COUNTY IS RECOGNIZED
		AS HAVING MANY RESOURCES TO ASSIST PEOPLE IN PREVENTION AND T REATMENT OF HEALTH PROBLEMS.
		BUT THESE PROGRAMS AND SERVICES ARE UNDERUTILIZED OR UNKNOWN NAVIGATING THE ARRAY
		OF SERVICES AND UNDERSTANDING ELIGIBILITY TO RECEIVE THESE SERVICES IS CONFUSING AND
		COMPLICATED COMMUNITY LEADERS NOTED THAT THE CULTURE IN RUTLAND COUNTY I S NOT CONDUCIVE TO
		PREVENTION MANY SUGGESTIONS ABOUT HOW RUTLAND COUNTY RESIDENTS CAN IMP ROVE THEIR
		HEALTH STATUS ARE NOTED IN THE ASSESSMENT REPORT PRIORITIZING MEETING FINDINGS WERE
		SYNTHESIZED FROM THE DATA ANALYSIS, THE CONSUMER SURVEY AND FOCUS GROUPS THESE FIND
		INGS WERE PRESENTED AT A COMMUNITY MEETING
		WHERE ATTENDEES PARTICIPATED IN A GROUP PROCESS TO PRIORITIZE THE COMMUNITY'S HEALTH NEEDS
		DURING A PRIORITIZING MEETING HELD ON APRIL 3 0, 2009, TWENTY MEMBERS OF COMMUNITY
		ORGANIZATIONS SELECTED HIS OR HER TOP THREE (3) ACTIO NS TO IMPROVE RUTLAND COUNTY'S HEALTH
		STATUS IN THE NEXT 5 YEARS A TOTAL OF 60 ACTIONS FO R A HEALTHIER RUTLAND COUNTY WERE PRESENTED
		AND ARE LISTED IN THE FULL REPORT THE TOP ACT IONS SELECTED ARE NOTED BELOW 2009 - 2013
		OBJECTIVES AND ACTIONS 1 INCREASE PREVENTION E FFORTS THAT LEAD TO A HEALTHY LIFESTYLE
		OBJECTIVES DECREASE % OF ADULT AND YOUTH TOBACCO U SE INCREASE % OF ADULT AND YOUTH
		PHYSICAL ACTIVITY INCREASED % OF ADULT AND YOUTH HEALTHY DIET DECREASE % OF ADULT AND
		YOUTH BMI OVER 30 ACTIONS SUPPORT PROGRAMS THAT CREATE CULTU RE AND BEHAVIOR CHANGE
		PROVIDE AFFORDABLE HEALTHY FOOD AT WORK, SCHOOL AND COMMUNITY EXPAN D USE OF CURRENT
		EXERCISE PROGRAMS INCREASE WORKSITE EXERCISE PROGRAMS PHYSICIANS WILL ADD RESS BMI WITH
		PATIENTS AND REFER TO COMMUNITY RESOURCES EXPAND AND SUPPORT PROGRAMS THE PR EVENT TEEN
		AGE PREGNANCY SUPPORT AND EXPAND TOBACCO PREVENTION PROGRAMS 2 IMPROVE ACCESS TO HEALTH
		AND HUMAN SERVICES OBJECTIVES INCREASE % ADULT COVERED BY HEALTH INSURANCE INCRE ASE % OF
		ADULTS UP-TO-DATE ON AGE APPROPRIATE SCREENINGS INCREASE % OF ADULTS AND YOUTH UP -
		TO-DATE ON IMMUNIZATIONS DECREASE AMBULATORY CARE SENSITIVE HOSPITALIZATIONS INCREASE % O F
		ADULTS AND CHILDREN RECEIVING DENTAL CARE INCREASE USE OF CURRENT RESOURCES ACTIONS CRE
		ATE COMMUNITY CARE TEAMS FOR CHRONIC HEALTH CONDIT
<u>l</u>	1	100.00%

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT		IONS EXPAND DENTAL PROGRAMS FOR THE UNINSURED AND MEDICAID POPULATIONS INCREASE THE USE OF ELECTRONIC MEDICAL RECORDS OPEN CHCRR CLINIC IN RUTLAND CITY CREATE EMERGENCY ROOM NAVIGA TORS DEVELOP A RUTLAND COUNTY RESOURCE GUIDE EXPAND HEALTH INSURANCE ENROLLMENT ASSISTANCE 3 REDUCE SUBSTANCE ABUSE OBJECTIVES DECREASE THE USE OF ILLEGAL SUBSTANCES DECREASE % OF ADULT AND YOUTH WHO BINGE DRINK DECREASE % OF ADULTS WHO ARE DEPRESSED ACTIONS CHANGE THE CULTURE OF LEGAL AND ILLEGAL DRUG USE CHANGE THE CULTURE OF ALCOHOL USE FOR ADULTS AND Y OUTH INCREASE THE USE OF ELECTRONIC MEDICAL RECORDS CASE MANAGEMENT FOR HIGH-RISK POPULATI ONS 4 EXPAND COMMUNITY BASED ELDER CARE OBJECTIVES INCREASE COMMUNITY BASED SERVICES FOR ELDERS, TO MAXIMIZE THE PERCENT OF ELDERS WHO LIVE AT HOME ACTIONS CASE MANAGEMENT FOR A T RISK ELDERS EXPAND ATTENDANT SERVICES EXPAND MEALS ON WHEELS SPECIAL NOTE IT SHOULD BE NOTED THAT THESE ISSUES CANNOT BE SOLVED BY THE LIMITED RESOURCES WITHIN RUTLAND COUNTY T RUE IMPACT CAN ONLY HAPPEN WITH SYSTEM CHANGES THAT INCLUDE CHANGES TO THE REIMBURSEMENT S YSTEM HEALTH ASSESSMENT REPORT A COPY OF THE FINAL REPORT IS AVAILABLE ON THE RRMC WEB SI TE (WWW RRMC ORG) HARD COPIES ARE AVAILABLE IN THE RRMC HEALTH SCIENCES LIBRARY AND THE R UTLAND FREE LIBRARY

Identifier	ReturnReference	Explanation				
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE	SCHEDULE H, PART VI, LINE 3	RRMC HAS SIGNS UP THROUGHOUT THE HOSPITAL AND OFF SITE CLINICAL AREAS (RUTLAND GENERAL SURGERY, WOMEN'S HEALTH ETC) WHERE PATIENTS/FAMILIES MIGHT BE WHICH LISTS WHO TO CALL IF HELP IS NEEDED PAYING MEDICAL BILLS IN REGISTRATION ALL PATIENTS ARE OFFERED A PACKET WITH INFORMATION ABOUT THE FREE CARE PROGRAM ALL SELF-PAY PATIENTS ARE VISITED BY A FINANCIAL COUNSELOR WHILE THEY ARE ON AN IN-PATIENT UNIT FINANCIAL COUNSELORS ASSIST PATIENTS IN APPLYING FOR STATE AND FEDERAL PROGRAMS ALL BILLS INCLUDE INFORMATION ABOUT WHO TO CONTACT IF A PATIENT HAS QUESTIONS OR CONCERNS ABOUT A BILL THE RRMC WEB SITE HAS A PAGE THAT DESCRIBES THE FINANCIAL ASSISTANCE PROGRAM WHICH GIVES AN OUTLINE OF THE FREE CARE PROGRAM, THE INCOME GUIDELINES BASED ON FEDERAL POVERTY, AN ON-LINE APPLICATION, AS WELL AS INFORMATION ON ALL OF THE MEDICAID PROGRAMS AVAILABLE AND A SMALL DESCRIPTION OF EACH				

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION	SCHEDULE H, PART VI, LINE 4	Explanation VERMONT IS THE SECOND LARGEST STATE IN NEW ENGLAND AT 9,614 SQUARE MILES, BUT IS THE EIGHTH SMALLEST STATE IN THE NATION VERMONT IS CONSIDERED THE MOST RURAL OF THE UNITED STATES BECAUSE A LARGE PERCENTAGE OF ITS RESIDENTS LIVE IN COMMUNITIES OF LESS THAN 2,500 VERMONT IS MADE UP OF 14 COUNTIES WITH THE POPULATION OF THE STATE ESTIMATED TO BE 623,908 ON JULY 1, 2006 WHILE RACIAL AND ETHNIC MINORITIES ARE ONLY 3 6% OF THE VERMONT POPULATION, THESE POPULATIONS ARE GROWING AT A MUCH FASTER RATE THAN THE NON-HISPANIC WHITE POPULATION (2006 US CENSUS BUREAU) RUTLAND COUNTY, COMPOSED OF 933 SQUARE MILES, IS LOCATED IN CENTRAL VERMONT THE POPULATION MOSTLY RESIDES IN THE 27 SMALL TOWNS AND OUTLYING RURAL AREAS RUTLAND CITY IS THE LARGEST POPULATION CENTER (ESTIMATED AT 17,080 IN 2004) ALMOST 80% OF THE COUNTY'S POPULATION IS OVER THE AGE OF 18, WITH A RACIAL COMPOSITION OF 98% CAUCASIAN, AND LESS THAN 2% FROM OTHER RACES THE MEDIAN HOUSEHOLD INCOME IN 2004 WAS \$39,607, WITH APPROXIMATELY 10% OF INDIVIDUALS LIVING BELOW THE FEDERAL POVERTY LEVEL RRMC IS A COMPREHENSIVE MEDICAL/SURGICAL HOSPITAL LICENSED FOR 188 BEDS, WITH 135 BEDS AVAILABLE, AND OPERATING AT A DAILY CENSUS AVERAGE OF APPROXIMATELY 95 BEDS AND OVER 1,280 EMPLOYEES WE ARE DEPENDED UPON BY MORE THAN 70,000 RESIDENTS OF THE HOSPITAL SERVICE AREA (HSA), WHICH INCLUDES RUTLAND COUNTY, SOME PORTIONS OF SOUTHERN AND NORTH CENTRAL VERMONT AND EVEN WASHINGTON COUNTY, NEW YORK RRMC IS LOCATED APPROXIMATELY FORTY MILES FROM THE NEAREST HOSPITAL OR HEALTH SYSTEM OF ANY SIZE AND NEARLY SEVENTY MILES FROM THE ONLY MEDICAL CENTER PROVIDING MORE LICENSED BEDS TO THE CITIZENS OF VERMONT'S POPULATION THERE ARE A NUMBER OF DEMOGRAPHIC STATISTICS THAT PUT RUTLAND COUNTY AT RISK AS COMPARED TO THE AVERAGE VERMONTER THE POPULATION GREW SLOWLY, BY 2% FROM 1990 TO 2000, BUT SINCE HAS BEEN DECLINING THE MEDIAN AGE IN 2000 WAS 39 23 MAKING RUTLAND COUNTY ONE OF THE OUDSTONE STATISTICS THAT PUT RUTLAND COUNTY ARE HIGHER THAN THE STATE AND MEDIAN HOUSEHOLD DINCOMES AR
		AVERAGE THE PERCENT OF ADULTS IN RUTLAND COUNTY WHO DO NOT HAVE HEALTH INSURANCE IS HIGHER THAN THE VERMONT'S RATE

Identifier	ReturnReference	Evolunation
PROMOTION OF COMMUNITY	SCHEDULE H, PART VI, LINE 5	Explanation RUTLAND REGIONAL MEDICAL CENTER ENGAGES IN A
HEALTH	, 1, 22.2	NUMBER OF COMMUNITY SUPPORTIVE ACTIVITIES IN ORDER TO INCREASE ACCESS AND AFFORDABILITY OF
		HEALTH AND HUMAN SERVICES RUTLAND COUNTY HAS A SEVERE NEED FOR PRIMARY CARE PHYSICIANS AND
		HAS SHORTAGES OR IS AT RISK FOR SHORTAGES IN MANY SPECIALTY SERVICES RUTLAND REGIONAL
		MEDICAL CENTER ACTIVELY RECRUITS BOTH PRIMARY CARE AND SPECIALTY PRACTICE PHYSICIANS FOR
		RUTLAND COUNTY ALL THE POSITIONS IDENTIFIED FOR RECRUITMENT WERE IDENTIFIED THROUGH THE MD
		MANPOWER PLAN AS A COMMUNITY NEED IN FY2010, 12
		PHYSICIANS WERE RECRUITED TO THE REGION, INCLUDING 2 FAMILY PRACTICE DOCTORS, 2 PSYCH
		IATRISTS, 1 GASTROENTEROLOGIST, 2 PATHOLOGISTS, AND 4 HOSPITALISTS RRMC SUPPORTS A HOSPIT ALIST
		PROGRAM WHERE HOSPITAL PHYSICIANS PROVIDE CARE FOR PRIMARY CARE PROVIDER'S PATIENTS THAT ARE
		ADMITTED TO THE HOSPITAL THIS ALLOWS THE PRIMARY CARE PROVIDER TO PROVIDE MORE HOURS OF
		OFFICE CARE WHILE THEIR HOSPITALIZED PATIENTS HAVE 24 HOUR ACCESS TO A DOCTOR DURI NG THE
		HOSPITALIZATION THIS SYSTEM PROVIDES EFFICIENCIES TO THE HEALTH CARE SYSTEM IN RUT
		LAND COUNTY RUTLAND COUNTY'S MEDICAID POPULATION CONTINUES TO INCREASE IN 1994, 10%
		OF R RMC PATIENTS WHERE COVERED BY MEDICAID NOW 15 YEARS LATER, 14% OF RRMC'S PATIENTS ARE COV
		ERED BY MEDICAID THIS PUTS A FINANCIAL STRAIN ON
		RRMC'S BUDGET AS THE CARE PROVIDED TO TH IS GROWING POPULATION IS NOT REIMBURSED FOR THE
		FULL COST OF CARE LEADERS AT RRMC ADVOCATE AT THE STATE AND LOCAL LEVEL TO MAINTAIN THE
		MEDICAID REIMBURSEMENT RATES FOR BOTH IN-PA TIENT AND OUT-PATIENT CARE IN ORDER TO MAINTAIN
		ACCESS FOR MEDICAID PATIENTS LEADERS AT R RMC ALSO PROVIDE SUPPORT FOR THE FEDERALLY QUALIFIED
		HEALTH CENTER (FQHC) IN RUTLAND COUNT Y BY BEING A BOARD MEMBER THE FQHC GETS REIMBURSED AT A
		HIGHER LEVEL FOR CARING FOR MEDIC AID PATIENTS AND PROVIDES INCREASED ACCESS FOR THESE
		PATIENTS RRMC LEADERS AND STAFF ALSO PARTICIPATE AS BOARD MEMBERS IN THE SUPPORT OF
		OTHER NON-PROFIT ORGANIZATIONS, SUCH AS RU TLAND COUNTY UNITED WAY, RUTLAND AREA VISITING
		NURSES ASSOCIATION AND HOSPICE, RUTLAND ARE A PHYSICAL ACTIVITY COALITION, RUTLAND POLICE
		COMMISSION, AND THE RUTLAND ECONOMIC DEVELOP
		MENT CORPORATION RUTLAND COUNTY IS ECONOMICALLY CHALLENGED AND RRMC SUPPORTS
		WORK TO HELP THOSE IN POVERTY AS WELL AS TO BRING NEW BUSINESSES INTO THE AREA RRMC PARTICIPATES
		IN A PROGRAM CALLED BRIDGES OUT OF POVERTY WHICH IS A PROGRAM WHICH AIMS TO KEEP THE WORKING P
		OOR EMPLOYED THIS PROGRAM NOT ONLY BENEFITS THOSE IN LIVING POVERTY IN RUTLAND COUNTY, BU T
		RRMC'S OWN WORKFORCE IN CONJUNCTION WITH FOR- PROFIT, NONPROFIT AND GOVERNMENT AGENCIES, THE
		BRIDGES OUT OF POVERTY COUNCIL DELIVERS THE WORKING BRIDGES TRAINING TO HR PROFESSION ALS
		AND LINE MANAGERS ON THE WORKPLACE IMPLICATIONS OF ECONOMIC DIVERSITY, IMPLEMENTED AN
		EMERGENCY LOAN AND SAVINGS PROGRAM FOR EMPLOYEES, HOUSED WORKSITE RESOURCE
		COORDINATORS IN COMPANIES TO HELP EMPLOYEES FIND HELP WITH HOUSING, CHILD CARE,
		TRANSPORTATION, ECONOMIC ASSISTANCE AND OTHER
		RESOURCES WITHOUT HAVING TO LEAVE WORK, AND BEGAN DISCUSSIONS OF HOW TO ENCOURAGE THE
		EMPLOYEES TO USE HEALTH AND WELLNESS STRATEGIES TRAUMA SUPPORT - ESTABLI SHED IN 1993, THE TRAUMA
		SUPPORT PROGRAM AT RRMC WAS, AND STILL IS, THE FIRST OF ITS KIND IN VERMONT IT WAS DEVELOPED TO
		MEET THE IMMEDIATE AND LONG-TERM NEEDS OF FAMILIES IMPACTE D BY SUDDEN DEATH OR TRAUMATIC
		INJURY OR ILLNESS RRMC STAFF (ON THEIR OWN TIME) AND OTHER COMMUNITY VOLUNTEERS TAKE TURNS
		BEING ON-CALL 24 HOURS A DAY, SEVEN DAYS A WEEK VOLUNTEE RS PERSONALLY PROVIDE SUPPORT AND
		ASSISTANCE TO FAMILIES IMPACTED BY A TRAUMA OR DEATH IN MANY WAYS, I E , BY BEING A LIAISON WITH
		MEDICAL PERSONNEL TO GET INFORMATION OR OFFERING CONTINUED SUPPORT VIA PHONE AND
		CORRESPONDENCE BONE MARROW PROGRAM - THE
		MARROW DONOR PRO GRAM AT RRMC WAS ESTABLISHED IN 1998 SINCE THEN, WE HAVE SUCCESSFULLY ADDED
		OVER 3,000 PO TENTIAL DONORS TO THE NATIONAL REGISTRY, HELPING TO GIVE HOPE TO THE MORE THAN
		6,000 PEOPL E SEARCHING EVERY DAY FOR AN UNRELATED MATCH TO SAVE THEIR LIVES RRMC IS
		CURRENTLY THE ON LY HOSPITAL IN NEW ENGLAND WITH THIS TYPE OF PROGRAM RRMC DOES NOT HOLD
		PATIENT-FOCUSED D RIVES, INSTEAD ALL DRIVES ARE DESIGNED TO RAISE GENERAL AWARENESS OF THE NEED
		AND TO REGIS TER AS MANY POTENTIAL DONORS AS POSSIBLE, SO THAT NOW OR IN THE FUTURE A MATCH
		MAY BE MADE OTHER INFORMATION RRMC HAS 17 BOARD MEMBERS WHO REPRESENT THE RESIDENTS OF
		RUTLAND COUN TY IN THEIR SERVICE, 6 OF THESE ARE
		PHYSICIANS, 2 REPRESENT HEALTH CARE PARTNERS, AND 9 AR E RUTLAND COUNTY RESIDENTS WHO REPRESENT A
		VARIETY OF BUSINESS SECTORS ALL BOARD MEMBERS COMPLETE A CONFLICT OF INTEREST DISCLOSURE
		PROCESS WHICH IS NECESSARY TO COMPLY WITH FEDER AL AND STATE LAWS INCLUDING THE FEDERAL ANTI
		KICKBACK STATUTE AND THE TAX CODE RRMC HAS P REDOMINANTLY AN OPEN MEDICAL STAFF THE ONLY
		EXCEPTIONS ARE THE FOLLOWING SPECIALTIES FOR WHICH THERE ARE EITHER BOARD-APPROVED EXCLUSIVE
		CONTRACTS OR HOSPITAL-EMPLOYED PHYSICIANS
		ONLY ANESTHESIA, EMERGENCY MEDICINE, CRITICAL CAR

Identifier	ReturnReference	Explanation
Identifier PROMOTION OF COMMUNITY HEALTH	ReturnReference SCHEDULE H, PART VI, LINE 5	E, MEDICAL ONCOLOGY, RADIATION ONCOLOGY, ORTHOPEDICS, AND RADIOLOGY ALL NEW APPLICANTS UN DERGO AN EXTENSIVE REVIEW PROCESS INCLUDING PRIMARY SOURCE VERIFICATION OF THEIR EDUCATION, TRAINING, BOARD CERTIFICATION, MALPRACTICE HISTORY, AND PREVIOUS HOSPITAL AFFILIATIONS WHEN DEEMED COMPLETE, THEIR APPLICATION IS REVIEWED BY THE CREDENTIALS COMMITTEE WHICH IS MADE UP OF PHYSICIANS AND AT LAST ONE BOARD MEMBER THE CREDENTIALS COMMITTEE MAKES A REC OMMENDATION TO THE MEDICAL EXECUTIVE COMMITTEE WHICH INCLUDES THE CHAIRMAN OF THE BOARD THE MEDICAL EXECUTIVE COMMITTEE MAKES A REC OMMENDATION TO THE MEDICAL EXECUTIVE COMMITTEE WHICH INCLUDES THE CHAIRMAN OF THE BOARD THE MEDICAL EXECUTIVE COMMITTEE MAKES A FINAL RECOMMENDATION TO THE FULL BOARD, WHICH HAST THE ULTIMATE AUTHORITY TO GRANT MEDICAL STAFF PRIVILEGES ALL MEDICAL STAFF APPOINTMENTS ARE FOR A TWO YEAR PERIOD ALL MEMBERS OF THE MEDICAL STAFF ARE SUBJECT TO ONGOING PEER REVI EWO FTHEIR CLINICAL WORK EVERY TWO YEARS, EVERY MEMBER OF THE MEDICAL STAFF MUST UNDERGO A REAPPOINTMENT PROCESS WHICH IS DESIGNED TO REVIEW THEIR CLINICAL AND PROFESSIONAL ACTIVITY AND BEHAVIOR THOSE REAPPOINTMENTS OO THROUGH THE SAME SEQUENCE OF COMMITTEES AND BOARD AS NEW APPLICANTS "RRMC'S CREDENTIALING PROCESS NEW APPLICANTS "RRMC'S CREDENTIALING PROCESS HAS BEEN SURVEYED BY BOTH THE JOINT COM MISSION AND THE CENTERS FOR MEDICARE AND MEDICAID SERVICES AND FOUND TO BE IN FULL COMPLIA NCE WITH THEIR STANDARDS (TIC) AND THEIR CONDITIONS OF PARTICIPATION (CMS)." "AS A RURAL CO MMUNITY HEALTH SYSTEM, RRMC PROVIDES A BROAD ARRAY OF SPECIALIZED HEALTH SERVICES THE FOLE LY CANCER CENTER AT RRMC PROVIDES TREATMENT TECHNOLOGIES THAT INCLUDE HIGH TECH DIAGNOSTIC IMAGING, MEDICAL ONCOLOGY WITH TRADITIONAL IV THERAPIES (SUCH AS CHEMOTHER APP), AND RADIA TION ONCOLOGY SPECIALIZED HEALTH SERVICES THE FOLE LY CANCER CENTER AT RRMC PROVIDES TREATMENT OF SIMU LITANEOUS SUBSTANCE ABUSE AND BEHAVIORAL HEALTH DOUR DAMOSIS AND TREATMENT TO FIMIL LITANEOUS SUBSTANCE ARE SERVICE ARE ATHER TO FINITE PROVIDES C
		D REPLACEMENT EQUIPMENT-EQUIPMENT THAT IS
		SOCIAL WORK DEPA RTMENT TO PROVIDE TRANSPORTATION, GENERAL ASSISTANCE, SUCH AS MEAL PREPARATION, AND COMPAN IONSHIP TO THOSE DISABLED AND FRAIL PATIENTS RETURNING HOME FROM A HOSPITAL STAY), DIABETE S EDUCATION AND SELF- MANAGEMENT PROGRAMS (RECOGNIZED AND CERTIFIED
		BY THE AMERICAN DIABETE S ASSOCIATION, TEACH PEOPLE WITH DIABETE

I dentifier ReturnReference	Explanation
AFFILIATED HEALTH CARE SYSTEM SCHEDULE H, PART VI, LINE 6	THE JAMES T BOWSE HEALTH TRUST IS A DEPARTMENT OF RUTLAND REGIONAL HEALTH SERVICES AND PROVIDES GRANT FUNDING AIMED AT IMPROVING THE HEALTH STATUS OF THE RUTLAND REGION HERE IS A DESCRIPTION OF THE PROGRAMS THAT ARE CURRENTLY FUNDED WALK RUTLAND WALK RUTLAND, WHICH IS HOSTED BY RUTLAND AREA PHYSICAL ACTIVITY COALITION (RAPAC), IS RECEIVING \$42,000 OVER THREE YEARS TO EXPAND ITS WALKING PROGRAM THROUGHOUT RUTLAND COUNTY THE FUNDS SUPPORT A COORDINATOR WHO ORGANIZES GROUP WALKS, COMMUNITY WALKING CHALLENGES, AND ADVOCATES FOR ACCESSIBLE WALKING SITES A WEB-BASED PROGRAM HAS BEEN ADDED TO SUPPORT PARTICIPANTS PARTNERS IN THIS PROGRAM INCLUDE WORKSITES, RUTLAND REGIONAL MEDICAL CENTER, RETIRED SENIOR VOLUNTEER PROGRAM'S BONE BUILDERS, VERMONT ADAPTIVE SKI AND SPORTS, THE RUTLAND REGIONAL FIELD HOUSE, RUTLAND RECREATION DEPARTMENT AND RUTLAND HIGH SCHOOL SEEDS TO SUPPER SEEDS TO SUPPER, WHICH IS PROVIDED BY MOUNT HOLLY ELEMENTARY SCHOOL, IS RECEIVING \$41,000 OVER 3 YEARS TO IMPLEMENT A CURRICULUM FOCUSED ON HEALTHY EATING AND GARDENING FOR THE STUDENTS IN KINDERGARTEN TO SIXTH GRADE THE PARTNERS IN THIS PROJECT INCLUDE THE MOUNT HOLLY GARDENING CLUB, THE COOKING FOR LIFE PROGRAM, VERMONT CAMPAIGN TO END CHILDHOOD HUNGER, AND THE MASTER GARDENER PROGRAM THE FIRST YEAR SURVEYS SHOW THAT FRUIT AND VEGETABLE CONSUMPTION HAS INCREASED FROM 2 4 TO 2 7 SERVINGS PER DAY EARLY INTERVENTION PROGRAM THE EARLY INTERVENTION PROGRAM, WHICH IS HOSTED BY RUTLAND AREA PREVENTION (RAP) COALITION, IS RECEIVING \$75,000 OVER 3 YEARS TO IMPLEMENT THE SECOND STEP CURRICULUM TO PRE-SCHOOL CHILDREN IN VARIOUS SETTING THROUGHOUT RUTLAND COUNTY SECOND STEP IS A RESEARCH BASED PREVENTION PROGRAM FOR PRESCHOOLERS AND THEIR PARENTS THE PROGRAM TEACHES PRO-SOCIAL BEHAVIORS, POSITIVE COMMUNICATION SKILLS, AND BEHAVIOR MANAGEMENT THE GOAL OF THE PROGRAM IS TO REDUCE IMPULSIVE, AGGRESSIVE AND RISKY BEHAVIORS IN THE TARGET POPULATION

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT	SCHEDULE II, PART VI, LINE /	THE STATE OF VERMONT DOES NOT REQUIRE FILING OF A COMMUNITY BENEFIT REPORT THE COMMUNITY BENEFIT REPORT IS INCLUDED IN RRMC ANNUAL REPORT, WHICH IS MADE AVAILABLE TO THE PUBLIC AT WWW RRMC ORG

Schedule H (Form 990) 2010

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Schedule I (Form 990)

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

OMB No 1545-0047

DLN: 93493219010862

Department of the Treasury Internal Revenue Service	Co	mplete if the organizati	on answered "Yes," to Attach to Form 9		e 21 or 22.		Open to Public Inspection
Name of the organization RUTLAND HOSPITAL INC						Employer identi	fication number
<u>DBA RUTL</u> AND REGIONAL ME						03-0183483	
Part I General Inform							
Does the organization ma the selection criteria use	intain records to subs	tantiate the amount of t	he grants or assistance	e, the grantees' eligibi	lity for the grants or ass	istance, and	. 「Yes 「I
2 Describe in Part IV the o							, , , , , ,
Form 990, Part I	V, line 21 for any i	Governments and recipient that receive eded.	d more than \$5,000	. Check this box if i	no one recipient rece	ived more than \$5,	
1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) A mount of cash grant	(e) A mount 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) COMMUNITY HEALTH CENTERS OF THE RUTLAND REGION375 ROUTE 30 NORTH BOMOSEEN,VT 05732	22-1179701	501(C)(3)	1,200,250				COMMUNITY HLTH IMPROVEMENT
(2) RUTLAND COMMUNITY PROGRAMS78 S MAIN PO BOX 222 RUTLAND,VT 05702	03-0307812	501(C)(3)	35,781				COMMUNITY HLTH IMPROVE
(3) RUTLAND AREA FARM FOOD LINKPO BOX 561 POULTNEY,VT 05741	20-8283600	501(C)(3)	25,000				COMMUNITY HLTH IMPRO

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

Schedule I	(Form 990) 2010	
Part III	Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 2	2.
	Use Schedule I-1 (Form 990) if additional space is needed.	

(a)Type of grant or assistance	(b)Number of recipients	(c)A mount of cash grant	(d)A mount 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 MONITORING	SCHEDULE I, PART I, LINE 2	RUTLAND REGIONAL HEALTH SERVICES (RRHS), THROUGH RUTLAND REGIONAL MEDICAL CENTER (RRMC), AWARDED A FIVE-YEAR COMMUNITY BENEFIT GRANT TO COMMUNITY HEALTH CENTERS OF THE RUTLAND REGION, INC (CHCRR) IN THE AMOUNT OF \$4,600,000 THAT IS FUNDED BY RRMC AND WAS EFFECTIVE MAY 1, 2008 FOR THE YEARS ENDED SEPTEMBER 30, 2011 AND 2010, RESPECTIVELY, \$1,200,250 AND \$1,254,166 WAS EXPENDED FOR THE GRANT AWARD FROM RRMC AND IS INCLUDED IN RUTLAND REGIONAL MEDICAL CENTER'S GENERAL OPERATING EXPENSES RRHS CONTINUALLY WORKS WITH CHCRR TO ENSURE THE ORGANIZATION IS USING FUNDS APPROPRIATELY AND FURTHERING THE CHCRR EXEMPT PURPOSE
PURPOSE OF GRANT OR ASSISTANCE	SCHEDULE I, PART II, COLUMN H	ASSISTANCE FOR RUTLAND COMMUNITY PROGRAMS AND RUTLAND AREA FARM FOOD LINK THROUGH RAFFL NUTRITION AXIS EDUCATION WERE PROVIDED BY THE JAMES T BOWSE HEALTH TRUST, A DEPARTMENT OF RUTLAND REGIONAL MEDICAL CENTER SEE SCHEDULE H, PART VI, LINE 6 FOR MORE INFORMATION REGARDING PROGRAMS FUNDED BY THE JAMES T BOWSE HEALTH TRUST GRANTS TO RUTLAND COMMUNITY PROGRAMS INCLUDED THE FOLLOWING PROGRAMS \$ 17,781 EARLY INTERVENTION PROGRAM 18,000 SAY IT STRAIGHT PROGRAM

Compensation Information

DLN: 93493219010862

OMB No 1545-0047

Open to Public Inspection

Schedule J (Form 990)

Department of the Treasury

Internal Revenue Service

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

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

► Attach to Form 990. ► See separate instructions.

Name of the organization RUTLAND HOSPITAL INC DBA RUTLAND REGIONAL MEDICAL CENTER

Employer identification number 03-0183483

Pa	rt I Questions Regarding Compensation					
					Yes	No
1a	Check the appropriate box(es) if the organization prov 990, Part VII, Section A, line 1a Complete Part III t					
	First-class or charter travel		Housing allowance or residence for personal use			
	Travel for companions	Γ	Payments for business use of personal residence			
	Tax idemnification and gross-up payments	\sqcap	Health or social club dues or initiation fees			
	Discretionary spending account	Γ	Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the org reimbursement orprovision of all the expenses descri			1b		
2	Did the organization require substantiation prior to re officers, directors, trustees, and the CEO/Executive [2		
3	Indicate which, if any, of the following the organization organization's CEO/Executive Director Check all tha	it app	ly			
	Compensation committee	□	• •			
	Independent compensation consultant Form 990 of other organizations	্ ঘ	·			
	Form 990 of other organizations	Į.	Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Pa or a related organization	art VI	I, Section A, line 1a with respect to the filing organization			
а	Receive a severance payment or change-of-control p	ayme	nt from the organization or a related organization?	4a		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?					Νo
c	c Participate in, or receive payment from, an equity-based compensation arrangement?					No
	If "Yes" to any of lines 4a-c, list the persons and prov	vıde t	he applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only mus	t com	plete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, li compensation contingent on the revenues of	ne 1a	, did the organization pay or accrue any			
а	The organization?			5a	Yes	
Ь	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, li compensation contingent on the net earnings of	ne 1a	, did the organization pay or accrue any			
а	The organization?			6a		No
b	Any related organization?			6b		Νo
	If "Yes," to line 6a or 6b, describe in Part III					
7	For persons listed in Form 990, Part VII, Section A, I payments not described in lines 5 and 6? If "Yes," de			7		No
8	Were any amounts reported in Form 990, Part VII, pa subject to the initial contract exception described in I					
	ın Part III			8		No
9	If "Yes" to line 8, did the organization also follow the section 53 $4958\text{-}6(c)\text{?}$	rebut	table presumption procedure described in Regulations	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 o	f W-2 and/or 1099-MI	SC compensation	(C) Retirement and	(D) Nontaxable	(E) Total of columns	(F) Compensation	
	(i) Base compensation	(ii) Bonus & (iii) Other reportable compensation		other deferred compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ	
See Additional Data Table								
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	PART I, LINE	PHYSICIANS EARN COMPENSATION BASED UPON THEIR PRODUCTIVITY AGAINST ESTABLISHED TARGETS INCREASED PRODUCTIVITY IS DIRECTLY RELATED TO INCREASED REVENUES FOR THE ORGANIZATION

Schedule J (Form 990) 2010

Software ID: Software Version:

EIN: 03-0183483

Name: RUTLAND HOSPITAL INC

DBA RUTLAND REGIONAL MEDICAL CENTER

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees								
(A) Name			of W-2 and/or 1099-MIS		(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
KIRK DUFTY MD	(1) (11)) 0	0 C	15,753	18,375 0	3,015 0	276,009	0
MATTHEW A CONWAY MD	(I) (II)		37,952	0 0	16,354 0	19,645 0	329,516	0 0
DANIEL M FOLEY MD	(1) (11)		33,654	0	3,675 0	10,213	339,483	0
THOMAS WHUEBNER	(ı) (ıı)) 423,144) 0	0 C	16,500	23,275 0	25,086 0	488,005	0
EDWARD T OGORZALEK	(ı) (ıı)) 232,093) 0	0 C	16,500	28,175 0	21,162 0	297,930	0 0
MARY T NEMETH	(ı) (ıı)		0 0	0	21,616 0	8,902 0	2 217,635	5 0
BAXTER HOLLAND	(ı) (ıı)) 325,021) 0	0 0	0	23,275 0	21,738 0	370,034	0 0
DORCAS WARD	(ı) (ıı)		0 0	16,500	21,659 0	15,999 0	220,520	0
BARBARA ROBINSON	(ı) (ıı)) 202,302) 0	0 (0	19,585 0	16,466 0	238,353	0 0
MARY KOHANSKI	(ı) (ıı)		0 0	0	6,942 0	17,385 0	190,260	0
CHRISTOPHER LAFAVE	(ı) (ıı)		0 C	0	6,359 0	19,472 0	181,229	0 0
DARREN CHILDS	(ı) (ıı)		0 0	0 0	11,931 0	19,273 0	186,505	5 0
KATHLEEN LETENDRE	(ı) (ıı)		0 0	0	11,820	19,631 0	183,966	0
JI CHEN	(ı) (ıı)) 159,532) 0	0 0	0 0	6,538 0	3,579 0	169,649	0
RONALD FUSCHILLO	(ı) (ıı)		0 0	0	7,429 0	11,494 0	158,521	0 0
HARVEY REICH	(ı) (ıı)) 363,786) 0	1	16,500	23,275 0	22,778 0	426,339	0 0
MICHAEL KENOSH	(ı) (ıı)		7 24,800 0	16,500	18,375 0		471,886	0 0
ROBERT GIERING	(ı) (ıı)		0 0	0	18,375 0	20,137 0	385,473	0 0
EITAN SOBEL	(I) (II)) 323,839) 0	0 0	0 0	14,700 0	19,823 0	358,362	0 0
MARIE PAVINI	(ı) (ıı)) 273,843) 0	10,000	16,500	18,375 0	8,306 0	327,024	0 0

Schedule K

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

DLN: 93493219010862

Open to Public Inspection

Department of the Treasury Internal Revenue Service Name of the organization

(Form 990)

RUTLAND HOSPITAL INC

DBA RUTLAND REGIONAL MEDICAL CENTER

Employer identification number

03-0183483

Pa	rt I Bond Issues									.											
	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue P	rıce	(f)	Description	scription of Purpose		escription of Purpose		escription of Purpose		Description of Purpose		feased	(h) On ed Behalf of Issuer			Pool incing
										Yes	No	Yes	No	Yes	No						
A	VT EDUCATIONAL & HLTH BUILDINGS FINANCE AGENCY	23-7154467		11-18-2009	28,330	1 (1(1(1)	REFU BO N D		'03 SERIES		X		х		x						
В	VT EDUCATIONAL & HLTH BUILDINGS FINANCE AGENCY	23-7154467		12-10-2010	19,100	000,000		UNDING OF VARIOUS APITAL PROJECT			Х		x		х						
														<u> </u>							
Pa	rt II Proceeds																				
	1100000				T	4		E	3		С			D							
1	Amount of bonds retired			0		0															
2	2 Amount of bonds legally defeased						0		0												
3	3 Total proceeds of issue						,000		19,100,000												
4	Gross proceeds in reserve fun-	ds				0 0		0													
5	Capitalized interest from proce	eeds					0		0												
6	Proceeds in refunding escrow					24,722,648 8,173,534		8,173,534													
7	Issuance costs from proceeds	;				198,225 136,033															
8	Credit enhancement from proc	eeds			0 0		0														
9	Working capital expenditures f	from proceeds				0 0		0													
10	Capital expenditures from prod	ceeds				3,409	,127		0												
11	Other spent proceeds						0		0												
12	O ther unspent proceeds					10,790	,433		10,790,433												
13	Year of substantial completion	1			20	10			•												
					Yes	N	0	Yes	No	Yes		No	Ye	s	No						
14	Were the bonds issued as part	of a current refundi	ng issue?		Х			Х													
15	15 Were the bonds issued as part of an advance refunding issue?					Х			Х												
16					X				Х												
17					Х			Х													
Par	t IIII Private Business U	se			_				I												
					-	1		E			Ç			D							
					Yes	N ₁	0	Yes	No	Yes		No	Ye	s	No						

property financed by tax-exempt bonds?

financed property?

Was the organization a partner in a partnership, or a member of an LLC, which owned

Are there any lease arrangements that may result in private business use of bond-

Χ

Χ

Χ

Part III Private Business Use (Continued)

			4	1	В	1	С	I)
		Yes	No	Yes	No	Yes	No	Yes	No
За	Are there any management or service contracts that may result in private business use?	×			×				
b	Are there any research agreements that may result in private business use of bond-financed property?		×		×				
С	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?	х		Х					
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 %						
5	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?	Х		×					

Part IV Arbitrage

		А		В		С		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				
2	Is the bond issue a variable rate issue?	×		X					
За	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?								
		X		Х					
b	Name of provider	DEUTSCHE BANKTDBAN	К	DEUTSCHE BANKTDBAN	K				
С	Term of hedge		10		10				
d	Was the hedge superintegrated?		х		Х				
е	Was a hedge terminated?		Х		x				
4a	Were gross proceeds invested in a GIC?		Х		Х				
b	Name of provider								
С	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		х		Х				
5	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: 93493219010862

OMB No 1545-0047

Schedule L

Department of the Treasury

Internal Revenue Service

(Form 990 or 990-EZ)

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.

2010

Open to Public **Inspection**

RUTLAND	f the organization HOSPITAL INC										ition numb	er	
	AND REGIONAL MEDICAL CENTER		/-	astron FO1	(0)(2) 6	and sastion FO1	(0)(4)		3-01834				
Part I	Excess Benefit Train Complete of the organization										ıne 40b		
1	(a) Name of disq											(c) Corrected?	
_			•			(5) 5050	. iip cioii	or crans	action		Yes		
	er the amount of tax impostion 4958								year unde Þ	:r ► \$ —			
3 Ent	er the amount of tax, if any	, on line	2, abo	ve, reimburs	ed by th	ie organization .			•	• \$			
			_										
Part I) D+ IV I 26	-	000 1	-7 D+\	/ l.m 2.0	_		
	Complete if the organiz	zation a	nswered	resonr	orm 990	T, Part IV, line 26	, or For	m 990-i	(f)		a T		
		1 ' '	oan to m the				(e)	In			(g)Writ	(g)Written	
(a) Nam	e of interested person and purpose		zation?	(c)Orig principal a		(d)Balance due	default?		by board or		agreement?		
	parpose			principal c				Т	committee?				
		То	From				Yes	No	Yes	No	Yes	No	
								_				-	
		1	+					+					
			1					+					
			<u> </u>					+					
otal .			· .		▶ \$	1						1	
Part II						Persons.							
	Complete if the orga						, line 2	27.					
,	a) Name of interested pers	on	(1			een interested per	son	(c) \ n	oount of a	rant or t	ype of assı	ctanco	
	a) Name of interested pers	011		an	d the or	ganızatıon		(C)AII	iount or g	iranic or t	ype or assi	Stallce	

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	(c) A mount of transaction	(d) Description of transaction	organı	arıng of zatıon's nues?	
	organization	organization				
(1) JOSEPH GIANCOLA	J GIANCOLA - SEE PART V	128,824	RENTAL OF REAL PROPERTY		No	
(2) FOLEY DISRIBUTING FOLEY SERVICES	M FOLEY - SEE PART V	•	PAPER & JANITORIAL SUPPLIES		No	
(3) CENTRAL VERMONT PUBLIC SERVICE	J GAMBLE - SEE PART V	1,342,437	ELECTRICITY		No	
(4) BLUE CROSS BLUE SHIELD OF VERMONT	T HUEBNER - SEE PART V	15,092,372	INSURANCE PREMIUMS		No	

Supplemental Information Part V

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

Identifier	Return Reference	Explanation
BUSINESS TRANSACTION INVOLVING INTERESTED PERSONS		JOSEPH GIANCOLA, BOARD MEMBER, IS THE OWNER OF A BUILDING WHICH WAS RENTED TO THE ORGANIZATION FOR \$128,824 IN FY 2011 MARK K FOLEY, BOARD MEMBER, OWNS FOLEY DISTRIBUTING AND FOLEY SERVICES, INC THESE COMPANIES SUPPLIED PAPER AND JANITORIAL PRODUCTS TO THE ORGANIZATION FOR \$225,137 IN FY 2011 JOAN F GAMBLE, BOARD MEMBER, IS AN OFFICER AT CENTRAL VERMONT PUBLIC SERVICES (CVPS) IN FY 2011, THE ORGANIZATION PAID CVPS \$1,342,437 FOR ELECTRICITY THOMAS WHUEBNER, RRMC PRESIDENT & CEO, IS ON THE BOARD OF BLUE CROSS BLUE SHIELD OF VERMONT IN FY11, THE ORGANIZATION PAID BCBS \$15,092,372 IN HEALTH INSURANCE PREMIUMS

Schedule L (Form 990 or 990-EZ) 2010

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493219010862

Supplemental Information to Form 990 or 990-EZ

2010

OMB No 1545-0047

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.

Open to Public Inspection

Name of the organization RUTLAND HOSPITAL INC DBA RUTLAND REGIONAL MEDICAL CENTER

SCHEDULE 0

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Employer identification number

03-0183483

ldentifier	Return Reference	Explanation
ORGANIZATION'S MISSION AND MOST SIGNIFICANT ACTIVITIES	FORM 990, PART I, LINE 1	MISSION TO IMPROVE THE HEALTH OF THE RUTLAND REGION AND SURROUNDING COMMUNITIES BY PROVIDING APPROPRIATE, SUPERIOR, INTEGRATED, PREVENTATIVE, DIAGNOSTIC AND THERAPEUTIC HEALTH SERVICES IN A CARING ENVIRONMENT THROUGH THE STRENGTH OF OUR PEOPLE, TECHNOLOGY AND RELATIONSHIPS VISION TO BE THE BEST COMMUNITY HEALTH CARE SYSTEM IN NEW ENGLAND GOALS *QUALITY WE WILL PROVIDE SUPERIOR HEALTH SERVICES WHICH MEET OUR CUSTOMER NEEDS THROUGH GOOD CLINICAL OUTCOMES, UP-TO-DATE TECHNOLOGY, EFFECTIVE PROCESSES, COMPETENT AND CARING STAFF AND WELL MAINTAINED FACILITIES *GROWTH WE WILL DEVELOP NEW SERVICES AND EXPAND EXISTING SERVICES TO MEET CUSTOMER NEEDS RESULTING IN INCREASED MARKET SHARE AND EXPANSION INTO NEW MARKETS *INFORMATION EXCELLENCE WE WILL PROVIDE SUPERIOR, COORDINATED INFORMATION RESOURCES, PROCESSES, AND SYSTEMS THAT MEET CUSTOMER NEEDS FOR EFFECTIVE INFORMATION GATHERING, RECORDING, ACCESS, ANALYSIS, AND DISSEMINATION ACROSS THE HEALTHCARE CONTINUUM *FINANCIAL STRENGTH WE WILL ACHIEVE FINANCIAL STRENGTH AND STABILITY BY OPTIMIZING REIMBURSEMENT AND IMPROVING OUR COST STRUCTURE TO PRODUCE SUFFICIENT MARGINS, AND INCREASING PHILANTHROPIC GIVING *EMPLOYEE ENGAGEMENT WE WILL CREATE AN ENVIRONMENT WHERE EMPLOYEE ENGAGEMENT FLOURISHES AND WE COMMIT OUR HEARTS AND MINDS TO MEETING AND EXCEEDING THE NEEDS OF OUR CUSTOMERS AND EACH OTHER

ldentifier	Return Reference	Explanation
TOTAL NUMBER OF VOLUNTEERS	,	THE TOTAL NUMBER OF VOLUNTEERS INCLUDES NON-COMPENSATED MEMBERS OF THE BOARD OF DIRECTORS AND OTHER INDIVIDUALS WHO VOLUNTEER TIME TO FURTHER THE ORGANIZATION'S EXEMPT PURPOSE

ldentifier	Return Reference	Explanation
EXEMPT PURPOSE ACHIEVEMENTS	FORM 990, PART III, LINES 4A-C	RUTLAND REGIONAL MEDICAL CENTER FY 2011 COMMUNITY BENEFITS REPORT RUTLAND REGIONAL MEDICAL CENTER IS COMMITTED TO PROVIDING SUPERFOR, INTEGRATED, DIAGNOSTIC, THERAPEUTIC AND PREVENTATIVE HEALTH SERVICES AND TO PROMOTING OVERALL COMMUNITY HEALTH AND WELL-BEING COMMUNITY BENEFITS ARE THE ACTIVITIES AND SERVICES RUTLAND REGIONAL ENSAGES IN AND SUPPORTS THAT GO BEY OND THE ROUTINE PATIENT CARE SERVICES DOCUMENTING THESE EFFORTS IS A PART OF WHAT DIFFERENTIATES TAX-EXEMPT FROM TAXABLE HEALTH CARE ORGANIZATIONS PROGRAMMING THAT COUNTS COMMUNITY HEALTH IMPROVEMENT INITIATIVES—SCREENING SERVICES AND EDUCATIONAL PROGRAMMING ARE IMPORTANT ELEMENTS TO PROMOTING THE HEALTH OF OUR COMMUNITY, THE ASSOCIATED EXPENSES FOR 2011 EXCEEDED \$800,000, RRIVE OFFERS HEALTH LIVING WORKSHOPS, TOBACCO CESSATION PROGRAMMING, SAFE SITTER COURSES, AND OVER 25 SUPPORT GROUPS FOR INDIVIDUALS AND FAMILES, THIS YEAR ALSO INCLUDED THE LAUNCH OF THE COMMUNITY HEALTH TEAM HEALTH PROFESSION EDUCATION & TRAINING FOR NON-EMPLOYEES AND WORKFORCE DEVELOPMENT- COLLABORATING WITH EDUCATION & TRAINING FOR NON-EMPLOYEES AND WORKFORCE DEVELOPMENT- COLLABORATING WITH EDUCATIONAL PROGRAMS, RRIVE SUPPORTS A VARIETY OF TRAINING PROGRAMS FOR INDIVIDUALS INTERESTED IN MEDICAL-RELATED FIELDS DURING 2011, RRIVE'S INVESTMENT IN THESE AREAS TOTALED OVER \$207,000 FREE AND DISCOUNTED CARE. RUTLAND REGIONAL PROVIDES LOW- AND NO-COST CARE FOR ELIGIBLE RESIDENTS OF OUR AREA THROUGH A ADDITION, RUTLAND REGIONAL PROVIDES UP TO \$30,000 IN FREE AND REDUCED COST LABORATORY AND IMAGING SERVICES TO THE PATIENTS OF THE RUTLAND FREE CLINIC IN ADDITION TO THESE ACTIVITIES, RUSLING SERVICES TO THE PATIENTS OF THE RUTLAND FREE CLINIC IN ADDITION TO THESE ACTIVITIES, ASSESSMENT EVERY THREE YEARS THE RUTLAND COUNTY HEALTH NEEDS ASSESSMENT 2012 STEERING COMMUNITY NEEDS ASSESSMENT TO AS BROWNED HARD TO BE INCLUSIVE, BOTH IN THE INFORMATION GATHERD IS REVIEWED, AND BY BROADLY REQUISITING INPUT FROM AROUND OUR COMMUNITY FROUDES COMPILATION OF SECONDARY DATA FROM OTHER SOURCES, COLLECTING I

ldentifier	Return Reference	Explanation
MEMBERS OR STOCKHOLDERS	FORM 990, PART VI, LINES 6, 7A, & 7B	PER ARTICLE II, SECTION 1, OF THE ORGANIZATIONS BY LAWS, RUTLAND REGIONAL HEALTH SERVICES IS THE SOLE MEMBER OF RUTLAND REGIONAL MEDICAL CENTER ARTICLE III, SECTIONS 1 AND 2, OF THE BY LAWS STATE THAT THE BOARD SHALL CONSIST OF EIGHTEEN DIRECTORS OF THESE DIRECTORS, FOURTEEN ARE CHOSEN OR APPROVED BY THE ORGANIZATIONS SOLE MEMBER ARTICLE VIII, SECTION 5, OF THE BY LAWS DISCUSS POWERS RESERVED TO THE MEMBER, RUTLAND REGIONAL HEALTH SERVICES, INC, AND STATE THAT THE CORPORATION SHALL SUBMIT TO THE BOARD OF DIRECTORS OF THE MEMBER FOR ITS PRIOR APPROVAL THE FOLLOWING A) THE APPOINTMENT OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER, B) ALL OPERATING AND CAPITAL BUDGETS FOR THE CORPORATION, C) STRATEGIC PLANS FOR THE CORPORATION, D) CAPITAL EXPENDITURES OF \$100,000 OR MORE WHICH ARE UNBUDGETED, E) PURCHASE AND SALE OF ALL SIGNIFICANT ASSETS, AND F) THE BY LAWS AND ANY AMENDMENTS THERETO

ldentifier	Return Reference	Explanation
FORM 990 REVIEW PROCESS	FORM 990, PART VI, SECTION B, LINE 11B	THE FORM 990 IS PREPARED BY AN INDEPENDENT ACCOUNTING FIRM BASED ON THE AUDITED FINANCIAL STATEMENTS AND INFORMATION PROVIDED BY THE ACCOUNTING DEPARTMENT OF THE ORGANIZATION A DRAFT COPY IS THEN REVIEWED BY TOP MANAGEMENT ONCE A FINAL DRAFT IS COMPLETE, IT IS MAILED TO EACH MEMBER OF THE SYSTEM FINANCE COMMITTEE. THE COMMITTEE WILL MEET AND DISCUSS THE RETURN WITH A TAX ADVISOR PRIOR TO PRESENTING THE FINAL DRAFT TO THE FULL BOARD OF DIRECTORS ALL BOARD MEMBERS ARE ALSO PROVIDED A COPY OF THE FINAL DRAFT.

Identifier	Return Reference	Explanation
OF INTEREST	FORM 990, PART VI, SECTION B, LINE 12C	ANNUALLY, ALL ORGANIZATION LEADERS REVIEW THE SYSTEM-WIDE CONFLICT OF INTEREST POLICY TO ENSURE ALL CONFLICTS ARE MADE KNOWN SEE THE POLICY BELOW POLICY "DUTY TO DISCLOSE IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICTS OF INTEREST, AN INTERESTED PERSON MUST DISCLOSE THE EXISTENCE OF HIS OR HER FINANCIAL INTEREST AND MUST BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE DIRECTORS AND MEMBERS OF COMMITTEES WITH BOARD DELEGATED POWERS, OR OTHER INDIVIDUALS WHO, ON BEHALF OF THE CORPORATION, ARE CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT "DUTY TO VOICE CONCERN IN THE EVENT THAT AN INTERESTED PERSON BECOMES CONCERNED THAT ANOTHER INTERESTED PERSON WITH A NOTHER WITH BOARD DELEGATED POWERS HAS AN UNDISCLOSED FINANCIAL INTERESTED PERSON BECOMES CONCERNED THAT ANOTHER INTERESTED PERSON WITH THE CHAIR OF THE APPROPRIATE BOARD DELEGATED POWERS HAS AN UNDISCLOSED FINANCIAL INTEREST OR IS EXEMING INAPPROPRIATE INFLUENCE RELATED TO A FINANCIAL INTEREST, THIS CONCERN SHOULD BE RASED WITH THE CHAIR OF THE APPROPRIATE BOARD DOES ON THE PROPORTION OF THE PROPORTION OF THE POWER HAS AN UNDISCLOSED FINANCIAL INTEREST OR POWER HAS AN UNDISCLOSED FINANCIAL INTEREST OR POWER HAS AN UNDISCLOSED FINANCIAL INTEREST OR POWER TO THE FINANCIAL INTEREST OF THE POWER OF THE FINANCIAL INTEREST OF POWER HAS AN OWN THE POWER OF THE FINANCIAL INTEREST OF THE POWER OF THE FINANCIAL INTEREST OF THE FINANCIAL INTEREST OF THE POWER OF THE FINANCIAL INTEREST OF THE POWER OF THE FINANCIAL INTEREST OF THE FINANCIAL INTEREST OF THE POWER OF THE FINANCIAL INTEREST OF THE FINANCIAL INTEREST OF THE POWER OF THE FINANCIAL INTEREST OF THE FINANCIAL INTEREST OF THE POWER OF THE FINANCIAL INTEREST OF THE POWER OF THE FINANCIAL INTEREST OF THE POWER OF THE POWER OF THE FINANCIAL INTEREST OF THE POWER OF THE POWER OF THE POWER OF THE POWER OF THE FINANCIAL FOR THE POWER OF THE POWE

ldentifier	Return Reference	Explanation
COMPENSATION REVIEW POLICY	FORM 990, PART VI, SECTION B, LINE 15A&B	THE FOLLOWING POLICY APPLIES TO THE ENTIRE RUTLAND REGIONAL HEALTH SERVICES (RRHS) SYSTEM, AND THE POLICY COVERS OFFICER & KEY EMPLOYEE COMPENSATION *IT IS THE POLICY OF RRHS TO OFFER MARKET-COMPETITIVE PAY SO TO ATTRACT AND RETAIN THE BEST TALENT FROM OUR LABOR MARKET *DESIGNATION OF RRHS' KEY EMPLOYEES IS MADE BY THE COMPLIANCE DEPARTMENT *THE RRHS KEY EMPLOYEE LABOR MARKET IS TYPICALLY ALL HOSPITALS NATIONALLY WITH SIMILAR REVENUES AS RRHS *KEY EMPLOYEE COMPENSATION IS REVIEWED ANNUALLY EACH FALL USING THREE SOURCES OF INDEPENDENT COMPETITIVE MARKET DATA *JOBS HELD BY KEY EMPLOYEES ARE MATCHED WITH SIMILAR JOBS IN MARKET DATA WITH AN INDICATION OF JOB MATCH STRENGTH (WEAK, MODERATE OR STRONG) *THE MARKET REVIEW PRODUCES A REPORT OF KEY EMPLOYEE CURRENT BASE PAY AND TOTAL CASH COMPENSATION VS MARKET BASE PAY AND TOTAL CASH COMPENSATION WITH ANY RECOMMENDED PAY ACTIONS *GENERALLY SPEAKING, KEY EMPLOYEE BASE PAY VARIANCES OF -5% VS MARKET TOTAL CASH COMPENSATION ARE CONSIDERED TO BE NON-COMPETITIVE PROMPTING A RECOMMENDED BASE PAY INCREASE TO BE CONSIDERED *THE RESULTS OF THE REVIEW AND RECOMMENDED PAY ACTIONS ARE REVIEWED AND APPROVED BY THE CEO INFORMATION IS MADE AVAILABLE TO SYSTEM FINANCE *THE CEO PAY IS REVIEWED AND APPROVED BY THE CHAIR AND CO-CHAIR OF THE BOARD OF DIRECTORS THIS REVIEW OCCUMENTED IN THE EXECUTIVE SESSION BOARD MINUTES THE MOST RECENT COMPENSATION REVIEW OCCURRED DURING FALL 2011 *THE KEY EMPLOYEES REVIEW WAS CONDUCTED LAST FALL 2011 COVERING NON- PHYSICIAN EMPLOYEE EARNING AT LEAST \$150,000 THIS WAS DONE INTERNALLY

ldentifier	Return Reference	Explanation
DOCUMENT DISCLOSURE	FORM 990, PART VI, LINE 19	CONSOLIDATED FINANCIAL STATEMENTS ARE AVAILABLE ANNUALLY IN THE ANNUAL REPORT, AND ARE ALSO AVAILABLE UPON WRITTEN REQUEST THE CONFLICT OF INTEREST POLICY AND GOVERNING DOCUMENTS ARE ALSO AVAILABLE UPON WRITTEN REQUEST ALL REQUESTS MUST BE FOR A LEGITIMATE BUSINESS PURPOSE (AS DETERMINED BY TOP MANAGEMENT), AND REQUESTED DOCUMENTS WILL BE MAILED

ldentifier	Return Reference	Explanation
HOURS WORKED FOR RELATED ORGANIZATIONS	FORM 990, PART VII, COLUMN B	THOMAS W HUEBNER, CEO & PRESIDENT, AND EDWARD T OGORZALEK, CFO & VP FISCAL SERVICES, ARE COMPENSATED BY RUTLAND REGIONAL MEDICAL CENTER THEY ACT AS OFFICERS FOR RUTLAND REGIONAL MEDICAL CENTER, RUTLAND HEALTH FOUNDATION, RUTLAND HEALTH SERVICES, AND VERMONT ORTHOPAEDIC CLINIC, WHERE THEY BOTH WORK APPROXIMATELY 40 HOURS PER WEEK

ldentifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS		\$ 1,076,061 NET GAIN FROM DEF BEN PEN PLAN AND POSTRETRMT BEN COSTS (2,719,815) TRANSFER TO AFFILIATES 2,420,373 CHANGE IN FV OF INVESTMENTS ACCT FOR UNDER FASB 825 (1,733,523) LOSS ON INTEREST RATE SWAP AGREEMENT (507,931) NET UNREALIZED LOSSES ON INVESTMENTS (1,464,835)

DLN: 93493219010862

2010

OMB No 1545-0047

Open to Public Inspection

SCHEDULE R (Form 990)

DBA RUTLAND REGIONAL MEDICAL CENTER

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.

Department of the Treasury Internal Revenue Service

Internal Revenue Service

Name of the organization
RUTLAND HOSPITAL INC

Employer identification number

03-0183483

Part I Identification of Disregarded Entities (C	omplete	ıf the organızatıoı	n answered "Yes"	on Form 990, Par	t 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 Or or more related tax-exempt organizations du	ganizat	tions (Complete if tax year.)	f the organization	answered "Yes" o	n Form 990, Part	I IV, line 34 becaus	e it had	one
(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	Section 5 conti organ	trolled nization
(1) RUTLAND REGIONAL HEALTH SERVICES							Yes	No
160 ALLEN STREET						NA		
RUTLAND, VT 05701 22-2534389	HOLE	DING CO	VT	501(c)(3)	11A I			
(2) RUTLAND HEALTH FOUNDATION							1	†
160 ALLEN STREET	FUNI	DRAISING	VT	501(c)(3)	7	NA		
RUTLAND, VT 05701 03-0349681				332(3)(3)	·			
(3) VERMONT ORTHOPAEDIC CLINIC								
160 ALLEN STREET	ORTI	HO SVC	VT	501(c)(3)	9	NA		
RUTLAND, VT 05701 20-8089565								
							+	+

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) f Primary activity	(c) Legal domicile (state or foreign country)	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	end-of-year allocation		(h) Disproprtionate allocations? (i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)		i) ral or aging ner?	(k) Percentage ownership
-							Yes	No		Yes	No	
(1) THE MEADOWS AT EAST MOUNTAIN 03-0330343 RUTLAND VT 05701 RUTLAND, VT05701 03-0330343	ELDER CARE	VT	na	n/a	0	0			0			0 %
(2) THE GABLES AT EAST MOUNTAIN LLC 03-0358050 RUTLAND, VT05701 03-0358050	ELDER CARE	VT	na	n/a	0	0			0			0 %
(3) VERMONT SPORTS MEDICINE CENTER 06-1231501 RUTLAND, VT05701 06-1231501	PHYSICAL THER	VT	na	n/a	0	0			0			0 %

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

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 organi	zations listed in Parts	s 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		No			
c Gift, grant, or capital contribution from other organization(s)								
d Loans or loan guarantees to or for other organization(s)			1d	Yes				
e Loans or loan guarantees by other organization(s)			1e		No			
f Sale of assets to other organization(s)			1f		No			
g Purchase of assets from other organization(s)			1 g		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)			<u>1j</u>	Yes				
k Performance of services or membership or fundraising solicitations for other organization(s)			1k		No			
I Performance of services or membership or fundraising solicitations by other organization(s)			11	Yes				
m Sharing of facilities, equipment, mailing lists, or other assets			1n	1	No			
n Sharing of paid employees			1n					
ii Sharing or para employees					 			
• Reimbursement paid to other organization for expenses			10	Yes	 			
p Reimbursement paid by other organization for expenses			1p					
p Remibulsement paid by other organization for expenses			- <u>-</u> -	+	 			
q Other transfer of cash or property to other organization(s)			1q	Yes	 			
			1r	_	No			
r Other transfer of cash or property from other organization(s)			[110			
2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, in		onships and transact r						
(a) Name of other organization	(b) Transaction	(c) Amount involved	(d) Method of determi		ount			
(1)	type(a-r)	Amount involved	ınvolve	d				
(-)								
(2)								
(-)								
(3)								
(4)								
(5)								
(6)								

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

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 parti sect 501(d organiz	ners ion :)(3) :ations?	(e) Share of end-of-year assets		r) ortionate tions?	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	mana part	h) eral or laging tner?
		Yes	No		Yes	No		Yes	No	
									+	1
							\vdash		+	╁
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									+	-
										t

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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Schedule R (Form 990) 2010

The Rutland Hospital, Inc. d/b/a Rutland Regional Medical Center

Accountants' Report and Financial Statements September 30, 2011 and 2010

The Rutland Hospital, Inc. d/b/a Rutland Regional Medical Center

September 30, 2011 and 2010

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Property and Equipment	40



Independent Accountants' Report

Board of Directors
The Rutland Hospital, Inc
d/b/a Rutland Regional Medical Center
Rutland, Vermont

We have audited the accompanying balance sheets of The Rutland Hospital. Inc., d/b/a Rutland Regional Medical Center (RRMC), a subsidiary of Rutland Regional Health Services. Inc., as of September 30, 2011 and 2010, and the related statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of RRMC's management. Our responsibility is to express an opinion on these financial statements based on our audits.

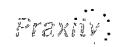
We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining,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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Rutland Hospital, Inc., d/b/a Rutland Regional Medical Center, as of September 30, 2011 and 2010, and the results of its operations, the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole

February 21, 2012

BKD, LLP





The Rutland Hospital, Inc. d/b/a Rutland Regional Medical Center

Balance Sheets September 30, 2011 and 2010

Assets

	2011	2010
Current Assets		
Cash and cash equivalents	\$ 6,083,324	\$ 12,801,153
Patient accounts receivable, net of allowance,		
2011 - \$10,950,000 and 2010 - \$10,700,000	25,472,660	21,484,303
Pledges receivable - current	239,326	202,024
Other receivables	377,662	267,464
Advances to third-party payers	69,100	-
Due from affiliates	6,050,822	4,414,709
Supplies	1,333,570	1,334,965
Prepaid expenses and other	3,536,801	1,811,181
Total current assets	43,163,265	42,315,799
Assets Limited As To Use		
Held by trustee under bond indenture agreement	3,001,603	-
Workers' compensation trust funds	1,208,802	1,049,898
Internally designated and restricted by donors	4,933,846	5,165,685
Internally designated and restricted by donors accounted		
for under the fair value option of FASB ASC Topic 825	65,143,778	73,649,729
	74,288,029	79,865,312
Property and Equipment, At Cost		
Land and land improvements	2,180,064	1,894,108
Buildings and leasehold improvements	68,582,226	61,365,848
Equipment	103,067,263	86,661,275
Construction in progress	1,196,057	7,908,273
	175,025,610	157,829,504
Less accumulated depreciation	97,708,537	95,992,374
	77,317,073	61,837,130
Other Assets		
Pledges receivable	193,867	343,988
Deferred financing costs	309,593	189,140
Other	2,298,513	2,210,556
	2,801,973	2,743,684
Total assets	\$ 197,570,340	\$ 186,761,925

Liabilities and Net Assets

	2011	2010
Current Liabilities		
Current maturities of long-term debt	\$ 1,861,973	\$ 749,858
Accounts payable and accrued expenses	7,638,937	10,021,089
Accrued compensation and related taxes	8,321,885	7,392,892
Estimated amounts due to third-party payers	5,939,350	2,101,386
Advances from third-party payers		813,265
Total current liabilities	23,762,145	21,078,490
Other Liabilities	10,221.638	8,274,861
Accrued Pension Obligation	32,074,323	32,035,082
Long-Term Debt	47,670,476	35,272,549
Total liabilities	113,728,582	96,660,982
Net Assets		
Unrestricted	77,862,660	81,384,035
Temporarily restricted	5,300,456	8,038,266
Permanently restricted	678,642	678,642
Total net assets	83,841,758	90,100,943
Total liabilities and net assets	\$ 197,570,340	\$ 186,761,925

Statements of Operations and Changes in Net Assets Years Ended September 30, 2011 and 2010

	2011	2010
Unrestricted Revenues, Gains and Other Support		
Net patient service revenue	\$ 186,025,614	\$ 178,552,397
Other revenue	2,167,670	2,028,090
Net assets released from restrictions used for operations	2.147.424	453,927
Total unrestricted revenues, gains and other support	190,340,708	181,034,414
Expenses and Losses		
Salaries and benefits	107,256,177	100,506,779
Supplies and other	66,395,017	61,156,013
Depreciation and amortization	9,960,292	7,790,514
Interest	2,260,132	1,398,965
Provision for uncollectible accounts	8,089,213	6,492,646
Total expenses and losses	193,960,831	177,344,917
Operating Income (Loss)	(3,620,123)	3,689,497
Other Income (Expense)		
Investment return	395,328	(614,335)
Investment return - change in fair value of investments		` ,
accounted for under the fair value option of FASB		
ASC Topic 825	2,420,373	6,783,329
Contributions received	422,466	-
Change in unrealized gains and losses on trading securities	(559,293)	178,356
Loss on extinguishment of debt	-	(734,645)
Loss on interest rate swap agreement	(1,733,523)	(1,856,467)
Total other income (expense)	945,351	3,756,238
Excess (Deficiency) of Revenues Over Expenses	(2.674.772)	7,445,735
Net assets released from restriction for purchase of		
property and equipment	797,151	15,501
Defined benefit pension and postretirement benefit costs		
Net loss arising during the year	(179,895)	(9,165,125)
Amortization of net loss	1,255,956	955,487
Transfer to affiliates	(2,719,815)	(1,227,223)
Decrease in Unrestricted Net Assets	(3,521,375)	(1,975,625)

Statements of Operations and Changes in Net Assets Years Ended September 30, 2011 and 2010

		2011		2010
Temporarily Restricted Net Assets				
Contributions received	\$	143,634	\$	1,124,736
Investment return		63,131		132,292
Net assets released from restrictions	(2,944,575)		(469,428)
Increase (decrease) in temporarily restricted net assets	(2,737,810)		787,600
Change in Net Assets	(6,259,185)		(1,188,025)
Net Assets, Beginning of Year	90	0,100,943	_	91,288,968
Net Assets, End of Year	\$ 83	3,841,758	\$	90,100,943

Statements of Cash Flows Years Ended September 30, 2011 and 2010

	2011	2010
Operating Activities		
Change in net assets	\$ (6,259,185)	\$ (1,188,025)
Items not requiring (providing) cash		
Depreciation and amortization	9,960,292	7,790,514
(Gain) loss on disposal of property and equipment	25,719	(51,512)
Net gain on investments	(2,507,436)	(6,633,680)
Restricted contributions received	(432,490)	(1,124,736)
Change in defined benefit pension and postretirement		
benefit plans	(1.076.061)	8,209,638
Change in fair value of interest rate swap agreement	1,733,523	1,856,467
Transfer to affiliates	2,719,815	1,227,223
Loss on debt extinguishment	-	734,645
Changes in		
Patient accounts receivable, net	(3.988,357)	(27,157)
Other receivables	(110,198)	(211,856)
Estimated third-party settlements and advances	2,955,599	157,107
Other current assets and liabilities	188,830	(2,620,719)
Net cash provided by operating activities	3,210,051	8,117,909
Investing Activities		
Proceeds from disposition of trading securities and investments		
accounted for under the fair value option of FASB		
ASC Topic 825	10,170,963	8,002,133
Purchases of trading securities and investments accounted		
for under the fair value option of FASB ASC Topic 825	(2,086,244)	(4,675,828)
Net (advances to) repayments from related parties	(4,355,928)	(2,482,323)
Proceeds from sale of property and equipment	20,775	102,251
Purchase of property and equipment	(24,169,742)	(15,759,406)
Net cash used in investing activities	(20,420,176)	(14,813,173)
Financing Activities		
Principal payments on long-term debt	(8,904,161)	(3,205,701)
Repayment of the Series 2001A and 2003A bonds and note payable	-	(28,131,775)
Proceeds from issuance of long-term debt	19,100,000	36,495,968
Payment of deferred financing costs	(136,033)	(198,225)
Proceeds from restricted contributions	432,490	1.124.736
Net cash provided by financing activities	10,492,296	6,085,003
Decrease in Cash and Cash Equivalents	(6,717,829)	(610,261)
Cash and Cash Equivalents, Beginning of Year	12,801,153	13,411,414
Cash and Cash Equivalents, End of Year	\$ 6,083,324	\$ 12,801,153
Supplemental Cash Flows Information		
Interest paid	\$ 2,265,228	\$ 1,309,703
Property and equipment purchases in accounts payable	\$ 1,297,062	\$ 3,338,044
Capital lease obligation incurred for property and equipment	\$ 3,314,203	\$ -
rense confirment meaning you brobard and admission	~ ~ ~ ~ · · · · · · · · · · · · · · · ·	**

Notes to Financial Statements September 30, 2011 and 2010

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Rutland Hospital, Inc., d/b/a Rutland Regional Medical Center, (RRMC) is a not-for-profit acute care hospital which provides inpatient, outpatient, emergency care and physician services to residents in the Rutland. Vermont, area RRMC is controlled by Rutland Regional Health Services. Inc (RRHS) RRHS is a tax-exempt holding company, pursuant to Section 501(c)(3) of the Internal Revenue Code, organized to carry on planning, fundraising activities and manage related investments RRMC is a wholly owned subsidiary of RRHS

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates

Cash Equivalents

RRMC considers all liquid investments, other than those limited as to use, with original maturities of three months or less to be cash equivalents. At September 30, 2011 and 2010, cash equivalents consisted primarily of money market accounts and short-term government obligations.

Effective July 21, 2010, the FDIC's insurance limits were permanently increased to \$250,000 on interest-bearing accounts. Additionally, RRMC has entered into an agreement with a local financial institution to purchase fully collateralized U S government securities with RRMC's funds that exceed FDIC insurance limits. At September 30, 2011, RRMC did not have any cash accounts in excess of FDIC limits that were not invested in these securities.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value. Investment return includes dividend, interest and other investment income, realized and unrealized gains and losses on investments carried at fair value, and realized gains and losses on other investments. Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the statements of operations and changes in net assets as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions

Notes to Financial Statements September 30, 2011 and 2010

Investments in hedge funds and common trust funds and limited liability corporations are carried at fair value pursuant to FASB ASC Topic 825

Assets Limited As To Use

Assets limited as to use include (1) assets held by trustees. (2) assets restricted by donors and (3) assets set aside by the Board of Directors for purposes over which the Board retains control and may at its discretion subsequently use for other purposes. Amounts required to meet current liabilities of RRMC are included in current assets.

Patient Accounts Receivable

RRMC reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients and others—RRMC provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions—As a service to the patient, RRMC bills third-party payers directly and bills the patient when the patient's liability is determined—Patient accounts receivable are due in full when billed—Accounts are considered delinquent and subsequently written off as bad debts based on individual credit evaluation and specific circumstances of the account

Supplies

Supply inventories are stated at the lower of cost, determined using the average cost method, or market

Property and Equipment

Property and equipment acquisitions are recorded at cost and are depreciated on a straight-line basis over the estimated useful life of each asset. Leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives.

Donations of property and equipment are reported at fair value as an increase in unrestricted net assets unless use of the assets is restricted by the donor. Monetary gifts that must be used to acquire property and equipment are reported as restricted support. The expiration of such restrictions is reported as an increase in unrestricted net assets when the donated asset is placed in service.

Notes to Financial Statements September 30, 2011 and 2010

Long-Lived Asset Impairment

RRMC evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimate future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended September 30, 2011 and 2010

Deferred Financing Costs

Deferred financing costs represent costs incurred in connection with the issuance of long-term debt and remarketing fees. Such costs are being amortized using the straight-line method over the life of the respective debt.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by RRMC has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by RRMC in perpetuity.

Net Patient Service Revenue

RRMC has agreements with third-party payers that provide for payments to RRMC at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimates are revised in future periods as adjustments become known

Charity Care

RRMC provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy. Because RRMC does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as net patient service revenue.

Notes to Financial Statements September 30, 2011 and 2010

Contributions

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Gifts received with donor stipulations are reported as either temporarily or permanently restricted support. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified and reported as an increase in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions. Conditional contributions are reported as liabilities until the condition is eliminated or the contributed assets are returned to the donor.

Estimated Malpractice Costs

An annual estimated provision is accrued for the self-insured portion of medical malpractice claims and includes an estimate of the ultimate costs for both reported claims and claims incurred but not reported

Income Taxes

RRMC is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, RRMC is subject to federal income tax on any unrelated business taxable income.

RRMC files tax returns in the U S federal jurisdiction. With a few exceptions, RRMC is no longer subject to U S federal examinations by tax authorities for years before 2007.

Excess of Revenues Over Expenses

The statements of operations and changes in net assets include excess of revenues over expenses. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, permanent transfers to and from affiliates for other than goods and services, change in the pension and postretirement liability and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets)

Notes to Financial Statements September 30, 2011 and 2010

Transfers Between Fair Value Hierarchy Levels

Transfers in and out of Level 1 (quoted market prices). Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the period ending date

Subsequent Events

Subsequent events have been evaluated through February 21, 2012, which is the date the financial statements were issued

Reclassifications

Certain reclassifications have been made to the 2010 financial statements to conform to the 2011 financial statement presentation. These reclassifications had no effect on the change in net assets

Note 2: Net Patient Service Revenue

RRMC has agreements with third-party payers that provide for payments to RRMC at amounts different from its established rates. These payment arrangements include

Medicare Inpatient acute care and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors RRMC is reimbursed for certain services at tentative rates with final settlements determined after submission of annual cost reports by RRMC and audits thereof by the Medicare administrative contractor.

Medicaid Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors

Approximately 46% and 45% of net patient service revenues are from participation in the Medicare and state-sponsored Medicaid programs for the years ended September 30, 2011 and 2010, respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term

RRMC has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to RRMC under these agreements includes discounts from established charges and prospectively determined daily rates.

Notes to Financial Statements September 30, 2011 and 2010

Note 3: Concentration of Credit Risk

RRMC grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payer agreements. The mix of receivables from patients and third-party payers at September 30, 2011 and 2010, was

	2011	2010
Medicare	42%	36%
Medicaid	13%	14%
Other third-party payers and patients	45%	50%
	100%	100%

Note 4: Investments and Investment Return

Assets Limited As To Use

Assets limited as to use include

	20	011	2010
Held by trustee under bond indenture agreement Cash and cash equivalents	\$ 3.0	001,603	\$ -
Worker's compensation trust fund			
Cash and cash equivalents	\$	838,700	\$ 759,213
U S government obligations		344,643	239,485
Corporate obligations		25,459	 51,200
	\$ 1.2	208.802	\$ 1,049,898

Notes to Financial Statements September 30, 2011 and 2010

	2011	2010
Internally designated and restricted by donors		
Cash	\$ 589,244	\$ 545,158
U S government obligations	1,507,075	1,718,010
Corporate obligations	417,263	318,218
Mutual funds - equity	518,865	188,244
Mutual funds - fixed	407,546	207,127
Equity securities	770,167	1,285,883
Alternative investments		
Russell LLC funds - equity	28.015.996	33,233,705
Russell LLC funds - debt	25,853,308	24,970,702
Hedge funds and common trust funds	2,778,305	2,402,670
Interest receivable	23.640	24,089
	60,881,409	64,893,806
Internally designated for capital improvements		
Mutual funds - equity	700,046	874,739
Alternative investments		
Russell LLC funds - equity	4,201,919	7,151,898
Russell LLC funds - debt	3,877,552	5,373,699
Hedge funds and common trust funds	416,698	517,055
Interest receivable	-	4.217
	9,196,215	13,921,608
	\$ 70.077.624	\$ 78.815.414

Notes to Financial Statements September 30, 2011 and 2010

Total investment return is comprised of the following

	2011		2010
Interest and dividend income, net of investment expenses Realized gains (losses) on trading securities and investments accounted for under the fair value option of	\$ (187.897)	\$	(154,038)
FASB ASC Topic 825 Unrealized gains (losses) on trading securities	594,994 (507,931)		(488.058) 338.409
Change in fair value of investments accounted for under the fair value option of FASB ASC Topic 825	 2,420,373	_	6,783,329
	\$ 2.319.539	\$	6,479,642

Total investment return is reflected in the statements of operations and changes in net assets as follows

	2011	2010
Unrestricted net assets		
Investment return	\$ 395,328	\$ (614,335)
Change in unrealized gains and losses on trading		
securities	(559,293)	178,356
Investment return - change in fair value of investments		
accounted for under the fair value option of FASB		
ASC Topic 825	2,420,373	6,783,329
Temporarily restricted net assets	 63,131	 132,292
	\$ 2,319,539	\$ 6,479,642

Alternative Investments

Except as described below, the alternative investments have been estimated using the net asset value per share of the investments. Alternative investments held at September 30 consist of the following

Notes to Financial Statements September 30, 2011 and 2010

			Septen	nber 30, 2011	
Investment	Fair Value	Unfun Commiti		Redemption Frequency	Redemption Notice
Limited Liability Company (A)	\$ 2,937,392	\$	_	Daily	None
Limited Liability Company (B)	10,630,735		_	Daily	None
Limited Liability Company (C)	29,730,860		-	Daily	None
Limited Liability Company (D)	7,647,906		-	Daily	None
Limited Liability Company (B)	11,001,882		-	Daily	None
Real Estate Trust (E)	3,195,003		-	Quarterly	110 days
			Septen	nber 30, 2010	
Investment	Fair Value	Unfun Commiti	ded	Redemption Frequency	Redemption Notice
Limited Liability Company (A)	\$ 3,964,718	\$	_	Daily	None
Limited Liability Company (B)	13,985,982	T	_	Daily	None
Limited Liability Company (C)	30,344,401		_	Daily	None
Limited Liability Company (D)	10,046,693		_	Daily	None
				•	
Limited Liability Company (B)	12,388,210		-	Daily	None
Real Estate Trust (E)	12,388,210 2,773,142		-	Daily Quarterly	None 110 days
				•	110 days

- (A) The investment objective of this fund is to seek long-term capital growth. The Fund's benchmark index is the Russell 2000 index. The Fund invests primarily in common stocks of small capitalization U.S. companies.
- (B) The investment objective of this fund is to seek long-term capital growth. The Fund's benchmark index is the Russell 1000 index. This fund invests primarily in common stocks of medium and large capitalization U.S. companies.
- (C) The investment objective of this fund is to provide current income, and as a secondary objective, capital appreciation. The Fund may invest in fixed income securities issued or guaranteed by the U.S. government or, to a lesser extent by non-U.S. governments and their respective agencies and instrumentalities. The Fund may hold asset-backed securities and mortgaged-backed securities, including collateralized mortgage obligations, and invest in corporate debt securities, securities issued in private placements, interests (or securities representing interests, in bank loans) and dollar-denominated obligations issued in the U.S. by non-U.S. banks and corporations (Yankee Bonds). A majority of this Fund's holdings are U.S. dollar denominated but this Fund may invest in non-U.S. debt securities.

Notes to Financial Statements September 30, 2011 and 2010

- (D) The investment objective of this fund is to seek long-term capital growth. The Fund's benchmark index is the MSCI Europe. Australia and Far East (EAFE) Index net. The Fund invests primarily in equity securities, including common stocks and preferred stocks, issued by companies domiciled outside the U.S. and in depositary receipts and other derivatives which represent economic ownership of securities of non-U.S. companies. The Fund seeks to make investments in most of the developed nations of the world so as to maintain a high degree of diversification among countries and currencies.
- (E) The Fund employs a multiadvisor investment approach to private core and enhanced core real estate. The objective of private core real estate is to provide stable and high levels of current income supported by strong property occupancy, while enhanced core seeks slightly higher returns emphasizing appreciation.
- (F) The Fund was liquidated in 2011 The Fund employed a multistyle, multimanager approach including a diverse mix of nondirectional underlying hedge funds

RRMC is invested in a hedge fund which the fund managers have decided to liquidate and close. Over the past two years the fund managers have significantly written down the fair market value of the fund's investment based on information that has become available from the underlying investments and fund managers. During 2010, the fund managers decided to seek a portfolio sale and funds were distributed in March 2011.

Note 5: Medical Malpractice Claims

RRMC purchases medical malpractice insurance under a claims-made policy. Adjustments of estimated to actual expense, if any, after the policy terms, are included in the period such adjustments are determined. The present policy contains a provision which allows RRMC to purchase "tail end" coverage for an indefinite period to avoid any future lapse in insurance coverage. Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of malpractice claim costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. It is reasonably possible that this estimate could change materially in the near term

Note 6: Line-of-Credit Borrowings

During the year ended September 30, 2011, RRMC had in effect a \$10,000,000 line of credit bearing interest at a variable rate per annum equal to Wall Street Journal Prime Rate as determined on a daily basis, with a minimum rate of 3 25%. The line of credit is secured by the gross receipts of RRMC. This line of credit expires on May 1, 2012. RRMC had no outstanding borrowings from the line of credit at September 30, 2011.

Notes to Financial Statements September 30, 2011 and 2010

Note 7: Long-Term Debt

	2011	2010
Vermont Educational and Health Buildings Financing		
Agency Hospital Revenue Bonds, Rutland Regional		
Medical Center Project Series 2009A (A)	\$ 27,272,346	\$ 27,856,439
Vermont Educational and Health Buildings Financing		
Agency Hospital Revenue Bonds, Rutland Regional		
Medical Center Project Series 2010A (B)	18,945,900	-
Capital lease (C)	3,314,203	-
TD Bank, note payable (D)	-	8,165,968
	49,532,449	36,022,407
Less current maturities	1,861,973	749,858
	\$ 47,670,476	\$ 35,272,549

- (A) VEHBFA Series 2009A Bonds, issued during the year ended September 30, 2010, bearing a variable interest rate of 69% of LIBOR plus 3 5%, with principal payments due in monthly installments beginning in November 30, 2009, ranging from approximately \$46,000 to \$129,000 with final payments of \$9,011,508 on October 31, 2029. The bonds are secured by the gross receipts of RRMC. The interest rate at September 30, 2011 and 2010, respectively, was 2 64% and 3 76%.
 - RRMC entered into interest rate swap agreements to help mitigate exposure to future changes in interest rates on the Series 2009A Bonds. See *Note* 8 for additional discussion on the interest rate swap agreement
- (B) VEHBFA Series 2010A Bonds, issued during the year ended September 30, 2011, bearing a variable interest rate of 69% of LIBOR plus 3 5%, with principal payments due in monthly installments beginning in June 2011, ranging from approximately \$38,000 to \$91,000 with final payments of \$4,811,913 in December 2030. The bonds are secured by gross receipts of RRMC. The interest rate at September 30, 2011, was 2 42%.
 - RRMC entered into an interest rate swap agreement to help mitigate exposure to future changes in interest rates on the Series 2010A Bonds See *Note* 8 for additional discussion on the interest rate swap agreements
- (C) Capital lease obligation due in monthly installments of \$64,680 through December 2016, collateralized by certain equipment of RRMC

Notes to Financial Statements September 30, 2011 and 2010

(D) Taxable promissory note payable to TD Bank, N A, which had an available balance up to \$19,100,000 Interest accrues on the unpaid balance at LIBOR plus 3 5%. This note was paid in full with the issuance of the VEHBFA Hospital Revenue Bonds Rutland Regional Medical Center Project Series 2010A Bonds.

Aggregate annual maturities of long-term debt and payments on capital lease obligations at September 30, 2011, are

	Long-Term Debt (Excluding Capital Lease Obligations)	Capital Lease Obligations
2012	\$ 1,115,242	\$ 776,160
2012	1,158,527	776,160
2014	1,216,227	776,160
2015	1,276,815	776,160
2016	1,340,437	776,160
Thereafter	40,110,998	194,040
	\$ 46,218,246	4.074.840
Less amount representing interest		760,637
Present value of future minimum lease payments		3,314,203
Less current maturities		746,731
Noncurrent portion		\$ 2,567,472

Note 8: Derivative Financial Instruments

RRMC has entered into a swap agreement with Deutsche Bank in conjunction with the Series 2009A Bonds. The swap agreement terminates on April 1, 2015, and provides for monthly settlement with RRMC to pay a fixed rate of 3 262% and receive a variable rate equal to 69% of the one-month LIBOR on a notional amount equal to the then outstanding balance of the Series 2009A Bonds, original notional amount of \$6,015,000. RRMC entered into the swap agreement with the objective of reducing its exposure to future variability in interest rates on the Series 2009A Bonds by effectively fixing the interest rate thereon at 3 262%. The notional amount is being reduced annually over the term of the agreement at September 30, 2011 and 2010, the notional amount was \$3,555,000 and \$4,400,000, respectively.

Notes to Financial Statements September 30, 2011 and 2010

During the year ended September 30, 2010, RRMC entered into a swap agreement with TD Bank, N A in conjunction with the Series 2009A Bonds. The swap agreement terminates on November 1, 2019, and provides for monthly settlement with RRMC to pay a fixed rate of 4 91% and receive a variable rate equal to the 69% of the one-month LIBOR plus a spread of 241 50 basis points on a notional amount equal to the then outstanding balance of the Series 2009A Bonds, original notional amount of \$23,930,000. RRMC entered into the swap agreement with the objective of reducing its exposure to future variability in interest rates on the Series 2009A Bonds by effectively fixing the interest rate thereon at 4.91%. The notional amount is being reduced over the term of the agreement. At September 30, 2011 and 2010, the notional amount was \$23,705,681 and \$23,456,439, respectively.

During the year ended September 30, 2011, RRMC entered into a swap agreement with Deutsche Bank in conjunction with the Series 2010A Bonds. The swap agreement terminates on December 1, 2020, and provides for monthly settlement with RRMC to pay a fixed rate of 4.61% and receive a variable rate equal to the 69% of the one-month LIBOR plus a spread of 241.50 basis points on a notional amount equal to the then outstanding balance of the Series 2010A Bonds, original notional amount of \$19,100,000. RRMC entered into the swap agreement with the objective of reducing its exposure to future variability in interest rates on the Series 2010A Demand Bonds by effectively fixing the interest rate thereon at 4.61%. The notional amount is being reduced over the term of the agreement. At September 30, 2011, the notional amount was \$18,907,015.

The fair value of the interest rate swap agreements were \$(3.928.715) and \$(2.136.467) at September 30, 2011 and 2010, respectively, which is included in other liabilities on the balance sheets and the change in fair value thereof for 2011 and 2010, which was a loss of \$1.733.523 and \$1.856.467, respectively, is included in other income (expense) in the statements of operations and changes in net assets

Note 9: Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes

	2011	2010
Indigent care	\$ 1.968,902	\$ 1.849,470
Capital	919,109	921,358
Free care	61,709	460,108
General use	1,479,085	2,702,458
Operating support	4,171	31,133
Special purpose endowments	198,160	246,486
Linear accelerator	-	1,093,646
Various departments and other	669,320	733,607
	\$ 5,300,456	\$ 8.038.266

Notes to Financial Statements September 30, 2011 and 2010

During the years ended September 30, 2011 and 2010, net assets were released from donor restrictions by incurring expenses, satisfying the restricted operating purposes in the amounts of \$2,147,424 and \$453,927, respectively. During 2011 and 2010, net assets of \$797,151 and \$15,501, respectively, were released to purchase equipment

Permanently restricted net assets are restricted to

Investments to be held in perpetuity.	2010
the income is unrestricted \$ 678.642	\$ 678,642

Note 10: Endowments

RRMC's endowments consist of various individual donor-restricted and board designated funds which were established for general operational and certain departmental purposes. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

RRMC's governing body has interpreted the State of Vermont Prudent Management of Institutional Funds Act (SPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, RRMC classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment. (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of donor-restricted endowment funds is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by RRMC in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, RRMC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds

- 1 Duration and preservation of the fund
- 2 Purposes of RRMC and the fund
- 3 General economic conditions
- 4 Possible effect of inflation and deflation
- 5 Expected total return from investment income and appreciation or depreciation of investments
- 6 Other resources of RRMC
- 7 Investment policies of RRMC

Notes to Financial Statements September 30, 2011 and 2010

The composition of net assets by type of endowment fund at September 30, 2011 and 2010, was

				20	11			
	Ur	nrestricted		mporarily estricted		rmanently estricted		Total
Donor-restricted	¢		ď	295 2 12	ď	197.217	¢	971 590
endowment funds	\$	-	\$	385,343	\$	486,246	\$	871,589
Board-designated								
endowment funds		5,389,095						5,389,095
Total endowment funds	\$	5,389,095	\$	385,343	\$	486,246	\$	6,260,684
				20	10			
	Ur	nrestricted		mporarily estricted		manently estricted		Total
Donor-restricted	_							
endowment funds	\$	-	\$	1,882,270	\$	486,246	\$	2,368,516
Board-designated								
endowment funds		8,861,172				-		8,861,172
Total endowment funds	\$	8,861,172	\$	1,882,270	\$	486,246	\$	11,229,688

Changes in endowment net assets for the years ended September 30, 2011 and 2010, were

enanges in endowment net as	0000	i the years on	uou c	optomoor 5 o.	2011	 2010; ;;	
				20	11		
	Ur	nrestricted		emporarily Restricted		rmanently estricted	Total
Endowment net assets.							
beginning of the year	\$	8,861,172	\$	1,882,270	\$	486,246	\$ 11,229,688
Investment return and net							
appreciation		61,265		192,043		-	253,308
Appropriation of endowment							
net assets for expenditure		(3,533,342)		(1,688,970)		-	(5,222,312)
Endowment net assets, end of year	\$	5,389,095	\$	385,343	\$	486,246	\$ 6,260,684
				20	10		
			Te	mporarily	Per	manently	
	Ur	restricted	R	estricted	Re	estricted	Total
Endowment net assets.							
beginning of the year	\$	7,945,629	\$	1,809,260	\$	486,246	\$ 10,241,135
Investment return and net							
appreciation		915,543		73,010		-	988,553
Endowment net assets, end of year	\$	8,861,172	\$	1,882,270	\$	486,246	\$ 11,229,688

Notes to Financial Statements September 30, 2011 and 2010

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level RRMC is required to retain as a fund of perpetual duration pursuant to donor stipulation or SPMIFA. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets and aggregated \$0 at September 30, 2011 and 2010, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after investment of new permanently restricted contributions and continued appropriation for certain purposes that was deemed prudent by the governing body.

RRMC has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Under RRMC's policies, the primary investment goal is generation of income. RRMC expects its endowment funds to provide an average rate of return of approximately 6.75% annually over time. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives. RRMC relies on a strategy in which investment returns are achieved through current yield. RRMC invests in a variety of securities to achieve its long-term return objectives within prudent risk constraints.

Note 11: Charity Care

Charges excluded from revenue under RRMC's charity care policy were \$4,325,856 and \$4,341,795 for 2011 and 2010, respectively

Note 12: Functional Expenses

RRMC provides health care services to residents within its service area. Expenses related to providing these services are as follows

	2011	2010
Health care services General and administrative	\$133,376,035 60,584,796	\$128,772,634 48,572,283
	\$193.960.831	\$177.344.917

Notes to Financial Statements September 30, 2011 and 2010

Note 13: Operating Leases

Rental expense under operating lease agreements totaled \$1,117,937 and \$1,247,047 for the years ended September 30, 2011 and 2010, respectively

Note 14: Information Technology Commitments

RRMC has entered into an agreement with Cerner to provide remote hosting and software support services for RRMC totaling approximately \$5,250,000 through December 30, 2016 The annual commitments for this agreement are as follows

2012	\$ 807,840
2013	807,840
2014	807,840
2015	807.840
2016	807.840
Thereafter	 201,960
	\$ 4,241,160

Expenses under this agreement totaled \$650,914 and \$360,110 for the years ended September 30, 2011 and 2010, respectively

Note 15: Pension Plans

Defined Benefits Plans

RRMC has a noncontributory defined benefit pension plan and a defined benefit postretirement health care plan covering all employees who meet the eligibility requirements. RRMC's funding policy is to make the minimum annual contribution that is required by applicable regulations, plus such amounts as RRMC may determine to be appropriate from time to time. RRMC expects to contribute \$2.014.294 to the defined benefit pension plan and expects to contribute \$387.560 to the postretirement health care plan in 2012.

Notes to Financial Statements September 30, 2011 and 2010

RRMC uses a September 30 measurement date for the plans Information about the plan's funded status follows

	Pension	Benefits	Other B	Benefits	
	2011	2010	2011	2010	
Benefit obligation	\$ 93.164.489	\$ 94.713.375	\$ 3.949.693	\$ 4,124,955	
Fair value of plan assets	61,090,166	62,678,293			
Funded status	\$ (32,074,323)	\$ (32,035,082)	\$ (3.949.693)	\$ (4,124,955)	

Assets and liabilities recognized in the balance sheets

	Pension Benefits 2011 2010			Other E 2011	3ene	enefits 2010	
Current liabilities	\$		\$		\$ 380,801	\$	336,472
Noncurrent liabilities	\$ 32,074,3	23	\$ 32,035.	082	\$ 3,568,892	\$	3,788,483

Amounts recognized in unrestricted net assets not yet recognized as components of net periodic benefit cost consist of

	Pension Benefits			Other E	Benef	fits
	2011	2010	2011		2010	
Net loss	\$ 30,179,312	\$ 30,979,414	\$	399,938	\$	437,769

The accumulated benefit obligation for the defined benefit pension plan was \$93,164,489 and \$94,713,375 at September 30, 2011 and 2010, respectively

Other significant balances and costs are

	Pension Benefits			Other Benefits			
	2011		2010		2011		2010
Benefit costs	\$ 1,077,471	\$	1.084.498	\$	145,887	\$	196,213
Employer contributions	\$ -	\$	-	\$	283,318	\$	232,135
Benefits paid	\$ 2,963,849	\$	2,681,461	\$	283,318	\$	232,135

Notes to Financial Statements September 30, 2011 and 2010

The following amounts have been recognized in the statements of operations and changes in net assets for the years ended September 30, 2011 and 2010

	Pension Benefits			Other Benefits			
	2011		2010		2011		2010
Amounts arising during the period Net loss (gain)	\$ 451,284	\$	8.924.768	\$	(33,261)	\$	240,357
Amounts reclassified as components of net periodic benefit cost of the period	\$ 1 251 386	\$	955 487	\$	4 570	\$	_
Amortization of net loss	\$ 1,251,386	\$	955,487	\$	4,570	\$	

The estimated net loss for the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year is \$1,470,251

Significant assumptions include

	2011	2010	2011	2010
Weighted average assumptions used to determine benefit				
obligations	5 550/	5 250/	2.550/	2.250/
Discount rate	5 55%	5 25%	3 55%	3 25%
Rate of compensation				
ıncrease	N/A	N/A	N/A	N/A
Weighted average assumptions used to determine benefit				
costs		= 0.00/	2.250/	1.000/
Discount rate	5 25%	5 90%	3 25%	4 90%
Expected return on plan				
assets	8 00%	8 00%	N/A	N/A

RRMC has estimated the long-term rate of return on plan assets based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information

Notes to Financial Statements September 30, 2011 and 2010

For measurement purposes, a 9 50% and 10 00% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2011 and 2010, respectively. The rate was assumed to decrease gradually to 5% by the year 2020 and remain at that level thereafter

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of September 30, 2011

	Pension Benefits	Other Benefits		
2012	\$ 3,115,609	\$ 387,560		
2013	3,452,545	475,545		
2014	3,759,641	431,215		
2015	4,070,780	480,547		
2016	4,344,632	524,271		
2017-2021	27,586,032	2,281,420		

Pension Plan Assets

Following is a description of the valuation methodologies used for pension plan assets measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of pension plan assets pursuant to the valuation hierarchy

Where quoted market prices are available in an active market, plan assets are classified within Level 1 of the valuation hierarchy. Level 1 plan assets include common trust funds invested in equity securities. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of plan assets with similar characteristics or discounted cash flows. Level 2 plan assets include common trust funds invested in fixed income securities. In certain cases where Level 1 or Level 2 inputs are not available, plan assets are classified within Level 3 of the hierarchy and include hedge funds and common trust funds invested in real estate. For investments, other than the hedge fund and common trust fund, the inputs used by the pricing service to determine fair value may include one, or a combination of observable inputs such as benchmark yields, broker/dealer quotes, issuer spreads, benchmark securities and reference data market research publications. For the hedge and common trust funds, the net asset value provided by the fund manager was used to determine fair value.

The fair values of RRMC's pension plan assets at September 30, 2011 and 2010, by asset class are as follows

Notes to Financial Statements September 30, 2011 and 2010

		Fair Value Measurements Using					
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)			
Im estments	-	2	2011				
Investments Money market funds Russell LLC funds - equity Russell LLC funds - fixed Hedge funds and common trust funds	\$ 623.802 29.958.724 27.497.329 3.010.311 \$ 61.090.166	\$ 623.802 29.958.724 - - - \$ 30.582.526	\$ - 27.497.329 - \$ 27.497.329	\$ - - 3.010.311 \$ 3.010.311			
			2010				
Investments		•	2010				
Money market funds Russell LLC funds - equity Russell LLC funds - fixed Hedge funds and common trust funds	\$ 362,223 46,947,903 12,727,067 2,641,100	\$ 362.223 46.947.903	\$ - - 12.727.067 -	\$ - - 2.641.100			
	\$ 62.678.293	\$ 47,310,126	\$ 12.727,067	\$ 2,641,100			

The following is a reconciliation of the beginning and ending balances or recurring fair value measurements recognized in the accompanying balance sheets using significant unobservable (Level 3) inputs

	 Hedge Fund		Common rust Fund
Balance, October 1, 2009	\$ 875,334	\$	2,429,867
Total realized and unrealized gains and losses			
included in other income (expense)	(390,488)		119,667
Settlements (return of principal)	(393,280)		-
Balance, October 1, 2010	 91,566		2,549,534
Total realized and unrealized gains and losses			
included in other income (expense)	-		460,777
Settlements (return of principal)	 (91,566)		
Balance, September 30, 2011	\$ 	\$	3,010,311

Notes to Financial Statements September 30, 2011 and 2010

Plan assets are held by a bank-administered trust fund, which invests the plan assets in accordance with the provisions of the plan agreement. The plan agreements permit investment in common stocks, corporate bonds and debentures, U.S. government securities, certain insurance contracts, real estate and other specified investments, based on certain target allocation percentages

Plan assets are rebalanced quarterly. The postretirement health care plan is conducted on a pay-as-you-go basis, thus there are no assets available for investment. At September 30, 2011 and 2010, plan assets by category are as follows.

	Pension Benefits				
	2011	2010			
Equity securities	50%	55%			
Debt securities	45%	40%			
Real estate	5%	4%			
Other		1%			
	100%	100%			

Defined Contribution Plan

Effective January 1, 2006, RRMC's defined benefit pension plan was frozen and stopped accruing benefits. All employees in the defined benefit plan were enrolled into RRMC's newly established tiered defined contribution plan which RRMC contributes to the plan on behalf of each eligible employee a percentage of employee's eligible compensation based on age and years of service to the plan, as follows

Combined Age and Years of Service	Percentage of Compensation
Less than 40 years	4%
40 - 59 years	6%
60-79 years	8%
80 + vears	10%

For employees hired on or after April 4, 2004, RRMC contributes to the plan on behalf of each eligible employee an amount equal to 4% of the eligible employee's compensation

Notes to Financial Statements September 30, 2011 and 2010

403(B) Plan - Employer Matching Contributions

Employees may elect to contribute from 1% to 100% of their compensation to the tax sheltered 403(b) plan. Employer matching contributions are made equal to 25% of a participant's contribution to the plan, up to a maximum of 6% compensation for employees covered under a collective bargaining agreement. Employer matching contributions are made equal to 25% of a participant's contribution to the plan, up to a maximum of 5% compensation for employees not covered under a collective bargaining agreement. Effective January 1, 2012, employees not covered under a collective bargaining agreement will no longer receive a matching contribution from RRMC.

Pension plan expense for these two plans for the year ended September 30, 2011 and 2010, was \$4,288,756 and \$4,092,823, respectively

Note 16: Executive Option Plan

Prior to 2002, RRMC offered an Executive Option Plan for certain senior management and employed physicians. Through the plan, administered under Section 83 of the Internal Revenue Code, a designated group of employees is granted options to purchase shares, through salary reduction, of one or more mutual funds at a price that is equal to a specified percentage of the fair value of the shares on the date of the exercise. During 2002, contributions to the plan were frozen and no future options are expected to be granted. At September 30, 2011 and 2010, plan assets amounted to \$1,181,013 and \$1,165,556, respectively.

Note 17: Related Party Transactions

RRMC has advanced operating capital to The Meadows at East Mountain, an affiliated entity A payable to The Meadows Associates of (\$7.218) and a receivable of \$40.388 is recorded at September 30, 2011 and 2010, respectively

RRMC has advanced operating capital to the Rutland Health Foundation (RHF), an organization affiliated through common control. A receivable from RHF of \$112,700 and \$580,811 is recorded at September 30, 2011 and 2010, respectively. RRMC provides an operating subsidy to RHF to cover the excess of operating expenses over net revenues which were \$225,731 and \$131,689 for the years ended September 30, 2011 and 2010, respectively.

A receivable from RRHS of \$5,944,957 and \$3,745,782 is recorded at September 30, 2011 and 2010, respectively

RRMC has advanced funds to Vermont Orthopedic Clinic (VOC) to cover operating expenses During fiscal year 2011 and 2010, RRMC forgave the amount owed from VOC of \$2,494,084 and \$1,095,534, respectively

Notes to Financial Statements September 30, 2011 and 2010

Note 18: Community Health Centers of the Rutland Region, Inc.

RRHS awarded a five-year community benefit grant to Community Health Centers of the Rutland Region. Inc (CHCRR) in the amount of \$4,600,000 that is funded by RRMC and was effective May 1, 2008. In 2011, the agreement was amended to include an additional subsidy from RRHS to CHCRR for up to \$600,000 per year to defray the cost of uncompensated care to support the expansion of the Rutland clinic. For the years ended September 30, 2011 and 2010, respectively. \$1,200,250 and \$1,254,166 was expended for the grant award from RRMC and is included in RRMC's general operating expenses.

Note 19: Disclosures About Fair Value of Financial Instruments

ASC Topic 820, Fair Value Measurements, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Topic 820 also specifies a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

- Level 1 Quoted prices in active markets for identical assets or liabilities
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include money market funds, equity securities and equity mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. Level 2 securities include U.S. government obligations, corporate obligations, mutual funds – fixed, Russell LLC funds – equity, Russell LLC funds – fixed and hedge funds and common trust funds. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy and include hedge funds and common trust funds. For investments, other than the hedge fund and common trust fund, the inputs used by the pricing service to determine fair value may include one, or a combination of observable

Notes to Financial Statements September 30, 2011 and 2010

inputs such as benchmark yields, broker/dealer quotes, issuer spreads, benchmark securities and reference data market research publications. For the hedge fund and common trust fund, the net asset value (or its equivalent) provided by the fund is utilized, as a practical expedient, to determine fair value of these investments. The funds are classified as Level 3 if they may not be redeemable in the short-term

Interest Rate Swap Agreements

The fair value is estimated using forward-looking interest rate curves and discounted cash flows that are observable or that can be corroborated by observable market data and, therefore, are classified within Level 2 of the valuation hierarchy

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2011 and 2010

			Fair Value Measurements Using						
	Fair Value		Markets for			Significant Other Observable Inputs (Level 2)		gnificant bservable Inputs _evel 3)	
					2011				
Investments	ď.	172 70-	•	172 70-	ď.		dD.		
Money market funds	\$	472.785	\$	472,785	\$	1 051 710	\$	-	
U S government obligations		1.851.718		-		1.851.718		-	
Corporate obligations		442.722		1 210 011		442,722		-	
Mutual funds - equity		1.218.911		1.218,911		107.516		-	
Mutual funds - fixed		407.546		-		407.546		-	
Russell LLC funds - equity		32.217.915		-		32,217,915		-	
Russell LLC funds - fixed		29.730.830		-		29.730.830		-	
Hedge funds and common trust funds		3.195.003 770.167		770.167		3,195,003		-	
Equities				770,167		(2.039.715)		-	
Interest rate swap		(3.928.715)		-		(3.928.715)		-	
					2010				
Investments									
Money market funds	\$	1.055.756	\$	1,055,756	\$	-	\$	-	
U S government obligations		1.957.495		-		1.957.495		-	
Corporate obligations		369.418		-		369,418		-	
Mutual funds - equity		1.062.983		1.062.983		-		-	
Mutual funds - fixed		207.127		-		207.127		-	
Russell LLC funds - equity		40,385,603		-		40,385,603		-	
Russell LLC funds - fixed		30.344.401		-		30,344,401		-	
Hedge funds and common trust funds		2.919.725		=		2,773,142		146.583	
Equities		1.285.883		1.285.883		-		-	
Interest rate swap		(2.136.467)		-		(2.136.467)		-	

Notes to Financial Statements September 30, 2011 and 2010

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying balance sheets using significant unobservable (Level 3) inputs

	Hedge Fund	Common Trust Fund		
Balance, October 1, 2009	\$ 1.319,724	\$ 2,655,088		
Total realized and unrealized gains and losses included in other income (expense)	(592,081)	118,054		
Settlements (return of principal)	(581,060)	-		
Transfers in to/out of Level 3	<u> </u>	(2,773,142)		
Balance. September 30, 2010	146,583	-		
Total realized and unrealized gains and losses				
included in other income (expense)	(228)	-		
Settlements (return of principal)	(146,355)			
Balance, September 30, 2011	\$ -	\$ -		

Realized and unrealized gains and losses are included in excess of revenues over expenses for the period from October 1, 2009, through September 30, 2011

The following methods were used to estimate the fair value of all other financial instruments recognized in the accompanying balance sheets at amounts other than fair value

Cash and Cash Equivalents

The carrying amount approximates fair value

Notes Payable and Long-Term Debt

Fair value is estimated based on the borrowing rates currently available to RRMC for bank loans with similar terms and maturities

Notes to Financial Statements September 30, 2011 and 2010

The following table presents estimated fair values of RRMC's financial instruments not previously disclosed at September 30, 2011 and 2010

	20	11	2010					
	Carrying	Fair	Carrying	Fair				
	Amount	Value	Amount	Value				
Cash and cash equivalents Assets limited as to use	\$ 6,083,324	\$ 6,083,324	\$ 12,801,153	\$ 12,801,153				
	74,288,029	74,288,029	79,865,312	79,865,312				
Long-term debt (including current portion) Interest rate swap	(49.532,449)	(49,532,449)	(36,022,407)	(36,022,407)				
	(3.928,715)	(3,928,715)	(2,136,467)	(2,136,467)				

Note 20: The Fair Value Option

As permitted by Topic 825, management has elected the fair value option for the Russell LLC fund – equity. Russell LLC fund – fixed and the hedge fund and common trust fund because it more accurately reflects the portfolio returns and financial position of RRMC Total Russell LLC fund – equity. Russell LLC fund – fixed and the hedge fund and common trust fund assets at September 30, 2011 and 2010, are \$65,143,778 and \$73,649,729, respectively

See *Note 19* for additional disclosures regarding fair value of each of the statement of operations line items listed in the preceding paragraph

Note 21: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following

Allowance for Net Patient Service Revenue Adjustments

Estimates of allowances for adjustments included in net patient service revenue are described in *Notes 1* and 2

Malpractice Claims

Estimates related to the accrual for medical malpractice claims are described in *Notes 1* and 5

Notes to Financial Statements September 30, 2011 and 2010

Investments

RRMC invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying balance sheets.

Collective Bargaining Agreement

Approximately 24% of RRMC's employees are covered by a collective bargaining agreement. The collective bargaining agreement covering these employees expired December 1, 2011, and contract negotiations are currently being negotiated between the union and RRMC.

Asset Retirement Obligation

As discussed in *Note 25*, RRMC has recorded a liability for its conditional asset retirement obligations related to both its administrative and patient care buildings

Admitting Physicians

There is one admitting physician whose patients comprise approximately 11% of RRMC's total admissions

Derivative Financial Instruments

As discussed in *Note 8*, RRMC has entered into interest rate swap agreements and has estimated the fair value of the swaps at September 30, 2011 and 2010. Due to the level of risk associated with the swaps it is reasonably possible that changes in the fair value will occur in the near term and that such change could materially affect the amounts reported in the accompanying balance sheets

Pension and Other Postretirement Benefit Obligations

RRMC has a noncontributory defined benefit pension and postretirement health care plan whereby it agrees to provide certain postretirement benefits to eligible employees. The benefit obligation is the actuarial present value of all benefits attributed to service rendered prior to the valuation date based on the linear method. It is reasonably possible that events could occur that would change the estimated amount of this liability materially in the near term.

Notes to Financial Statements September 30, 2011 and 2010

Current Economic Conditions

The current protracted economic decline continues to present hospitals with difficult circumstances and challenges, which in some cases have resulted in large and unanticipated declines in the fair value of investments and other assets, large declines in contributions, constraints on liquidity and difficulty obtaining financing. The financial statements have been prepared using values and information currently available to RRMC

Current economic conditions, including the rising unemployment rate, have made it difficult for certain patients to pay for services rendered. As employers make adjustments to health insurance plans or more patients become unemployed, services provided to self-pay and other payers may significantly impact net patient service revenue, which could have an adverse impact on RRMC's future operating results. Further, the effect of economic conditions on the state may have an adverse effect on cash flows related to the Medicaid program.

Given the volatility of current economic conditions, the values of assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments in the investment values, including defined benefit pension plan investments, and allowances for accounts and contributions receivable that could negatively impact RRMC's ability to meet debt covenants or maintain sufficient liquidity

Note 22: Construction in Progress

The construction in progress at September 30, 2011, primarily relates to projects associated with the implementation of a new information technology system

During 2010, RRMC was awarded a certificate of need from the State of Vermont allowing RRMC to proceed with the implementation of a new information technology system. The first phase of this project was completed and placed into service during the year ended September 30, 2011, and cost approximately \$15 million. The second phase of the project is expected to be completed in 2012, and is expected to cost approximately \$2 million.

Note 23: Contingent Liabilities

Litigation

In the normal course of business, RRMC is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by commercial insurance, for example, allegations regarding employment practices or performance of contracts. RRMC evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of counsel, management records an estimate of the amount of ultimate expected loss, if any, for each of these matters. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

Notes to Financial Statements September 30, 2011 and 2010

Note 24: Other Liabilities

Other liabilities consisted of the following at September 30, 2011 and 2010

	2011	2010
Accrued postretirement health care benefit	\$ 3,568,892	\$ 3.788.483
Employee option payable	1,181,013	1,165,556
Accrued claims liabilities	968,547	666,422
Asset retirement obligation	542,937	517,933
Interest rate swap agreement	3,928,715	2,136,467
Other	31,534	
	\$ 10.221.638	\$ 8.274.861

Note 25: Asset Retirement Obligations

Accounting principles generally accepted in the United States of America, requires that an asset retirement obligation (ARO) associated with the retirement of a tangible long-lived asset be recognized as a liability in the period in which it is incurred or becomes determinable (as defined by the standard) even when the timing and/or method of settlement may be conditional on a future event RRMC's conditional asset retirement obligations primarily relate to asbestos contained in buildings that RRMC owns. Environmental regulations exist in Vermont that require RRMC to handle and dispose of asbestos in a special manner if a building undergoes major renovations or is demolished. A liability of \$542,937 and \$517,933 has been recognized in the accompanying 2011 and 2010 financial statements, respectively, for the portion of the liability that can be reasonably estimated.

Additionally, there remains a liability that has not been recognized in the accompanying financial statements because the range of time over which RRMC may settle is unknown and cannot be reasonably estimated RRMC will recognize a liability when sufficient information is available to reasonably estimate fair value



The Rutland Hospital, Inc. d/b/a Rutland Regional Medical Center Net Patient Service Revenue September 30, 2011 and 2010

		Inpatient		Outpatient			Т	otal		
	2011	pation	2010		2011		2010	2011		2010
Routine Services										
Medical and surgical	\$ 28 367 7	48 \$	25 342 064	\$	-	\$	-	\$ 28 367 748	\$	25 342 064
Psychiatric	6 113 2	26	5 141 396		-		-	6 113 226		5 141 396
Rehabilitation	3 686 0	25	3 569 024		_		-	3 686 025		3 569 024
Obstetrics and gynecology	2 837 7	52	2 403 162		-		-	2 837 752		2 403 162
Intensive care	7 275 8	12	5 299 176		-		-	7 275 812		5 299 176
Nurserv	858 7	08	749 940		_		_	858 708		749 940
	49 139 2	71	42 504 762		-		-	49 139 271		42 504 762
Special Services										
Operating room	28 073 0	09	27 954 312		16 041 462		17 570 771	44 114 471		45 525 083
Recovery room	2 028 6	4 6	1 779 931		2 515 037		2 261 685	4 543 683		4 041 616
Emergency room	5 929 1	13	4 759 628		17 309 471		15 795 743	23 238 584		20 555 371
Endoscopy	998 1		738 415		7 530 609		6 611 821	8 528 731		7 350 236
Ambulatory care	377 2	66	396 061		3 449 138		3 492 800	3 826 404		3 888 861
Physical rehabilitation services	3	92	1 299		_		704 788	392		706 087
Delivery room	941.9		862 019		343 184		298 083	1 285 088		1 160 102
Medical and surgical supplies	786.3		1 483 250		901 913		1 244 928	1 688 266		2 728 178
Oncology	121 0		121 563		4 726 206		4 180 553	4 847 298		4 302 116
Laboratory	10 658 2		10 587 225		31 578 525		29 328 746	42 236 802		39 915 971
Cardiology	4 202 2		3 698 091		5 201 052		5 060 634	9 403 327		8 758 725
Pulmonary	249 3		223 198		610 885		600 755	860 216		823 953
Electroencephalography	49.3		43 860		272 000		252 958	321 384		296 818
Radiology - diagnostic	4 517 4		3 877 215		25 747 596		25 298 369	30 265 094		29 175 584
Radiology - isotopes	421.4		421 030		1 158 971		1 006 199	1 580 386		1 427 229
Chemotherapy	270 7		30 056		4 317 425		3 935 637	4 588 196		3 965 693
CT scanning	3 521 8		3 722 902		11 066 978		11 519 671	14 588 829		15 242 573
Radiation therapy	305 9		112 988		7 325 674		7 128 799	7 631 657		7 241 787
Pharmaev	18 561 7		14 937 265		35 370 708		34 606 061	53 932 482		49 543 326
Respiratory care	7 160 7		6 955 849		1 260 641		1 442 117	8 421 348		8 397 966
Psychiatric counseling	2 093 7		2 068 240		643 293		540 817	2 737 019		2 609 057
								3 809 270		3 994 944
Physical therapy	1 986 1		1 925 956		1 823 111		2 068 988			
Physiatry	641.8		660 991		3 216 872		3 158 701	3 858 749		3 819 692
Occupational therapy	1 818 3		1 686 716		313 275		415 827	2 131 659		2 102 543
Speech therapy	530 3		544 062		220 430		206 145	750 764		750 207
Hospitalist	3 925 8		3 415 211		844 677		765 565	4 770 520		4 180 776
OB G Y N Oncology	1 775 1		964 322		1 588 804		1 458 179	3 363 918		2 422 501
Digestive services	203 8		17 233		1 023 042		71 916	1 226 887		89 149
Sleep services	22 4				1 951 211		1 419 606	1 973 679		1 419 606
Endocrinology	560 5		544 082		1 265 338		1 236 589	1 825 864		1 780 671
Miscellaneous clinical services	127 4 102 860 8		122 400 94 655 370		334 501 189 952 029		265 259 183 948 710	 461 959 292 812 926		387 659 278 604 080
	102 800 8		24 033 370		109 932 029		103 240 710	 292 612 920		278 (04 080
Gross Patient Service Revenue	\$ 152 000 1	68 \$	137 160 132	\$	189 952 029	\$	183 948 710	 341 952 197		321 108 842
Less Contractual Allowances	-									
Medicare								99 873 289		87 777 901
Medicaid								32 068 728		33 005 670
Blue Cross								6 560 087		6 050 819
Charity care								4 325 856		4 341 795
Other								13 098 623		11 380 260
								 155 926 583		142 556 445
Net Patient Service Revenue								\$ 186 025 614	\$	178 552 397

The Rutland Hospital, Inc. d/b/a Rutland Regional Medical Center Expenses September 30, 2011 and 2010

	Salaries a	nd Wages	Supplies and Other		То	tal
	2011	2010	2011	2010	2011	2010
Nursing Services						
Nursing administration	\$ 308.647	\$ 227.131	\$ 251,625	\$ 81.844	\$ 560.272	\$ 308.975
Nursing education	969,599	939,337	364,440	367,317	1,334,039	1,306,654
Medical and surgical	8,505,429	8,857,319	1.018.709	784.658	9,524,138	9.641.977
Psychiatric	2,250,689	1,891,447	125,767	115,444	2,376,456	2,006,891
Rehabilitation	1.718.116	1.623,941	73,849	88,397	1,791,965	1,712,338
Obstetrics and gynecology	1.011.162	931.788	106,670	108,769	1.117.832	1.040.557
Intensive care	3,212,060	2,844,518	326,890	230,910	3,538,950	3,075,428
Nursery	367.772	287,710	53,681	55,967	421,453	343,677
	18,343,474	17,603,191	2,321,631	1,833,306	20,665,105	19.436.497
Other Professional Services						
Operating room	2.768.952	2,705,208	7,356,530	7,405,093	10,125,482	10,110,301
Recovery 100m	695,939	661,074	65,592	72,310	761,531	733,384
Emergency room	6,910,174	6,732,414	846,399	702,960	7,756,573	7,435,374
Endoscopy	793,395	621,469	440,285	410,424	1,233,680	1,031,893
Ambulatory care	1,126,766	1,020,634	175,866	124,262	1.302.632	1.144.896
Physical rehabilitation services	2,137,980	2,047,278	327,345	285,802	2,465,325	2,333,080
Delivery 100m	838,604	943,137	69,819	66,597	908,423	1,009,734
HIV clinic	29,398	848	-	77	29,398	925
Central supply	574.006	551,169	706,795	786,250	1,280,801	1,337,419
Anesthesiology	1,874,385	1,797,690	73,643	89,692	1.948.028	1,887,382
Oncology	1,759,388	1,650,063	192,044	169,597	1,951,432	1,819,660
Laboratory	3,607,430	3,580,941	4,127,620	4,314,648	7,735,050	7,895,589
Cardiology	663,879	493,490	154,539	82,168	818,418	575,658
Pulmonary	365,092	348,786	7,731	11,120	372,823	359,906
Cardiae eath	194,797	192,570	599,886	703.751	794.683	896,321
Electroencephalography	302.190	297,908	6,524	8,274	308,714	306.182
Radiology - diagnostic	3,151,130	3,146,438	1,423,182	1,519,268	4,574,312	4,665,706
Radiology - isotopes	152.921	150,780	248,420	221,875	401,341	372.655
CT seanning	445,348	448,640	781.322	921,754	1.226.670	1,370,394
Radiation therapy	378,894	370,076	243,070	259.980	621,964	630,056
Pharmacy	1,659,026	1,451,778	9,831,514	10,194,821	11,490,540	11.646.599
Respiratory care	1.044.909	993,175	325,853	347,289	1,370,762	1,340,464
Psychiatric counseling	870,604	843,937	13.900	23,704	884,504	867,641
Physical therapy	882.318	878.120	87,189	190,899	969,507	1.069.019
Occupational therapy	441.696	474,148	106.261	93,063	547,957	567.211
Hospitalists	3,841,260	3,556,179	44.919	39,925	3,886,179	3,596,104
Speech therapy	255.275	266,942	31,411	13.382	286,686	280,324
OB GYN oncology	2.228	3,466	84.131	40,405	86,359	43.871
OB GYN clinic	1,711,020	1,296,605	216,249	384,409	1.927.269	1.681.014
Gastroenterology	664,655	161.262	130.644	8,080	795.299	169.342
Sleep services	573,013	339,832	45,535	27,590	618,548	367,422
Endocrinology	1,103,288	1,021,869	131,645	60,016	1,234,933	1,081,885
Miscellaneous clinical services	412,701	396,949	102,319	91,657	515.020	488,606
	42,232,661	39,444,875	28,998,182	29.671.142	71,230,843	69.116.017

The Rutland Hospital, Inc. d/b/a Rutland Regional Medical Center Expenses September 30, 2011 and 2010

	Salaries a	and Wages	9	ipplies and Other		Total			
	2011	2010	2011		2010	2011		2010	
General and Support Services									
Dietary	\$ 1.467.320	\$ 1,485,559	\$ 1.0	03.047 \$	881.475	\$ 2,470,367	\$	2.367.034	
Plant operations	148,237	143,175	2.7	84,131	3.417.646	2,932,368		3.560.821	
Maintenance	1.059.867	1.055.859	9	03,822	857,903	1,963,689		1.913.762	
Housekeeping	1.343.332	1.334.308	4	44,102	442,908	1.787.434		1,777,216	
Laundry and linen	96,907	99,890	7	59.522	727,237	856,429		827,127	
Purchasing	312.958	314.263		29.782	(3.341)	342,740		310.922	
Security	418,842	399,161		28,659	28,038	447,501		427,199	
FQHC	-	-	1.2	00,250	1.254.166	1,200,250		1.254,166	
Medicaid tax assessment	=	-	11.7	29.019	7.416.007	11,729,019		7.416.007	
Administration development planning	5,069,238	4.294.669	8,5	83,131	8.322.867	13,652,369		12,617,536	
Financial services	2,213,283	2,101,285	1.3	53,803	548,161	3,567,086		2.649.446	
Patient access	1.051.194	929.626		89,766	98,133	1.140,960		1.027.759	
Outpatient and oncology services						=			
management	467,290	456.029	2	02.851	109.895	670,141		565.924	
Mail services	88,906	86,697	1	96.123	200,485	285,029		287,182	
Telecommunications	192.211	195.858		69.922	52,841	262,133		248,699	
Personnel	811.092	895,558	1.0	17.852	1.115.453	1.828.944		2.011.011	
Medical records and library	2,779,381	2,835,684	1.6	83,332	1,134,946	4,462,713		3,970,630	
Social services	530,072	534.822	1	16.418	74,498	646,490		609,320	
Employee health	136,629	139,324		44,189	26.624	180,818		165,948	
Volunteer services	114.912	112,561		48,336	51.835	163,248		164.396	
Community relations	221.020	195,608	2	37.931	242.989	458,951		438,597	
Community health improvement	123,851	-		11.990	-	135,841		-	
Information technology services	3,388,793	2.344,854	2,4	66.387	2.594.559	5,855,180		4,939,413	
Employee benefits	23,229,365	22.164.391		-	-	23,229,365		22,164,391	
Pension expense	1.388.982	1.321.251		-	-	1.388.982		1.321.251	
James T Bowse Community Trust	26,360	18.281		70,839	56.240	97,199		74,521	
	46,680,042	43,458,713	35.0	75,204	29.651.565	 81,755,246		73,110,278	
Depreciation and Amortization			9.9	60.292	7,790,514	9.960.292		7,790,514	
Interest			2.2	60,132	1,398,965	2.260,132		1,398,965	
Provision for Uncollectible Accounts			8.0	89,213	6,492,646	8,089,213		6,492,646	
	\$ 107.256.177	\$ 100,506,779	\$ 86.7	04.654 \$	76.838.138	\$ 193.960.831	\$	177.344.917	

Other Revenue September 30, 2011 and 2010

	2011			2010		
Cafetena	\$	936,038	\$	927,397		
Cash discounts		22,126		27,692		
Miscellaneous		898,919		863,244		
Special funds used for specific purposes		30,328		34,980		
Pharmacy 340B		162,538		-		
Medical record fees		33,460		30,390		
Rental income		108,942		87,245		
Telephone		1.038		5,630		
Gain (loss) on disposal of property and equipment		(25,719)		51,512		
	\$	2,167,670	\$	2,028,090		

Property and Equipment September 30, 2011

	Balance October 1, 2010	Additions	Reclassification	Disposals	Balance September 30, 2011
Assets					
Land	\$ 24,161	\$ 275,000	\$ -	\$ -	\$ 299,161
Land improvements	1,869,947	19,094	-	(8,138)	1,880,903
Buildings	37,004,417	555,000	-	-	37,559,417
Building improvements	24,361,431	6,847,504	325,707	(511,833)	31,022,809
Fixed equipment	25,385,933	2,112,921	91,098	(1,351,016)	26,238,936
Major movable equipment	61,275,342	15,155,677	6,773,178	(6,375,870)	76,828,327
Construction in progress	7,908,273	477,766	(7,189,982)		1,196,057
	\$ 157,829,504	\$ 25,442,962	\$ 1	\$ (8,246,857)	175,025,610
Accumulated Depreciation					
Land improvements	\$ 1,025,954	\$ 104,869	\$ -	\$ (8,138)	1,122,685
Buildings	16,582,091	973,498	-	-	17,555,589
Building improvements	11,061,908	1,774,257	-	(511,833)	12,324,332
Fixed equipment	20,272,757	680,717	-	(1,312,036)	19,641,438
Major movable equipment	47,049,664	6,383,186		(6,368,357)	47,064,493
	\$ 95,992,374	\$ 9,916,527	\$ -	\$ (8,200,364)	97,708,537
					\$ 77,317,073

Property and Equipment September 30, 2010

	Balance October 1, 2009	Additions	Reclassification	Disposals	Balance September 30, 2010
		Additions	Neciassilication	Disposais	2010
Assets					
Land	\$ 24,161	\$ -	\$ -	\$ -	\$ 24,161
Land improvements	1,594,163	275,784	-	-	1,869,947
Buildings	35,474,020	1,517,820	12,577	-	37,004,417
Building improvements	21,129,405	3,154,311	77,715	-	24,361,431
Fixed equipment	24,087,874	1,283,511	14,548	-	25,385,933
Major movable equipment	56,556,567	4,857,554	148,283	(287,062)	61,275,342
Construction in progress	464,828	7,696,568	(253,123)		7,908,273
	\$ 139,331,018	\$ 18,785,548	\$ -	\$ (287,062)	157,829,504
Accumulated Depreciation					
Land improvements	\$ 932,735	\$ 93,219	\$ -	\$ -	\$ 1,025,954
Buildings	15,635,478	946,613	· •	-	16,582,091
Building improvements	9,717,788	1,344,120	-	-	11,061,908
Fixed equipment	19,635,828	636,929	-	-	20,272,757
Major movable equipment	42,662,993	4,624,041		(237,370)	47,049,664
	\$ 88.584.822	\$ 7.644,922	\$ -	\$ (237,370)	95,992,374
					\$ 61,837,130

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EIN: 03-0183483

Name: RUTLAND HOSPITAL INC

DBA RUTLAND REGIONAL MEDICAL CENTER

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

Compensated Employees, and	1				LOTS	•		(5)	(E)	(F)
(A) Name and Title	(B) Average hours	(C) Position (check all that apply)						(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of other
	per week	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
BILL BANNERMAN DIRECTOR	1 0	х						0	0	0
GORDON H CHADER DIRECTOR	1 0	Х						0	0	0
J CHRISTIAN HIGGINS MD DIRECTOR	1 0	Х						5,000	0	0
JESSICA L ANDERSON VICE CHAIRMAN	1 0	Х		x				0	0	0
JOAN F GAMBLE SECRETARY	1 0	Х		х				0	0	0
JOHN R BRUMSTEAD MD DIRECTOR THRU 08/11	1 0	Х						0	0	0
JON S READNOUR ESQ CHAIR	1 0	Х		х				0	0	0
JOSEPH GIANCOLA DIRECTOR THRU 04/11	1 0	Х						0	0	0
KIRK DUFTY MD DIRECTOR	1 0	х						254,619	0	21,390
MARK K FOLEY DIRECTOR	1 0	Х						0	0	0
MARY E MORAN DIRECTOR THRU 04/11	1 0	х						0	0	0
MATTHEW A CONWAY MD DIRECTOR	1 0	х						293,517	0	35,999
MICHAEL MCCORMACK DIRECTOR THRU 09/11	1 0	х						0	0	0
RON J CIOFFI DIRECTOR	1 0	Х						0	0	0
VICTORIA P YOUNG DIRECTOR THRU 04/11	1 0	х						0	0	0
CLAUDE LAPERLE DIRECTOR	1 0	х						0	0	0
DANIEL M FOLEY MD DIRECTOR	1 0	х						325,595	0	13,888
JOHN R BUTTERLY MD DIRECTOR	1 0	х						0	0	0
MICHAEL DICK MD DIRECTOR BEG 05/11	1 0	х						0	0	0
STEPHEN LEFFLER MD DIRECTOR BEG 09/11	1 0	Х						0	0	0
CORT JONES DIRECTOR BEG 05/11	1 0	Х						0	0	0
TJ SABOTKA DIRECTOR BEG 05/11	1 0	Х						0	0	0
THOMAS WHUEBNER PRESIDENT & CEO	40 0			х				439,644	0	48,361
EDWARD T OGORZALEK CFO	40 0			х				248,593	0	49,337
MARY T NEMETH VP CORPORATE SUPPORT SVCS	40 0				Х			187,117	0	30,518

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

(A) Name and Title	(B) Average hours	(C) Position (check all that apply)						(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of other
	per week	Individual trustee <i>o</i> r director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
BAXTER HOLLAND VP PROFESSIONAL SUPPORT SVCS	40 0				х			325,021	0	45,013
DORCAS WARD VP HOSPITAL SVC	40 0				х			182,862	0	37,658
BARBARA ROBINSON VP CLINICAL SERVICES	40 0				х			202,302	0	36,051
MARY KOHANSKI VP HUMAN RESOURCES THRU 04/11	40 0				х			165,933	0	24,327
CHRISTOPHER LAFAVE VP PHYSICIAN PRACTICES	40 0				х			155,398	0	25,831
DARREN CHILDS VP QULAITY IMPROVEMENT	40 0				х			155,301	0	31,204
KATHLEEN LETENDRE VP PLANNING & ORG EXCELLANCE	40 0				х			152,515	0	31,451
JI CHEN DIRECTOR OF PHARMACY	40 0				х			159,532	0	10,117
HARVEY REICH MEDICAL DIRECTOR ICU	40 0					Х		380,286	0	46,053
MICHAEL KENOSH MEDICAL DIRECTOR REHAB SVCS	40 0					Х		433,227	0	38,659
ROBERT GIERING PHYSICIAN	40 0					Х		346,961	0	38,512
EITAN SOBEL PHYSICIAN	40 0					Х		323,839	0	34,523
MARIE PAVINI PHYSICIAN	40 0					Х		300,343	0	26,681
RONALD FUSCHILLO CIO THRU 07/10	40 0						Х	139,598	0	18,923